



The new world of international trademark in support of WTO-TRIPs with special reference to USA and EU

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Abstract

The new world of the international Trademark has created intense demands on new trademarks. Globalisation can progress if there is minimum conflict in laws between countries and there exists a more or less similarity or parity between them. It becomes important to get a comparative perspective on law not only for minimizing conflict but also for adopting the best practices to harmonise the different legislations. The comparative analysis of the trademark protection in India with US and European Union is an attempt to study the legislative and the judicial approaches in these countries to deal with trademark issue in physical as well as virtual world. It is worthy to mention that while illustrate the comparison of the entire scheme of the trademark legislation of India with, US and European Union is not minutely analysed. Relevant aspects of the legislation of respective countries that are corresponding to the research are only considered. At the end, the researcher explains the scope of emerging judicial trends in India for comparative analysis.

Keywords: trademark, trademark laws, legislation related to US, EU and India

Introduction

An image is not simply a trademark, a design, a slogan or an easily remembered picture. It is a studiously crafted personality profile of an individual, institution, corporation, product or service.

Daniel J. Boorstin ^[1].

This new world of the international Trademark has created intense demands on new trademarks ^[2]. Trademark skeptics are not limited to the developing world; technologies facilitate the flow of trademark images across nation's borders. When one person copies the other person's well-known product then it is necessary to protect these features so as to claim the defence of infringement by plaintiff or defendant. In US, unless otherwise the singer demonstrates that a particular song of a band is super hit, trademark cannot be obtained, for instance "Stand by your man" song can be trademarked as it has been performed publicly two million times. "Better Class of Losers" a country song cannot be trademarked as it is performed only 47,000 times this ruling was held by the court in Tree Publishing Co. V. Warner Bros. Records. In EMI Catalogue Partnership V. Hill Holiday, Connors, the court conducted a poll in which it was accorded that "Sing, Sing, Sing" by Benny Goodman is the 100 most important musical works of the 20th century which acquired trademark protection for a song title. A trademark right in a song always depends upon the level of popularity it has acquired. As the legendary singer Usha Uthup -At a time when no performer in India, hired image managers or costume designers her brand image traditional silk sari, the flowers or the gajra her hair, bangles, bindi, and shoes, was the clever marketing strategy used by her in the industry for reputation ^[3]. Currently, India film industry has become battleground of Intellectual Property squabbles. The most suitable instance in this regard is the

movie Padmavati, change the movie's title to Padmavat apart from other controversies attached to the movie, trademark infringement notice was issued to the makers for the song titled Ghoomer ^[4].

1. Scope for the Protection of Trademark

The concept of 'Trademark' is not new in the Indian scenario. In this 21st century of commercial, technical and scientific advancement, the importance of 'trademark' to a business house or the manufacturer of goods to which such marks are applied cannot be undermined. The increasing number of litigations in the trademarks arena does prove the fact of its increasing importance. 'Trademark' as the name itself suggests, is a 'mark' inclusive of a visual symbol, a word, collection of words, combination of colours, and any form of graphical representation which is used to distinguish the goods of a particular manufacturer from similar goods manufactured or dealt with by other persons. Precisely, Trademarks trace the ownership of the goods in respect which they are used, and also represent the goods as being of a particular quality. Thus the 'mark' creates an 'image' or rather advertises the product for which it is used. It will not be an understatement to say that today almost all the big brands in any industry are recognized by their trademark. Eg: The unique style in which the letter 'A' is written in 'Amul' or the 'Parle-G girl' for Parle-G biscuits ^[5].

™ Is used to indicate that the trademark is unregistered but this mark is used for promote goods. It can be used even for trademarks for which registration is not applied to claim use over it.

® Is used to represent a registered trademark/ service mark that provides the applicant complete ownership and legal rights over the trademark/ service mark.



Source [6]

Fig 1

At the core of trademark law there has long been the black letter principle that the stronger a trademark is, the greater the likelihood that consumers will confuse similar marks with it thus the wider the scope of protection the mark should receive. The relation between trademark strength and trademark scope is always positive. The strongest marks receive the widest scope of protection [7]. For specific goods like perfume, soap, or automobiles, the scope of protection for a trademark should be narrowly applied to the marketing area of the product. However, with licensors licensing famous trademarks for a plethora of products, that narrow scope of protection has expanded broadly in recent years. Are a perfume trademark and an automobile trademark likely to cause confusion if similar names are used? As an example of this kind of potential trademark confusion, Harley Davidson Motorcycle Company is licensing its name for a perfume [8].

