

GETTING THE DEAL THROUGH®

Trademarks

in 52 jurisdictions worldwide

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Contributing editor
Michelle Mancino Marsh
Kenyon & Kenyon LLP

Publisher
Gideon Robertson

Business development managers
Alan Lee
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Dan White

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Media coordinator
Parween Bains

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Sophie Hickey

Trainee research coordinator
Robin Synnot

Marketing manager (subscriptions)
Rachel Nurse
subscriptions@gettingthedealthrough.com

Head of editorial production
Adam Myers

Production coordinator
Lydia Gerges

Senior production editor
Jonathan Cowie

Production editor
Martin Forrest

Director
Callum Campbell

Managing director
Richard Davey

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87 Lancaster Road
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Fax: +44 20 7229 6910

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India

P V Balasubramaniam, D Ferdinand and K M Aasim Shehzad

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1 Ownership of marks

Who may apply?

Any person claiming to be the proprietor of a trademark or service mark, used or proposed to be used by them can file an application for registration under the Trade Marks Act, 1999 (the Act). The term 'person' shall include any individual, company, partnership firm, Hindu undivided family, society, association of persons or body of individuals (whether registered or not), a trust, central or state government-owned company, government organisation, etc. If two or more persons claim to be joint proprietors of a trademark they must make a joint application for registration.

2 Scope of trademark

What may and may not be protected and registered as a trademark?

For purposes of registrability, what may be protected and registered as a trademark includes:

- any name (including personal or surname of the applicant or predecessor in business or company name or the signature of the person), which is not unusual for trade to adopt as a mark. It may be represented in a special or particular manner;
- signature mark being signature of the applicant;
- invented word or any arbitrary dictionary word or words, not being directly descriptive of the character or quality of the goods or service;
- letters or numerals or any combination thereof;
- devices, including fancy devices or symbols;
- monograms;
- a combination of colours or even a single colour in combination with a word or device;
- shapes of goods or their packaging;
- marks constituting a three-dimensional sign; and
- sound marks when represented in conventional notation or described in words for being graphically represented.

The requisite for registrability of the mark is to be assessed on the basis of the definition of the expression 'trade mark' contained in section 2(2)(zb), read with section 9, which sets out the absolute grounds for refusal of registration, namely objections arising out of the mark itself or use of the mark being against public interest or being contrary to the specified law. In addition, the objection to the mark may also arise under section 11, which sets out 'relative grounds' based on prior third-party rights.

In order to be registrable, the mark shall be:

- capable of being represented graphically;
- capable of distinguishing the goods or services of one person from those of others; and

- used or proposed to be used in relation to the goods or services 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, with or without the identity of that person.

The registration, if valid, of a trademark as per section 28 of the Act confers on the proprietor of the mark, the right to the exclusive use of the mark in relation to the goods in respect of which it is registered, that is to say, the right to exclude others from the use of the trademark, to restrain the infringement of the mark and to obtain relief in respect of any infringement. This is in addition to the proprietor's right under sections 11 and 12 of the old Act (Trade and Merchandise Marks Act, 1958) to object to another person registering a trademark that is same or deceptively similar to the mark already registered by them in respect of the same goods or description of goods or services. The types of activities that can be prohibited by the existence of a registered trademark are those that are set out in section 29 of the Act.

Subsection (1) of section 27 states that 'no person shall be entitled to institute any proceeding to prevent, or to recover damages for the infringement of an unregistered trade mark'. Subsection (2) of section 27 at the same time explicitly provides that nothing in this Act shall be deemed to affect the rights of action against any person for passing off goods or services as the goods of another person or as services provided by another person or the remedies in respect thereof. In other words, the Act provides that while no infringement action will lie in respect of an unregistered trademark, it recognises the common law rights of the trademark owner to take civil and criminal action against any person for passing off goods or service as those of another person and the remedies thereof.

Therefore, rights pursuant to registration confer statutory right to initiate an action for infringement. It is dependant upon the validity of registration and is subject to the other restrictions laid down in sections 30, 33, 34, 35 and 36 of the Act. The gist of passing-off action, on the other hand, is that a person has no right to pass off his or her goods as the goods of somebody else. An action for passing off is thus a generalised action and is enforceable in respect of registered as well as unregistered trademarks.

