



Impact of World Trade Organization and Trade Related Intellectual Property Rights on Protection of Trade Marks

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Abstract

Intellectual property relates to the legal rights that result from intellectual activity and gain national and international importance ever since the establishment of the most important international organization. Trademarks are words or designs that identify products to consumers similarly, service marks are words or designs used in the sale or advertising of services. For the sake of simplicity, the general term “trade mark” or simply “mark” will be used to refer to both the names or symbols for products and those for services. Popular trademarks include Xerox[®], Colgate, Coca-cola[®], etc.

Keywords:- Intellectual Property Rights, Trademark, TRIPS

Introduction:

Intellectual property relates to the legal rights that result from intellectual activity and gain national and international importance ever since the establishment of the most important international organization, the World Intellectual Property Organization – WIPO established in the year 1967.

The enormous growth of science and technology and the mutual relations and competitive spirit towards development among the world nations endeavor to bring into existence a world body mainly to regulate international trade and commerce, known as World Trade Organization – WTO in the year 1995. The WTO brought an agreement with far reaching provisions called as Agreement on Trade Related Aspects of Intellectual Property Rights – TRIPS, which is binding on all members of the WTO.

The TRIPS had been included in the mutual trade talks, which insisted the member nations to establish a minimum level of IPR in their national laws. Thus, according to the dictates of TRIPS and WTO, India had enacted the Trade Marks Act, 1999 by repealing the earlier Trade and Merchandise Marks Act, 1958. It is clear that as member of the WTO, India has to work in accordance with the specifications of the world body.

Trademark - Meaning and Scope:

“Trade Mark”¹ means a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others and may include shape of goods, their packaging and combinations of colours and

- (i) a registered trade mark or a mark used in relation to goods or services for the purpose of indicating or so as to indicate a connection with the course of trade between the goods or services as the case may be and some person having the right as proprietor to use the mark and
- (ii) in relation to other provisions of this Act, a mark used or proposed to be used in relation to goods and some person having the right either as the proprietor or by way of



permitted user to use the mark whether with or without any indication of the identity of that person and includes certification trademark or collective mark.

We all rely on trademarks every day. Almost every thing we use, from the coffee we drink to the mattresses we sleep on, was bought by brand name that is another way of saying, “trademark”.

Trademarks are words or designs that identify products to consumers similarly, service marks are words or designs used in the sale or advertising of services. For the sake of simplicity, the general term “trade mark” or simply “mark” will be used to refer to both the names or symbols for products and those for services. Popular trademarks include Xerox®, Colgate, Coca-cola®, etc.

Functions of Trade Mark:

Under modern business conditions a trademark performs four functions:

- (1) it identifies the product and identifies the product and its origin,
- (2) it guarantees its unchanged quality
- (3) it advertises the product, and
- (4) it creates an image for the product.

Trademarks indicate the source or goods or services and distinguish the goods or services of others, although trademarks do not prevent others from making or selling the same goods or services under a different trademark, they protect a proprietary name or symbol used with the goods or services, Law treats trademark as ‘property’. “No person shall be entitled to institute any proceedings to prevent or to recover damages for infringement of an unregistered trademark”².

Designation and symbol

The three symbols associated with trademarks represent the status of a mark and accordingly its level of protection. While TM can be used with any common law usage of a mark, [®] may only be used by the owner of a mark following registration with the relevant national authority, such as the U.S. Patent and Trademark Office (USPTO or PTO) or Indian Patent Office(IPO). The proper manner to display either symbol is immediately following the mark in superscript style.

Registration of trademarks: Registration of a trademark is done by the registry of the trademarks. When you plan on registering a trademark there are a few steps involved. If trademark owners do not hold registrations for their marks in such jurisdictions, the extent to which they will be able to enforce their rights through trademark infringement proceedings may be limited. In cases of dispute, this disparity of rights is often referred to as "first to file" (i.e., register) as opposed to "first to use." Once your trademark is approved the registry will give you a trademark registration certificate. This will officially confirm that your trademark has been registered and is now protected. The registration will be valid for 10 years from the date of the filing of the application. After this period you can renew the trademark again. Renewal can be done indefinitely. Documents required registering a Trademark online: 1. Incorporation Certificate: If the trademark is registered under a company or LLP. 2. Partnership Deed If the trademark is registered under a partnership firm. 3. PAN Card of the authorized signatory. 4. Aadhaar Card of the authorized signatory. 5. Form TM-48 Signed

The TM-48 is a legal document that permits your attorney to submit your trademark with the trademark registry on your behalf. Our professionals will prepare the papers for signature.