The researcher opted to look at the legislative and judicial framework of India with special reference to US and European Union and then divided the paper accordingly -

Firstly, the US has one of the most comprehensive systems consisting of numerous special statutes for protection and enforcement of Trade Marks.

Secondly, India being a colony of the UK shares many similarities with regard to overall legal system and its functioning. It is noteworthy that the Indian Trademark legislation has many provisions that are influenced by the Trade Mark Act, 1994 of the UK.

Lastly, a comprehensive analysis of US and EU's legal system was a sine qua non to understand the status of Indian Trademark laws.

2. International system of Trademark protection in different countries with similarities and dissimilarities in context of India

Be it India or the US or the EU, all three countries have made trademark laws adhering to the eight fundamental principles and the TRIPs Agreement, Paris Convention, and the Madrid Protocol. However, their structure and implementation in certain cases vary and this variation has been addressed hereafter-

2.1 The Fundamental Principles governing each of such countries including India, USA and the EU are as follows-

To fulfil the object and aims of trademarks, and in consonance with its functions, all the countries have unequivocally accepted the eight fundamental principles of trademark protection- [9]

1. It is common knowledge that trademark registration confers upon the proprietor a monopoly right to use the concerned mark. But, since no right can be absolute some

restrictions are to be imposed on the use of certain classes of words/symbols /other representations as marks.

2. It should be maintained that the registration of a trademark should not be interfering with its bona fide use by persons who intend to use it in ordinary sense and ordinary purposes.
3. Since property rights in a trademark are acquired by the use of superior and similar rights obtained by registration, prior users of a trademark should be protected against any monopoly right.
4. The two main interests which are to be protected are – the interest of the public, so that the mark to be registered does not mislead the public; and the interest of the existing traders who may object if the mark is capable of being confused with existing marks. Similar observations were made by Lord Diplock “It has been held up on grounds of public policy that a trader ought not to be allowed to obtain by registration under the Trade Marks Act a monopoly in what other traders may legitimately desire to use [10].”
5. Since it is also a matter of public policy, any public who wishes to object to the granting of registration to any trademark must be allowed to present his objections along with reasons.
6. It must be taken into consideration that situations may arise where a trader has been using a particular trademark for years although a similar mark is registered. Such a trader who has not registered his trademark but has been using it honestly and in good faith should not be deprived of the benefits of registration merely because he has not registered. Such registration is to be subject to certain suitable limitations and conditions.
7. The trademark should be put to continuous use. Stopping its use will result in its eventual death as there will be no equitable or logical basis of continuing with the protection of such a trademark.
8. A trademark is an intellectual property. The term ‘proprietor of a trademark’ is therefore used in its definition making it both assignable and transferable like any other property. However, owing to its nature, this kind of property cannot be assigned or transferred without adhering to certain conditions and limitations [11].

2.1.1 What constitutes a Mark under different regimes?

In India, the definition of trademark is not just descriptive but exhaustive as well. The Indian law is very clear on what may be a trademark. There are no stipulations as to what may not be a trademark. The Supreme Court in *Laxmikant Patel v. Chetanbhat Shah* [12] held that the definition of trademark under Indian law is very wide and means a mark which is capable of being represented graphically and is capable of distinguishing the goods or services produced and provided by various persons [13]. It, inter alia, includes a name or a word, abbreviation of a word or a name along with shape of goods, their packaging, and combination of colours [14].

In US, Trademark law in the US is governed by the Lanham Act. Its definition of the term ‘trademark’ is very broad in its description as to what may constitute a mark [15]. This definition, unlike the Indian definition, is only exhaustive as it is not very descriptive compared to the Indian definition. This

makes the definition under the Lanham Act much wider than that of the Indian law. This definition is also quite unrestrictive in nature as a symbol or device may be meant to include a wide array of things.

