TRADEMARK PROTECTION IN INDIA – A CASE STUDY WITH REFERENCE TO MANUFACTURING SECTOR

N. Naga Anusha¹, Auadhati Datta², Dr. P. Lakshmi Narayanamma³, Dr.S.M.Murali Krishna⁴
¹Assistant Professor, Department of Management Studies, Vignan’s Institute of Information Technology
²Assistant Professor, Department of Management Studies, Vignan’s Institute of Information Technology
³Associate Professor, Department of Management Studies, Vignan’s Foundation for Science Technology & Research
⁴Professor, Department of Management Studies, Vignan’s Institute of Information Technology

ABSTRACT

A protected Trademark is an important part of your business strategy and can lead to better business deals. A Trademark helps you to reach out to anyone from customers to business partners to investors. Trademark protection is a type of intellectual property right that gives the exclusive right to identify goods and services from competitors. This study is attempts to highlight the Protection of trademarks also encourage creativity in the manufacturing and industrial sectors, which in turn leads to an expansion in commercial activities and to reach out to anyone from customers to business partners to investors. This paper focuses on case studies of some trademark infringement incidences in India from the manufacturing sector and attempts to have an analysis of the same. The study done by secondary data like numberof researchpapers for Trademark protection. This study tries to explore the protection of Trademarks with the help of Trademark Act, 1999. To protect your Trademark from infringement and counterfeiting, you need to make sure your mark is not used by others, and you need to bring legal charges against those who use your mark without permission. Thus, in this research paper an effort has been made to protect Trademarks.

Keywords: Trademark Protection, Infringement, Trademark Law 1999.

I. INTRODUCTION

A trademark in relation to goods conveys to the general public and specifically to the consumers about the origin and quality of those goods, thereby acquiring reputation in the course of business and time. Therefore the concept of a trademark is the founda­tion of one’s business to distinguish from others. A good trademark is often the best salesman of the goods and is a visual symbol of goodwill and stamp of quality. Every businessman who has spent considerable amount of money making his mark popular will try to secure it from usage by unscrupulous competitors. Protection of trademark is important not only from the business point of view but also for the protection of consumer from fraud and imposition. The Trademark Act of 1999, both in letter and spirit, lays down that, while it encourages fair trade in every way and aims to foster and not to hamper competition, it also provides that no one, especially a trader, is justified in damaging or jeopardizing another’s business by fraud, deceit, trickery or unfair methods of any sort. This necessary precludes the trading by one dealer upon the good name and reputation built up by another. The first Trademark legislation was enacted in India in 1940, but before that, protection to trademarks in the country was governed by the principles of common law based on English cases. The law relating to protection of this form of industrial property is intricate and complex. The reputation of a business symbolized by a mark, under common law, can be protected only by an action for Passing off. Registration of a trademark under the Trade Marks Act of 1999 gives statutory rights and slight infringement of it can invite an action for Infringement. However, even the unregistered trademarks are also protected as the Act itself provides that an action of passing off remedy is available for unregistered trademark. Protection of trademark is a matter of public policy in the interest of trademark owners and the public at large as consumers...
of goods and services. As was highlighted by the Delhi High Court in Cable News Network (CNN) v. Cam News Network Limited. “A trademark is much more than just name or symbol of identity that a trader adopts in relation to his goods and services; it is repository of his business’ hard earned goodwill and reputation in the market. A huge amount of business capital is invested in the promotion and marketing of trademarks which have presently come to be identified with a myriad of roles—from creating brands out of goods and services to defining the market trend, from endorsing business ideologies to even espousing social causes for Benefits of Trademark Registration. However, this is just one side of the picture. The huge stakes involved in trademarks has made them susceptible to economic vices such as infringement and passing off thereby opening floodgates of litigation”. The Trademarks Act, 1999, which has repealed the Trade and Merchandise Marks Act, 1958, retains the amalgam of the civil and criminal law relating to trade marks effected in the predecessor enactment. The new legislation is designed to provide for registration of trademarks used in relation to services, in addition to goods and consequently affords better protection to trademarks in general. Although cases of Trademark Infringement are in thousands, but we have attempted to analyze it here through a few notable case illustrations of Some Trademark Infringement cases from manufacturing sector.