Logo: Do not upload the logo in black and white to ensure all colors of the trademark are covered under the registration The trademark registration application can be filed with the



Trademark Registrar after the trademark search is completed. However, the application must be made in the prescribed manner and preceded by the applicable fees.

The application can be made online or at any of the state's five Trademark Registrar's offices. To register a trademark online, go to the India Filings website.

The Trademark Registration application must contain the following information: -Logo or the Trademark -Name and address of the Trademark owner -Trademark used Since the date - Description of the goods or services Steps To Register A Trademark: To register a trademark, the owner needs to go through the following steps: 1. Conducting an exhaustive trademark search; 2. Filing an application with necessary documents; 3. Examination of the application by the Trademark Registry; 4. Post examination procedures; 5. Advertisement of the application in the Trademark Journal; 6. Opposition by any third party; 7. Registration and renewal of the same after every 10 years. A trademark registration procedure is fast and simple, although not mandatory, but it is recommended to get assistance from a trademark lawyer for registration of the same to make it an easy and smooth procedure

Infringement of Trademark:

Trademark infringement is the unauthorized use of a trademark. Trademark infringement usually occurs when similar or identical trademarks name used in similar or related products or services. Generally speaking the first person to begin using a trademark owns it. Once a person has established ownership

Under section 29³ of the Act, a plaintiff in a suit on the basis of infringement has to prove not only that his trade mark is infringed by a person who is not a registered proprietor of the mark or a registered user there of but the said person is using a mark in the course of his trade, which is identical with or deceptively similar to the trademark of the plaintiff, in such manner as to render the use of the mark likely to be mistaken as the registered trademark.

Under section 2(1) (h) the words “deceptively similar” are defined as follows: “A mark shall be deemed to be deceptively similar to another mark if it so nearly resembles that other mark as to be likely to deceive or cause confusion”⁴.

Factor to be proved to get Protection of Trade Mark.

The following essential features are to be proved for protection of Trademark.

1. The plaintiff must prove that essential features of his registered mark have been copied.
2. The onus to prove “deception” is on the part of the plaintiff who alleges infringement.
3. The mark is said to be infringed by another trade if even without using the whole of it, the latter uses one or more of its essential features.
4. The identification of an essential feature depends partly on the courts own judgment and partly on the burden of the evidence that is placed before it.
5. It is impossible to exclude consideration of the sound of words forming part of the whole of the mark.⁵

So far as resemblance in words is concerned, Justice Parker in Pianotist Co.’s Application (Pionola) has stated as follows.

“You must take the two words. You must judge them, both by their look and by their sound. You must consider the goods to which they are to be applied. You must consider the nature and kind of customer who would be likely to buy the goods. In fact you must consider all the surrounding circumstances and you must further consider what is likely to happen if each of this trade mark is used in a normal way as a trade mark for the goods of the respective owners of the marks. If considering all those circumstances and you must further consider what is likely to happen if each of these trade marks is used in a normal way as a trade mark for the goods of the respective owners of the marks. If considering all those circumstances you come to the



conclusion that there will be confusion – that is to say, not necessarily that one man will be injured and the other will gain illicit benefit but there will be confusion in the mind of the public which will lead to confusion in the goods – then you may refuse registration or rather you must refuse registration in that case”⁶.

This dictum has been quoted with approval by the Supreme Court in *Amrithadhara Pharmacy v. Salya Deo Gupta*⁷ and *F. Hoffmannla Roche & Co. v. Geoffrey Manner and Co.*⁸

Devices and Composite Marks:

When the question arises whether a mark applied forbears such resemblance to another mark as to be likely to deceive, it should be determined by considering what the leading character of each is. The one might contain many even most of the same elements as the other and yet the leading or it may be the only impression left on the mind might be different. On the other hand a critical comparison of the two marks might disclose numerous points of difference and yet the idea which would remain with any person seeing those apart different times might be the same. Thus it is clear that a mark is infringed if the essential features or essential particulars of it are copied.