In EU, The trademark law followed by the European Union is called the Community Trade Marks (CTM). The CTM does not exclusively define a trademark or state what constitutes a trademark. As compiled from the various regulations, a trademark includes a 'word mark' [1] and other marks consisting of numerals, letters, and signs for which the applicant does not claim any special graphic representation or colour [16].

2.1.2 What constitutes Use Under different regimes?

In India, a trademark loses its lifeline when it falls into non-use for a considerable period of time. The registration of a trademark may be attacked on the grounds of non-use under the Indian Trade Marks Act 1999. In such a case the mere fact that the mark is in use outside India or that the mark has an international reputation will not be sufficient to prevent it from its demise. In this aspect, the Indian Judiciary had given a wide meaning to the term 'use.' The Supreme Court held that the use of a trademark may also be 'non-physical' but it is pertinent that such use is 'material', as in, meaningful. For instance, the use of trademark on invoices is deemed to be 'use' in connection with the goods which the mark represents. However, an advertisement will not be used under the Act, unless it is used in relation with the sale of some goods, like it was held by the Supreme Court in a case relating to the use of Toshiba Corporation's logo in an advertisement in India.

In EU, This test is very similar to the test under the Community Trade Marks (CTM) of the European Union where the use should not be some mere symbolic use. The use should be 'genuine' meaning the use should be actual and authentic [17]. The point being that the Indian law is much wider when it comes to defining what constitutes 'use'. The judiciary has been very active in this aspect so as to prevent the hardships of the traders and producers.

In US, the US trademark law makes a difference between the actual use of a mark and the intent to use a mark. Although registration can be applied for by producers under both circumstances, i.e., actual use of a mark and bona fide intention of using a mark, the registration is not granted by the Patents Office unless the actual use of the mark is shown and the use of this mark should be shown again after the 5th and 6th year and at the time of renewals in order to maintain the registration [18].

3. Laws for the protection of the Infringement of Trademark: Position of India comparison to US and EU

In India, infringement of trademark protection amounts to penalised offences under the Chapter XII of the Trade Marks Act, 1999. Further, administrative proceedings are available to applicants for dealing with grievances relating to registration. The Act provides for the establishment of the Intellectual Property Appellate Board (IPAB) under Section 83 of the Act where the appeals are to be preferred after proceedings have been conducted before the Registrar of Trademarks.

The IPAB is to be constituted of a Chairman, Vice-Chairman and a bench comprising of a technical member and a judicial

member, as appointed by the Central Government. The proceeding and appeal procedures are to be conducted in accordance with the procedural laws of the country.

Cancellation of Registration matters may also be preferred before one of the four High Courts of Delhi, Bombay, Calcutta and Madras as these Courts have the authority to try IPR cases. If a particular suit is outside the jurisdiction of these Courts, the suit must be instituted in the relevant District Court. The Indian Judiciary has been promoting the need for an expeditious disposal of intellectual property infringement cases [19].

In the EU, the Register is maintained by the EUIPO and the trademark protection is valid for 10 years (same as in India under Section 25 of the Indian Trade Marks Act, 1999). Administrative hearings are also a part of the US and EU trademark law system.

In the US, trademark is registered with the USPTO Trademark Examiner and the entries are made in the Principal Register. Infringement cases can be tried in the Federal courts of the country while cases relating to registration are to be tried before the Trademark Trial and Appeal Board. Additionally, the US Customs has the power to prevent goods bearing infringing marks from being imported into the country.

Being a matter of trade and commerce, capable of derailing the entire system, it is important that the nations keep certain parity while formulating laws on intellectual property protection, and in this case, specifically trademark protection. India, US and the EU, though a little different in their approaches to the trademark law jurisprudence have been adhering to all the important international agreements, conventions and protocols such as the TRIPs Agreement, The Paris Convention and the Madrid Protocol.

Let's take the EU to being a single country although it is essentially a community of all the European countries. EU effectively brings an entire set of countries under its umbrella thus creating a larger harmony in the trademark statutes of the world. All three countries have incorporated the definition of trademark, use, and so on from the *TRIPs Agreement* into their respective legislations. Registration procedures have been orchestrated and echoed through the Paris Convention in all three legislations. India has incorporated special provisions under the Madrid Protocol in Chapter IV A of the Indian Trademarks Act, 1999 through the Amendment Act 40 of 2010. US and EU have also acted and enacted laws with strict adherence to the protocol [20].