3 Common law trademarks

Can trademark rights be established without registration?

Yes, trademark rights under common law are recognised in India. Any proprietor of a trademark can establish their right over a mark whether registered or not, provided they have been using the mark prior to their competitor and the mark is well known.

4 Registration time frame and cost

How long does it typically take, and how much does it typically cost, to obtain a trademark registration? What circumstances would increase the estimated time and cost of filing a trademark application and receiving a registration? What additional documentation is needed to file a trademark application?

Section 23 of the Act has prescribed a time limit of 18 months to complete the process of registration. However, on account of administrative exigencies, it takes about two years and in certain cases even three years to obtain the registration certificate. The statutory fee for filing an application for registration of a trademark is 3,500 Indian rupees per mark per class and that of collective mark or certification trademark is 10,000 Indian rupees. The fee of the trademark agent or counsel for each mark ranges from 10,000 to 30,000 Indian rupees for processing the registration and obtaining the certificate. If a trademark application is opposed by a third party the applicant will have to incur additional costs, which will vary depending on facts and circumstances of each case. The power of attorney is sufficient for the purpose of filing the trademark application. If the application is objected by the registry or opposed by a third party, then the applicant will be required to provide documentary evidence in support of his application.

5 Classification system

What classification system is followed, and how does this system differ from the International Classification System as to the goods and services that can be claimed? Are multi-class applications available and what are the estimated cost savings?

In India, the Classification System regarding the goods and services corresponds with the International Nice Classification System. The Indian Trade Marks Act, 1999 has classified the goods and services into 45 categories, of which classes 1 to 34 relate to goods and the remaining classes 35 to 45 relate to services. Multi-class applications are available as a matter of convenience and there are no significant savings.

6 Examination procedure

What procedure does the trademark office follow when determining whether to grant a registration? Are applications examined for potential conflicts with other trademarks? May applicants respond to rejections by the trademark office?

The proprietor of a trademark can get his or her mark registered by filing the prescribed application (three copies of form TM-1 and five copies of the additional representations). The registrar will return one of the additional representations filed and the same will bear the application number assigned by the Trademark Registry to the application.

After filing, the mark is sent for examination to ascertain if it satisfies the registration requirements specified in response to question 2. If there are no conflicting marks on the register and the mark satisfies the criteria as set out in the Act, the mark is advertised before acceptance in the *Trade Marks Journal* and is open for public opposition for a period of four months.

In case the trademark does not fulfil the requirements as set out in response to question 2, the registrar would issue an examination report with the objections and the applicant is required to send a written response to the said objections within a period of one month. On receipt of the written response, the application is listed for hearing and after hearing the applicant, the registrar may either decide to advertise the mark in the *Trade Marks Journal* or reject the application and communicate his or her decision. The applicant, if dissatisfied with the order can file an appeal before the Intellectual Property Appellate Board (IPAB).

7 Use of a trademark and registration

Does use of a trademark or service mark have to be claimed before registration is granted or issued? Does proof of use have to be submitted? Are foreign registrations granted any rights of priority? If registration is granted without use, is there a time by which use must begin either to maintain the registration or to defeat a third-party challenge on grounds of non-use?

The application to register a mark can be filed mentioning the user claim date or stating that it is proposed to be used. Proof of use shall be required if the mark is not distinctive and cannot be distinguished, or if the mark is generic to trade or practice, or if it is deceptively similar to a well-known mark or registered mark.

As India is a signatory to the Paris Convention, if a person has made an application for registering a mark in a Convention country, then he or she can claim priority in India.

Any proprietor of a mark is expected to put in use the registered mark within five years from the date of registration, failing which it would be a ground for rectification or cancellation as per section 47 of the Act. The restriction on usage of the mark may be exempted only if there is some prohibition in India, on account of which the mark could not be used.

8 Appealing a denied application

Is there an appeal process if the application is denied?

Yes, within 30 days from the receipt of communication of an order, the party who intends to file an appeal against the registrar's order shall submit a form requesting for a detailed order. Within three months from the date of receipt of such detailed order, any person aggrieved by an order or decision of the registrar may appeal to the IPAB, as stated in section 91 of the Act.