II. REVIEW OF LITERATURE

Michael Cosgrove, University of Dallas, USA (2011) According to Author this paper also explains the basics of trademark law, the meaning of trademark infringement, and obligations of the trademark owner and undertook to prevent infringement of his trademark in various cases that occurred since our prior paper was published in 2005.

MirësiÇela(2015) described to make a review of some of the empirical studies done by scholars with trademarks in focus. Which are the motives that urge firms to register a trademark and How are trademarks related to innovation and firm’s size.

Rahul Kapoor(2018) pointed out the possibility of infringement of TM is increasing day by day because of developments in trading and commercial practices, increasing trade and industry the Indian parliament considered it necessary to bring out a comprehensive statute, the Indian parliament enacted the Trade mark Act, 1999. Infringement of the trade mark arise if another person who is not registered proprietor or registered user uses the same mark or a deceptively similarly mark in relation to the same goods and services for which mark is registered.

SuvrashisSarkar, Dr. Stephen D’Silva(2013) informed different situations of infringements of intellectual property becomes a big threat and more so trademarks infringement and protection becomes more common area of focus and attention. In India most widely known intellectual property infringements get highlighted from the Pharmaceutical, Information technology and the Entertainment sectors, however a big amount of trademark infringement concerning brand name and brand positioning happens in the consumer goods sector including both consumer durable and non-durable goods.

Objectives of the study

- To protection of trademarks from infringements
- To discuss about legal frame work of Indian Trademark act 1999.
- To discuss various case studies for trademarks infringements in manufacturing sector in India.

Research methodology

The study done by secondary data like number of research papers, Journals, Textbooks and different online resources. Collected information from Secondary data only

Trademark Infringement

Trademark infringement is the unauthorized use of a trademark or service mark on or in connection with goods and/or services in a manner that is likely to cause confusion, deception, or mistake about the source of the goods and/or services. A trademark owner who believes its mark is being infringed may file a civil action (i.e., lawsuit) in either state court or federal court for trademark infringement, depending on the circumstances. However, in
In most cases, trademark owners choose to sue for infringement in federal court. Even when a plaintiff chooses state court, it may be possible for the defendant to have the case "removed" to federal court.

If the trademark owner is able to prove infringement, available remedies may include the following:

- a court order (injunction) that the defendant stop using the accused mark;
- an order requiring the destruction or forfeiture of infringing articles;
- Monetary relief, including defendant's profits, any damages sustained by the plaintiff, and the costs of the action; and an order that the defendant, in certain cases, pay the plaintiffs' attorneys' fees.

Conversely, a court may find instead that (1) you are not infringing the trademark, (2) a defense bars the plaintiff's claim(s), or (3) other reasons exist why the trademark owner is not entitled to prevail. To support a trademark infringement claim in court, a plaintiff must prove that it owns a valid mark, that it has priority (its rights in the mark(s) are "senior" to the defendant's), and that the defendant's mark is likely to cause confusion in the minds of consumers about the source or sponsorship of the goods or services offered under the parties' marks. When a plaintiff owns a federal trademark registration on the Principal Register, there is a legal presumption of the validity and ownership of the mark as well as of the exclusive right to use the mark nationwide on or in connection with the goods or services listed in the registration. These presumptions may be rebutted in the court proceedings.

Generally, the court will consider evidence addressing various factors to determine whether there is a likelihood of confusion among consumers. The key factors considered in most cases are the degree of similarity between the marks at issue and whether the parties' goods and/or services are sufficiently related that consumers are likely to assume (mistakenly) that they come from a common source. Other factors that courts typically consider include how and where the parties' goods or services are advertised, marketed, and sold; the purchasing conditions; the range of prospective purchasers of the goods or services; whether there is any evidence of actual confusion caused by the allegedly infringing mark; the defendant's intent in adopting its mark; and the strength of the plaintiff's mark. The particular factors considered in a likelihood-of-confusion determination, as well as the weighing of those factors, vary from case to case. And the amount and quality of the evidence involved can have a significant impact on the outcome of an infringement lawsuit. In addition to claiming likelihood of confusion, a trademark owner may claim trademark "dilution," asserting that it owns a famous mark and the use of your mark diminishes the strength or value of the trademark owner's mark by "blurring" the mark's distinctiveness or "tarnishing" the mark's image by connecting it to something distasteful or objectionable—even if there is no likelihood of confusion. An experienced trademark attorney, taking the particular circumstances of your case into consideration, should be able to provide you with an opinion as to the validity and strength of a trademark owner's claims.