4. Emerging Judicial trends on Trademark law in India

In the United States, Congress first attempted to establish a federal trademark regime in 1870. Congress revised the Trademark Act in 1905 [21]. The Lanham Act of 1946 updated the law and has served, with several amendments, as the primary federal law on trademarks [22]. The Trade Marks Act 1938 in the United Kingdom set up the first registration system based on the "intent-to-use" principle [23]. India borrowed the British Trademark Act, 1938 and prepared the first Act on the subject as Trademark Act of 1940. Independent India molded the Trade & Merchandise Mark Act, 1958. The Act is operative as Trademark Act, 1999 which came into force with effect from 30th day of December 1999 [24]. Thus, the origin of Trademark law in India can be

traced back prior to 1940 when common law principles of equity and passing off were administered for the protection of trademarks [25].

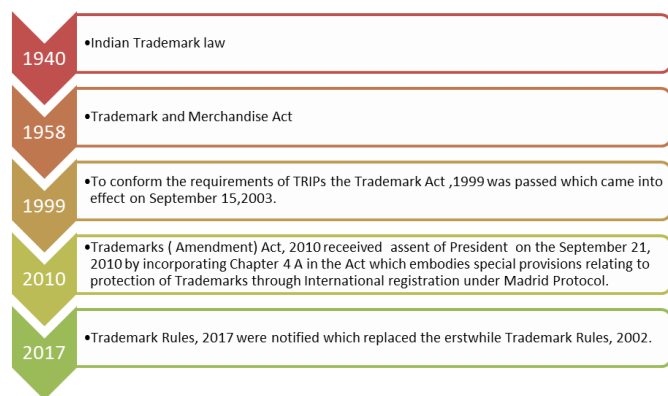


Fig 2

Besides to the most recent developments, in order to bring progressive changes towards a free market society, rapid liberalization of international trade practices and demonstrating its commitments to the WTO under the TRIPS, the Government of India undertook a series of steps, to conform India IP legislation to acceptable international standards. The regulations relating to all forms of IP have been amended or reissued in recent years, main in response to India's accession to the WTO. Trademark law brought at par with international practices.

To bring Indian trademarks law in line with international practices and to ensure implementation of India's commitments under the TRIPS Agreement, India replaced the Trade and Merchandise Marks Act, 1958, with the Trade Marks Act, 1999. Service marks, for the first time, made protectable through registration. The definition of 'trade mark' now includes graphic representations, shapes, packaging's and combinations of colours, thereby widening IPR protection. The procedure for registration of trademarks expedited by removing the earlier system of Part A and B registration. In addition, only a single application need now be filed for registration of a trademark in different classes. The 1999 Act also provides for the classification in conformity with recognized International Classification of Goods and Services. The period of registration and renewal has been increased from seven to ten years the definition of 'trademark infringement' has been broadened to give protection beyond the use of identical/deceptively similar marks in relation to goods for which they are registered. An action for infringement of trademark/passing-off can be filed in a district court within whose jurisdiction the plaintiff (trademark proprietor) resides or carries on business, as against the earlier law which required the suit to be filed at the defendant's place. Under the new law, both registered and unregistered trademarks can be assigned with or without the goodwill of the business. By way of the Trademarks (Amendments) Rules, 2014, the fee with respect to trademark filing has been increased in certain cases. The fee for an expedited examination has also been increased. Further, the Trade Marks Registry recently issued an Office Order little with respect to alterations that may be made to an application for trademark

registration. This Order enlists certain 'substantial alterations', which would not be allowed; and other alterations, primarily clerical in nature. Recently Trademarks (Amendments) Rules, 2017, entirely focused on the simplification of Trademark registration [26].

The Trade Mark Rules, 2017 have been notified and have come into effect from 06th March, 2017. These Rules, which replace the erstwhile Trade Mark Rules 2002, will streamline and simplify the processing of Trade Mark applications [27].