9 Third-party opposition

May a third party oppose registration, or seek cancellation of a trademark or service mark? What are the primary bases of such challenges, and what are the procedures? May a brand owner oppose a bad-faith application for its mark in a jurisdiction in which it does not yet have protection?

Section 21 of the Act entitles any person to oppose an application for registration, whether or not he or she has a personal interest in the matter. The law in this respect is to be distinguished from proceedings in respect of rectification of register and cancellation or variation, where an application can be filed in the prescribed manner only by 'any person aggrieved'. No such requirement exists in the case of opposition.

No specific grounds of opposition to registration of a trademark are prescribed by the Act or the Trade Mark Rules, 2002. There is no limitation of the grounds on which registration may be opposed and the opponent is entitled to take any well-grounded objection challenging the registration of the mark and he or she is not confined to objections based on interference with his or her rights alone. For instance, that the mark is not qualified for registration under section 9 of the Act or that the mark offends against section 11 or any other provision of the Act or the Rules.

A third party may oppose the registration of a trademark after the publication of the mark in the *Trade Marks Journal*. On receipt of notice of opposition, the registrar shall serve a copy to the applicant. If the applicant fails to file his or her counter statement within two months, the application itself shall be deemed to be abandoned. If any counter statement is filed, the registrar shall serve a copy to the opposing party, then the matter will be taken up for evidence and the registrar will also serve notices of hearing. Upon completion of the hearing, the registrar shall pass orders on merits.

As per section 57 of the Act, a person aggrieved by the registra-

tion of a trademark may file an application for the cancellation of the trademark either before the IPAB or the registrar. The procedure for cancellation of a trademark is similar to that of the opposition proceedings, although the grounds may vary.

The brand owner can oppose a bad-faith application for its mark in India even if does not yet have protection.

10 Duration and maintenance of registration

How long does a registration remain in effect and what is required to maintain a registration? Is use of the trademark required for its maintenance? If so, what proof of use is required?

As per section 25 of the Act, a trademark once registered shall be in effect for 10 years from the date of application and can be renewed every 10 years on an application with the prescribed fee. The proprietor of a trademark has to use it for commercial purposes as non-use of a registered trademark can be a ground for cancellation of registration. If the mark is in use the proprietor shall prove usage of the mark by relying on documentary evidence such as invoices, stationery, labels, package, advertisements etc. However, if it is challenged on the ground of non-use the initial onus is on the person alleging non-use.

11 The benefits of registration

What are the benefits of registration?

Registration of a trademark is not mandatory under Indian law. However, the effect of registration as per section 28 is that no other person can use the trademark without the consent of the proprietor as the registered owner has exclusive rights to use the trademark. It gives the registered proprietor a right to initiate infringement proceedings against any person who uses the trademark without authorisation, even if it is deceptively similar. Unregistered proprietors can only maintain an action of passing off as a common law remedy.

A registered user has the advantage of initiating infringement proceedings in courts within the jurisdiction of the place of business of the applicant, whereas an unregistered proprietor can initiate action for passing off in courts within the jurisdiction of the place of business of the infringer. A registered trademark can be assigned or licensed.

Registration is taken as prima facie evidence of its validity. Registration also enables the proprietor of a mark from using border control regulations such as the Intellectual Property Rights (Imported Goods) Enforcement Rules, 2007.

12 Licences

May a licence be recorded against a mark in the jurisdiction? Are there any benefits to doing so or detriments to not doing so?

Licences may be recorded with respect to a registered mark. The recording of a licence provides a higher degree of evidentiary value and enables the person in whose favour the licence has been granted to initiate a case for infringement in his own capacity or along with the registered proprietor.

13 Assignment

What can be assigned?

Sections 37 to 45 of the Act deal with Assignment and Transmission. Being a species of property, right in a trademark is licensable, assignable and transmissible as any other right in a property. It may pass to the successor on the death or bankruptcy of the owner or amalgamation or merger of two enterprises. A registered and unregistered trademark is assignable with or without the goodwill of the business

concerned. Article 21 of the TRIPS Agreement mandates that 'the owner of a registered trade mark shall have the right to assign the trade mark with or without the transfer of the business to which the trade mark belongs.' While the right in a trademark continues to vest with the proprietor where licensing is concerned, there is a change in ownership of the trademark in case of assignment. Rules 68 to 79 of the Trade Mark Rules, 2002 contain the procedural rules in respect of assignment and transmission.