**Salient features of the Trade Marks Act, 1999**

The Trade Mark bill 1999 was passed and the bill received the accent of the President of India on the 30th Dec 1999 and became an Act. The Draft Trademark Rules were notified on 18th May, 2001 and approved Rules were notified on 26th February, 2002. The new Act has been brought into force on 15th September 2003 after considerable lapse of time.

The Salient features of the Trade Marks Act, 1999, are as follows:

**Registration of Trade Mark for Services [Sec. 2(2)(z)]**

The new law provides for registration of trade marks for services, in addition to goods. It was obligatory on India to provide for protection of trade marks in respect of services under the Paris convention [Article 1(2), read with Art. 6] and for registration under the TRIPS Agreement [Art. 15(4)], India is a member. Service marks registration has been introduced in the new Act.
The definition of trademarks has been enlarged, so as to include shape of goods, their packaging and combination of colours. It is only illustrative and it follows that even something not falling into one of these categories may be regarded as a mark for the purposes of the Act.

**Registration of Trade Marks simplified [Sec. 9(1)(a)]**

For registrability, the mark will have to be capable of distinguishing the goods or services of the applicant from those of others. Thus the test of registrability of trademarks under the new Act will generally be similar to what was necessary to secure a registration in Part B of the register under the old Act. Any mark which is demonstrated to be distinctive in fact by use will qualify for registration under the law, since it does not seem to be necessary as under the old law that the mark must be "adapted to distinguish", a concept omitted in the present law.

Enhanced protection for well known trademarks [Sec. 2(1)(zg), read with section 9(1) and section 11] The new act incorporates definition of "well-known trademarks" [Sec. 2(1)(zg)]. Further the law seeks to prevent registration of trademarks, which are imitations of well-known marks, by enlarging the grounds for refusal of registration under Sections 9 and 11 of the Act. The proprietor of well-known mark will be entitled to prevent use of identical or similar trade mark in connection with goods or services, though not similar to those for which the mark is registered, where such use is without due cause, would take unfair advantage of or be detrimental to the distinctive character or reputation of the well-known trade mark.

**Law concerning registration of registered users simplified [Sec. 49]**

The definition of 'permitted user' has been substantially changed to cover use of the mark both by a registered user and unregistered common law licensee, who is in any case entitled to use the mark by virtue of the agreement with the registered proprietor. The authority to register such licensing arrangement is transferred from 'Central Government' to the legitimate authority, viz. the Registrar of Trade Marks. Another change is the deletion of the reference to 'trafficking in trade marks' which existed in the old law. The Trademark Act 1999 has incorporated assignment of Trademark with or without the transfer of the goodwill of the business or part of the business to which the trade mark concerned pertains, which has now been given statutory shape in Sections 38 and 39 of the new Act.

**New provision for registration of Collective marks [Chapter VIII - Sec. 61-68]**

The new Act has introduced a set of provisions for registration of 'collective mark' which belongs to a group or association of persons, whose use is reserved for members of the group or association of persons. Collective marks would serve to distinguish characteristic features of the products or services offered by those enterprises.

**Appeals from Registrar to lie to Appellate Board, instead of High Court [Sec. 83-100]**

Appeals from orders or decisions of Registrar which had to be filed before the High Court having jurisdiction as defined under the old Act, has been transferred from the High Courts to the Intellectual Property Appellate Board, constituted by the new Trade Marks Act, 1999. The Act explicitly bars any court or authority from exercising jurisdiction, powers or authority in relation to appeals [vide section 93]. In Section 100, all cases of appeals and rectification proceedings pending before any High Court will be transferred to the Appellate Board from such date as may be notified in the Official Gazette.