1. Modalities for determination of well-known trademarks have been laid out for the first time.
2. The provisions relating to expedited processing of an application for registration of a trade mark have been extended right upto registration stage (hitherto, it was only up to examination stage).
3. Over all fees have been rationalized by reducing the number of entries in Schedule I from 88 to just 23.
4. Modalities for service of documents from applicants to the Registry and vice-versa through electronic means have been introduced to expedite the process; e-mail has been made an essential part of address for service to be provided by the applicant or any party to the proceedings so that the office communication may be sent through email.
5. Hearing through video conferencing has been introduced.
6. Number of adjournments in opposition proceedings has been restricted to a maximum of two by each party, which will help dispose of matters in time.
7. Procedures relating to registration as Registered User of trademarks have also been simplified.

It may be recalled that the examination time for a TM application has already been brought down from 13 months to just 1 month in January 2017; this is despite a stupendous 35% jump in TM filings in 2015-16 vis a vis the previous year. The new Rules should give a boost to the Intellectual Property Regime in India [28].

Conclusion with importance of trademark registration in India

Brands and trademarks are at the heart of every business, and are amongst a company's most valuable assets. It is estimated that 6% of all investment in the UK is invested in brand creation. A brand or trade mark is the principal means by which a company can distinguish its goods or services from those of its competitors, develop its own unique brand image and build up brand loyalty amongst consumers. With the emergence of competitive market economy, manufacturers began to identify their products by certain symbols, marks or devices so as to distinguish their goods from similar goods manufactured and marketed by others. This led to the emergence of trademark in the developing economies. Trade mark serves two important purposes (i) it protects the public from confusion and deception by identifying the source or origin of particular products and (ii) it protects the trade mark owner's trade and business as well as the goodwill which is attached to the trademark.

Registration of trademark serves an important purpose in line of securing a trademark from being misused. In order to observe the importance of registration, need to look at the benefits which are conferred through registration. Section 28 of the Trade Marks Act, 1999 talks about Rights conferred

through Registration. This section clearly explains how registration gives the exclusive right to use the trade mark in relation to the goods and services in respect of which the trade mark is registered. It further establishes that one can obtain relief in respect of infringement of the trademark in the manner provided by the act.

Another way of observing the importance of registration is to consider drawback of not being a registered user. This can be explained through section 27 of the Trade Mark Act, 1999 which talks about "Passing Off". The section explains that, no person shall be entitled to institute any proceeding to prevent, or to recover damages for the infringement of an unregistered Trademark.

This clearly establishes that, if a trademark is not a registered trade mark, then it becomes difficult to make exclusive use of it. Further when it comes to suing for infringement and obtaining relief, it becomes easy when the Trademark is registered trademark. This clearly shows that it is imperative and in the interest of the user to get his trademark registered.

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15. Section of the Lanham Act that a trademark Includes Any Word, Name, Symbol, Or Device, Or Any Combination Thereof. 1127.
16. An overview of conditions for registration and scope of protection for various trade mark categories under comparison from the perspective of the CTMR from http://euipo.europa.eu/en/office/ejs/pdf/von_Kapff.pdf
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27. Based on stakeholder's feedback, the fees for individuals, start-ups and small enterprises have been reduced from that proposed in the draft Rules – i.e. only Rs 4,500 as against Rs 8,000 for e-filing of TM applications proposed at the draft stage from

http://www.ipindia.nic.in/writereaddata/Portal/News/312_1_Trade_Marks_Rules_2017__English.pdf

Press Information Bureau Government of India Ministry of Commerce & Industry, <http://pib.nic.in/newsite/PrintRelease.aspx?relid=158879>
The Trade Mark Rules, 2017.

1) Number of Trade Mark (TM) Forms have been reduced from 74 to 8.

2) To promote e-filing of TM applications, the fee for online filing has been kept at 10% lower than that for physical filing.

3) Based on stakeholder's feedback, the fees for individuals, start-ups and small enterprises have been reduced from that proposed in the draft Rules – i.e. only Rs 4,500 as against Rs 8,000 for e-filing of TM applications proposed at the draft stage from

http://www.ipindia.nic.in/writereaddata/Portal/News/312_1_Trade_Marks_Rules_2017__English.pdf

28. *Id.*