14 Assignment documentation

What documents are required for assignment and what form must they take?

An application to register the title of a person who becomes entitled by assignment or transmission to a registered trademark shall be made on form TM 24 and/or form TM 23 together with the prescribed fee. The application should contain full particulars of the instrument under which the person claims to be entitled to the trademark together with the duly certified copy thereof. The original instrument may have to be produced at the time of application. The registrar may require statement of case to be verified by an affidavit on form TM 18 and may call upon the person to furnish such proof or additional proof of title as they may require for their satisfaction.

15 Validity of assignment

Must the assignment be recorded for purposes of its validity?

Assignment of a trademark has to be registered with the registrar of trademarks. The registrar is authorised to issue a certificate of validity of the proposed assignment on a statement by the proprietor of a registered trademark who proposes to assign the mark. However, the registrar is empowered to validate the assignments only when he or she is satisfied that it would not be contrary to public policy. The said certificate as to validity is conclusive unless vitiated by fraud. If the validity of the deed of assignment is disputed before any competent court, the registrar shall await the order of the said court before it could pass orders in the application for assignment (TM 24/TM 23).

16 Security interests

Are security interests recognised and what form must they take?

Must the security interest be recorded for purposes of its validity or enforceability?

Security interests including mortgage, charge, hypothecation are recognised in India. The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, which regulates the enforcement of security interests for financial institutions, recognises trademarks, patents and such intangible assets for the purpose of creating a security interest. A trademark, being an intangible property, can be subjected to a charge and it is better if the charge is registered for effective enforceability.

17 Markings

What words or symbols can be used to indicate trademark use or registration? Is marking mandatory? What are the benefits of using and the risks of not using such words or symbols?

The symbols used to indicate trademark use and registrations are TM, SM and ®.

TM and SM are used for a trademark and service mark respectively that are pending before the registrar of trademarks. The ® symbol can only be used when the mark is registered.

These symbols need only to appear in the first or most prominent portion of the mark. Omission of the aforesaid symbols does not invalidate or compromise a trademark owner's right to a trademark. Its purpose is to alert the public to the ownership of the mark. Marking with such symbols only enhances the benefits of registering a trademark. Benefits include:

- declaring rights of the proprietor over the registered trademark;
- prohibiting unauthorised usage of the trademark and claiming innocence to avoid liability; and
- serves as an advertisement to the brand.

Non-use of the symbols poses the risk of an unauthorised user taking the defence of failing to have noticed that the trademark is registered and that the plaintiff was a registered user.

18 Trademark enforcement proceedings

What types of legal or administrative proceedings are available to enforce the rights of a trademark owner against an alleged infringer or dilutive use of a mark, apart from previously discussed opposition and cancellation actions? Are there specialised courts or other tribunals? Is there any provision in the criminal law regarding trademark infringement or an equivalent offence?

The Trade Marks Act makes provision for civil and criminal remedies against infringement of a trademark under sections 134, 135 (relief in suit for infringement or passing off), section 103 (penalty for applying a false trademark), and section 104 (penalty for selling goods to which a false trademark or false trade description is applied). It is for the plaintiff to choose either or both the available remedies. Both actions can proceed simultaneously as they are clearly co-extensive and quite different in content and consequence. In addition to the Trade Marks Act, the Indian Penal Code, 1860 provides for remedies against infringement of property marks (section 479 and sections 481 to 489). While civil suits are filed before the jurisdictional district court or high court, criminal complaints are filed before the judicial magistrate. In addition to the remedies mentioned above, a registered trademark can be registered with the customs authorities under the Intellectual Property Rights (Imported Goods) Enforcement Rules, 2007 and infringing goods entering the country can be seized and destroyed by the customs authorities as per the prescribed procedures. The IPAB also plays a vital role in protecting the rights of a registered proprietor or an aggrieved person. An application for removal of a deceptively similar registered trademark can be filed before the IPAB.