In *Corn Products Refining Co., vs. Shanghrila food products ltd.*,⁹ which was a case of infringement of trade mark the Supreme Court said that it would be for the court to decide whether the marks were similar or not. Again in *K.R.Chinna Krishna Chettiar Vs. Sri Ambal and co.*,¹⁰ where the question of similarity arose it were observed that it is for the court to decide.

In *Roche and Co., Vs. Geoffrey Manner and Co.*,¹¹ the question of deceptive similarity was raised by the appellant for removal of the respondent’s trademark in rectification proceedings. The true test is whether the totality of the proposed trademark is such that it is likely to cause deception or confusion or mistake in the minds of the persons accustomed to the existing trademark.¹²

In *Durga Dutt Sharma v. Navaratna Pharmaceutical Laboratories*,¹⁴ the Supreme Court held that for judging whether the later mark was deceptive or not, it was sufficient if the similarity was so close visually, phonetically or otherwise.

Buyer’s ignorance and chances of being deceived:

In passing-off action the court must apply the principle that there was scope for a purchaser being misled. As to the scope of a purchaser/buyer being deceived, the following principles have to be borne in mind.

It is a misconception to refer to the confusion that can be created upon an ignorant customer. The kind of customer that the courts ought to think of in these cases is the customer who knows the distinguishing characteristics of the Plaintiff’s goods, those characteristics which distinguish his goods from the other goods in the market so far as relates to the general characteristics.

In *Schweppes* case¹⁵ Lord Halsbury said, if a person is so careless that he does not look and does not treat the label fairly but takes the bottle without sufficient consideration and without reading what is written very plainly indeed upon the face of the label, you cannot say he is deceived.

Temporary injunction in case of infringement of Trade mark:

Article 50 of the Trade Related Aspects of Intellectual Property Rights (TRIPS) agreement, to which India is a member, gives power to court systems to issue temporary injunctions. General provisions for the award of interim injunction are found in Order 39- Rule 1&2 of the Code of Civil Procedure 1908, Section 151 of the Code of Civil Procedure, and Section 37 of the Special Relief Act 1963. These provisions are widely relied upon by courts



when granting temporary relief. In the previous four decades, the jurisprudence surrounding interim injunctions in IPR has gone through many phases. As a result, understanding these steps is critical in grasping the concept of temporary injunction in its broadest sense. There are usually three criteria that the court must look into while considering these grants: 1) prima facie case, 2) balance of convenience, 3) Irreparable injury. Temporary Injunctions under TRIPS Agreement: The TRIPs Agreement, unlike other intellectual property treaties, contains comprehensive measures for intellectual property enforcement. Infringement of intellectual property rights is punishable by civil, administrative, and criminal means under the Agreement. Members are required under the Agreement to develop fair and equitable processes for enforcing intellectual property rights.

Criminal Remedies: Under Chapter XII which deals with offences and penalties, the Trade Marks Act, 1999 also provides for criminal remedies against infringement and passing off. The relevant sections are Section 103 and 104. For the effective implementation of the provisions relating to infringement and/or passing off of the trademark the Trade Marks Act, 1999 like the Copyright Act 1957 provides for search and seizure powers of the police under Section 115

Trade mark cases:

It is customary for the courts to go into prima facie cases for grant or refusal of temporary injunction. But in *American Cyanamid case*¹⁶ it was observed that it was sufficient if a triable issue was presented by the plaintiff and the merits need not be gone into. The said judgment was referred to by this court in *wander Ltd. V. Antax India Pvt. Ltd.*¹⁷ This judgment was followed in *Power control Appliances v. Sumeet machines Pvt. Ltd.*,¹⁸ But in *Gujarat bottling Co. Ltd. V. coco cola co.*¹⁹ this court again adverted to the prima facie case while granting temporary injunction. All these rulings have been reviewed recently in *Colgate Palmolive India Ltd., vs. Hindustan Liver Ltd.*,²⁰ and it was pointed out that there was considerable criticism of the principles laid down in American Cyanamid Case.