The concept of the dilutive use of a trademark, although not specifically mentioned in the Trademark Act, can be classified as infringement under section 29(4) and to prove such a case all the elements of the said section ought to be satisfied. The course of action in such a case will be like any other infringement or passing-off case.

19 Procedural format and timing

What is the format of the infringement proceeding?

A civil suit can be initiated under the Civil Procedure Code, 1908 before the jurisdictional district court or high court for infringement and/or passing off, injunction, damages on account of profit and delivery of the offending labels or mark for destruction. Order VI of Code of Civil Procedure gives guidelines to the parties for preparing the pleadings. Order VII of Code of Civil Procedure deals with the plaint and order VIII deals with the written statement. Suit for infringement cannot be instituted in any court that is inferior to the district court but it does not bar filing of such a suit in any court that is superior to the district court. Interim orders are crucial in trademark infringement proceedings as the disposal of the suit takes time. Therefore, interim application for injunction is normally filed along with the suit for restraining the defendant from infringing

the registered trademark pending disposal of the suit. If the plaintiff makes out a *prima facie* case, then in most circumstances interim injunction is granted before trial. In India, various courts have different practice, for example, the high courts in Delhi and Mumbai do not grant *ex parte* injunction, whereas the Madras High Court based on the facts and circumstances of the case does grant *ex parte* interim injunction.

Evidence must be submitted by both parties in order to prove all relevant facts in issue, including registration, infringement and damages. Discovery is allowed and is obtained by interrogatories by leave of the court. Testimony as a rule is live and there is a right to cross-examine any witness. Expert witnesses are also allowed but their evidence must be limited to the matters in which they have expertise.

The disposal of such suit in India, if instituted in a high court, would ideally take about six to 12 years where in few cases when the interim orders are taken on appeal to the higher court, the lower court may be directed to dispose of the suit within a certain time frame, in most cases within a period of six to 12 months. In the event that such suits are filed before district courts on account of jurisdiction vested with such courts, the completion of proceedings is much quicker and suits may be disposed of within two to four years.

The criminal enforcement mechanism is governed by the Criminal Procedure Code, 1973. The complainant has the option of filing a private complaint before the judicial magistrate under section 200 of the Criminal Procedure Code, 1973 or a complaint is lodged with the police. The judicial magistrate on receiving the complaint shall examine the complainant and on being satisfied over its admissibility shall issue summons to the accused infringer. The police on receipt of complaint would draw up the first information report and thereafter the said complaint is sent to the registrar of trademark for an opinion. Based on the opinion of the registrar, the police would institute action and if they find sufficient evidence, they would remand the infringer into custody and produce him before a judicial magistrate. Thereafter, the police would prepare a final report and file the same before the judicial magistrate whereupon trial will commence. The time frame for conclusion of a criminal case cannot be speculated as the same depends on conclusion of various procedural compliances (completion of service on all accused, forensic examination of the goods confiscated from the infringer etc).

20 Burden of proof

What is the burden of proof to establish infringement or dilution?

It is relevant to note that reputation of the mark is an optional element for infringement in India. The thrust is on the certificate of registration as it affords proof of title to the registered proprietor as per section 31 of the Act. In an action for infringement, the registered proprietor need not produce evidence of use or reputation of the mark but merely rely on the fact of registration of the mark in his or her name in evidence of proprietorship and show that the alleged use of the mark by the defendant constitutes an infringement within the meaning of section 29 of the Act. However, since a certificate of registration issued under section 23(2) does not contain conditions and limitations subject to which the mark is registered or its renewal, etc, it is not to be used in legal proceedings. Therefore, under section 148(2), a certified copy of entry in the register may be obtained on application made to the registrar on form TM 46, which constitutes evidence of registration under section 137. In addition to the certificate of registration, the plaintiff must support his or her suit by evidence of infringement by the defendant or his or her agents or servants or by the admission of the defendant in answer to interrogatories. The plaintiff must show that the alleged use of the mark by the defendant constitutes an infringement within the meaning of section 29 of the Act. The general practice is to rely on evidence as to the sale of the articles in relation to which the infringing trademark

has been used by the defendant or his or her employees, and where necessary to resort to trap orders for this purpose. In cases of dilution of the owner's mark by a third party, the plaintiff will have to establish infringement by proving that the mark has built up a reputation and the defendant's use caused dilution of the same.

21 Standing

Who may seek a remedy for an alleged trademark violation and under what conditions? Who has standing to bring a criminal complaint?

The proprietor of a registered or unregistered trademark, registered user or their constituted agent can seek remedy by way of infringement or passing-off action. A licensee cannot by itself sue for an action for trademark violation. Criminal complaints can only be filed by the registered proprietor, registered user or their constituted agent.

22 Foreign activities

Can activities that take place outside the country of registration support a charge of infringement or dilution?

Yes, activities that take place outside the country of registration can be used to support a charge of infringement and dilution. India has signed the Customs Mutual Assistance Agreement with major trade partners to restrict the quantities of counterfeit goods circulating in international trade. The Agreement establishes formal guidelines and allows officials to share intelligence and data related to IP violations. India has also notified the Intellectual Property Rights (Imported Goods) Enforcement Rules, 2007, which aims to strengthen the legal framework related to IP and custom laws. It complies with the border control measures as required by the WTO Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPs). Border enforcement mechanism under TRIPs requires the right holder to inform customs of the violation of his or her right in order to suspend the clearance of counterfeit or pirated goods. Keeping in tune with the international practice, the IPR (Imported Goods) Enforcement Rules, 2007 empowers the customs officers in India to enforce intellectual property rights law.

23 Discovery

What discovery/disclosure devices are permitted for obtaining evidence from an adverse party, from third parties, or from parties outside the country?

Order XI of the Code of Civil Procedure, 1908, which deals with discovery and inspection, applies to trademark cases. The nature of a plaintiff's case is disclosed in their plaint and defendant's case in their written statement. But a plaint or a written statement may not sufficiently disclose the nature of a party's case, and to make good the deficiency, either party may administer interrogatories in writing to the other through the court. Interrogatories may also be administered by a party to their opponent to obtain an admission from them that facilitates their own case. The party to whom interrogatories are administered must answer them in writing and on oath. This is called discovery by interrogatories. The party to whom the interrogatories are administered discovers or discloses by their affidavit, in answer to the interrogatories, the nature of their case. Interrogatories shall be in form No. 2 in appendix C with such variations as circumstances may require (order XI, rule 4 of the Code of Civil Procedure, 1908). Interrogatories shall be answered by affidavit to be filed within 10 days or within such other time as the court may allow (order XI, rule 8 of the Code of Civil Procedure, 1908). Besides, discovery by way of answer to interrogatories, there is another species of discovery called discovery of documents (order XI, rule 12 of the Code of Civil Procedure, 1908). The documents sought to be discovered

need not be admissible in evidence in the proceedings. It is sufficient if the documents would be relevant for the purpose of throwing light on the matter in controversy. Failure to produce documents when ordered will result in the court drawing an adverse inference that, if produced the documents would have gone against the party failing to producing them. Issues pertaining to cost for employing discovery techniques are specified in order XI, rule 3 of the Code of Civil Procedure, 1908.

24 Timing

What is the typical time frame for an infringement or dilution, or related action, at the preliminary injunction and trial levels, and on appeal?

There obviously cannot be any fixed time frame for infringement or dilution actions at the trial court level. The preliminary injunction stage can in all probability last about two to six months followed by an appeal against the order granting or refusing injunction, which comparatively takes a shorter time and is completed in about two to three years.

25 Litigation costs

What is the typical range of costs associated with an infringement or dilution action, including trial preparation, trial and appeal?

The court fee for an infringement/dilution action in the civil court is prescribed in the Court Fee and Suit Valuation Act. Being a state enactment, the court fee may vary from one state act to another. The trial preparation depends on the documents and exhibits and cannot be determined by a straightforward formula. Courts may grant reasonable costs in favour of the successful plaintiff.

26 Appeals

What avenues of appeal are available?

If the suit is filed before the district court, an appeal lies to the single judge of the high court and from the single judge of high court to the division bench of the same high court. A final appeal from the order of division bench lies to the Supreme Court of India.