In U.K. Laddie, J., reconsidered the principle recently and explained American Cyanamid in his judgment in *Software Ltd., vs. Clarke.*²¹ The learned judge observed that in American Cyanamid case Lord Diplock did not lay down that the relative strength of the case of each party need not be gone into. There after the Supreme Court in *Palmolive Case*²² has referred to Laddie, J.,'s view and said that the view of Laddie, J., is correct and that American Cyanamid Case cannot be understood as having laid down anything inconsistent with the "old practice". It may be noted that the courts go into the question whether the plaintiff is likely or unlikely to win in the suit i.e., into the comparative strength of the case of the rival parties apart from the question of balance of convenience. Therefore, in trademark matters it is now necessary to go into the question of "comparable strength" of the cases of either party apart from balance of convenience.

Thus, the principles laid down by the courts must be kept in mind while examining the issues relating to the protection of the trademark and their impact on Trade and business, despite the dictates of the Trade Related Intellectual Property Rights (T R I P S) and the World Trade Organization (WTO), a world body established a decade ago.

This is because of the right guaranteed to all citizens to carry on any occupation, trade or business within the territory of India under Art. 19 (1) (g) of the Constitution of India²³. Further Part- XIII²⁴ of the Constitution by virtue of Art. 301²⁵, Art. 302²⁶, Art. 303²⁷, Art. 304²⁸, emphasise to make the entire nation as one economic unit for market purposes to carry on any trade, Commerce and Intercourse among the States within the territory of India in accordance with the provision laid down in this part and an authority may be continued under Art. 307²⁹ to carry out the purposes of Article 301 to 304 and thereby any International agreement or the



dictates of any international institution or organization shall be in consonance with the existing constitutional and legal provisions laid in the Trade Marks Act.

The World Trade Organization (WTO) and Trade Related Intellectual Property Rights (TRIPS) on the other hand intend to make the whole world or at least the existing 148 member nations of the WTO as one economic unit for market purpose to create market economy.

Thus the primary object of the WTO is to regulate the international trade based on free markets. It is indeed an achievement on part of WTO, an international organization in bringing the attention of the people across the globe/world in creation of their wealth by competing the international market and no international institution has created this kind of influence among the people of World Nations so far. When compared with other international institutions it is unique on part of WTO that its operation is minimal in agreement or rule based regime of international cooperation. WTO firmly believe in the changing nature of the multilateral trade and the general recognition that trade cannot be separated from development and development is dependent on trade. It is indeed difficult to get consensus among all the 148 members of WTO and the impact of WTO is stupendous on the member nation when compared with General Agreement on Trade and Tariff (GATT) a predecessor of WTO.

WTO is eliciting divergent debates, discussions, perceptions and solutions between the rich and poor, developed and developing countries and showing visible impact of the global economic interdependence and support from all WTO members especially developing countries for development of international trade and protection their rights.

References:

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2. Sec.27(1) No action for infringement of unregistered trade mark.
3. Sec.29 Infringement of Registered Trade Marks.
4. Sec.2(1)(h) of the Trade Marks Act, 1999.
5. Kely, "Law of Trade Marks and Trade Names", 11th Edn. 1983.
6. 1906 23 RPC at 777.
7. AIR 1963 SC 449.
8. AIR 1970 SC 2062.
9. AIR 1960 SC 142.
10. AIR 1970 SC 146.
11. AIR 1970 SC 2062
12. Ibid p.2066
13. AIR 1972 SC 1359
14. AIR 1965 SC 980
15. 1905 22 RPC 601
16. 1977-1 All.E.R. 504
17. 1991 SCC (Cri) 145
18. 1994 -2 SCC 488
19. 1995 - 5 SCC 545
20. 1997 -7 SCC 1.
21. 1996 -1 All. E.R. 853.
22. Supra note 27.
23. Art. 19 (1) (g): Protection of certain rights: All citizens shall have the right to practice any profession or carry on any trade or business.
24. Part XIII – Trade, Commerce and Intercourse within the Territory of India.
25. Art. 301: freedom of Trade, Commerce and Intercourse.



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26. Power of Parliament to impose restrictions on trade, commerce and intercourse.
 27. Restrictions on the legislative powers of the Union and the States with regard to trade and commerce.
 28. Restrictions on trade, commerce and intercourse among States.
 29. Appointment of Authority for carrying out the purposes of articles 301 to 304.