27 Defences

What defences are available to a charge of infringement or dilution, or any related action?

The statement of defence must contain in succinct form all the material facts upon which the defendant relies. The defendant may dispute the plaintiff's title to the registered mark or the validity of registration of the mark or may claim prior use or honest concurrent use or state that his or her use of the mark is not an infringement according to the provisions of section 30 of the Act or state that the plaintiff is not entitled to relief by reason of estoppels such as acquiescence or abandonment or the use of deceptive marks.

Section 34 of the Act will prima facie save a defendant from the grant of a temporary injunction. However, in order to come within the scope of this provision:

- the mark must be identical to or closely resemble the registered mark;
- the user claimed is from a date prior to the use of the registered trademark or the date of its registration, which is earlier; and
- such continuous use is in relation to those goods or services covered by the registered trademark; and
- the user is by the proprietor or his or her predecessor in title.

Further, section 35 of the Act safeguards traders in cases where a registered trademark consists in a personal name or the name of the place of business or of descriptive words without the use of which traders would find difficulty in describing their goods.

In addition to the above, some of the other defences taken include honest and concurrent use of a mark, parody defence and prior use of the mark by the defendant.

28 Remedies

What remedies are available to a successful party in an action for infringement or dilution, etc? What criminal remedies exist?

Remedies are in the form of monetary damages and permanent injunctive reliefs. Damages are calculated on the basis of actual loss, loss of business, loss of reputation and future profits. There is no concept of punitive damages in Indian courts. Injunctive reliefs are discretionary and can be granted for a temporary period as well as permanently. Injunctive relief is granted on fulfilment of three conditions: prima facie case, balance of convenience and irreparable hardship and loss.

There is also a mechanism for criminal action against the infringer available under the Indian Trade Marks Act, 1999 for applying marks without a licence, falsifying and falsely applying marks, selling goods or services bearing a false mark, false representation regarding registration of a mark etc.

29 ADR

Are ADR techniques available, commonly used and enforceable? What are the benefits and risks?

The ADR mechanism is available for consenting parties. Mediation and conciliation processes are well received by Indian courts and are in fact encouraged. Once a settlement is reached between the parties in mediation or conciliation, it cannot be appealed against or challenged before any court. Arbitration proceedings also tend to be quicker and less expensive and therefore have a distinctive advantage compared to court proceedings. The risk involved is that, if any party refuses to abide by the terms of the settlement, appropriate proceedings have to be initiated for enforcing compliance of the settlement.

Update and trends

India acceded to the Madrid Protocol for the International Registration of Marks at WIPO. The treaty entered into force with respect to India on 8 July 2013. The Madrid System for the International Registration of Marks (Madrid system) will enable domestic companies and entrepreneurs to obtain cost effective, user friendly and streamlined means of protecting and managing their trademark portfolio internationally. The Madrid Protocol gives brand owners around the world the ability to extend their protection to the important Indian market through a single, simplified and cost-effective procedure, while also providing an opportunity to Indian companies to increase their global footprint by registering trademarks in member countries of the Protocol through a single application.

30 Famous foreign trademarks

Is a famous foreign trademark afforded protection even if not used domestically? If so, must the foreign trademark be famous domestically? What proof is required? What protection is provided?

Well-known trademarks are afforded protection in India even if not used domestically. The concept of transborder reputation has been resorted to and upheld by the Indian courts in several cases but it is the responsibility of the plaintiff to prove that the mark has a transborder reputation to the extent that it can prevent an Indian user even though its mark is not used in India but is well known to people in India. Documentary evidence establishing continuous and uninterrupted commercial usage of the foreign trademark and that the foreign trademark is well known in India is required to be submitted as evidence. The infringer is restrained from infringing the foreign trademark and is also liable to render accounts of sale of infringing products.



**P V Balasubramaniam,
D Ferdinand
K M Aasim Shehzad**

aasimshehzad@bfslegal.in

No. 47/1, Rams Surabi Apartments
1st Main Road, R A Puram
Chennai 600028
Tamil Nadu
India

Tel: +91 44 4353 5443
Fax: +91 44 4207 4201
www.bfslegal.in
Mobile: +91 9841026786

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