**Scope of infringement of Trademarks widened [Sec. 29]**

The scope of the law governing infringement of trademarks has been enlarged to include where the infringing use is likely to cause confusion or is likely to be taken to have an association with the registered trade mark. In keeping with the legislative intent to protect well known marks, the law enacts that use of an identical or similar mark on goods or services which are not similar will constitute infringement, where the registered trade mark has a reputation in India and the use without due cause will take unfair advantage of or is detrimental to the distinctive character or repute of the registered mark. Section 29 specifies the circumstances and types of uses which constitute infringement of a registered trade mark.

**Enhanced punishment for trade mark offences [Sec. 103-105]**

To discourage sale of spurious goods, penalty for applying false trade mark, trade description, etc. and for selling goods or providing services to which false trade mark or false trade description is applied, has been enhanced.
Further enhanced punishment for second and subsequent convictions these offences are explicitly declared as 'cognizable' Section 115(3).

**Forum for institution of infringement proceedings, etc. [Sec. 134]**

As per the old Act Suits for infringement have to be filed in District Court, where the defendant carries on his business. The new Act has now brought it in conformity with the Copyright Act, i.e. Suit can be filed in 'District court having jurisdiction' which will include a district court within the local limits of whose jurisdiction, the plaintiff actually or voluntarily resides or carries on business or personally works for gain.

**Removal of mark on ground of non-use [Sec. 47]**

As per the old Act the mark can be removed from the register if the mark is not used for 61 months from the date of filing of Trade mark application. Due to considerable time lag between date of application and date of registration, such a law was causing hardship to registrants. The new Act, now explicitly provides that the period of 5 years non-use will be reckoned from the date of actual registration and not from the application date. Further use by not only a registered user, but also an unregistered permitted user, will accrue to the benefit of the registered proprietor for any purpose for which 'use' is material under the Act.

**Amendment of Companies Ac [Sec. 158 - Schedule amending Sec. 20 & 22 of Companies Act]**

The new Act prohibit the use of someone else's trade mark as part of corporate name or name of a business concern, sections 20 and 22 of the Companies Act have been amended suitably as per Section 158 of the Trade Marks Act, 1999. As per Section 27(5) such use will constitute an infringement of a registered trade mark under the Act.

**Register on Computer [Sec. 6(2)]**

The Registrar is empowered to maintain the register and other records wholly or partly in computer floppy diskettes or in any other electronic form [section 6].

**Association of Trade Marks [Sec. 16]**

In the matter of association of trademarks, goods and services are associated with each other, if it is likely that those goods might be sold or otherwise trade in, and those services might be provided by, the same business - section 2(3).

**Requirement of 'disclaimer' abolished [Sec17, read with 159(2)]**

The new Act has abolished the provision for imposition of 'Disclaimer' and enacts that where a mark consists of several matters, its registration confers on the proprietor exclusive right to the use of the mark taken as a whole and that such registration will not confer any exclusive right in any matter forming part of the 'whole', unless that part is separately registered [section 17].

**Exhaustion of Trade Mark rights [Sec. 30(3)]**

The new Act recognizes the principle of international exhaustion of rights in sub-section (3) and (4) of section 30 of the Act.

**Distinctiveness of mark subsequent to registration recognized [Sec. 32]**

The new Act provides that a registration will not be invalid if, by reason of use subsequent to its registration and before commencement of legal proceedings, the mark has acquired a distinctive character - section 32.

**Acquiescence by proprietor of 'earlier trade mark' - consequence [Sec. 33]**

If the proprietor of an 'earlier trade mark' has acquiesced for a period of 5 years, he is precluded from enforcing his right; unless it is proved that the registration of the later mark was not in 'good faith' - section 33.

**Regd. User may institute infringement proceedings [Sec. 52]**

The right of registered user to take infringement proceedings is recognized, subject to agreement between the parties, while an unregistered licensee who is also a 'permitted user' has no such right - section 52.
Police empowered to search and seize [Sec. 115(4)]
Police officer, not below the rank of Deputy Superintendent of Police, is empowered to search and seize the infringing goods etc. without warrant. However, he is required to obtain the opinion of the Registrar on facts relating to the trade mark and abide by his opinion - section 115(4).

Unauthorized registration of mark by Agent [Sec. 146]
Marks registered by an agent or representative in his own name without authority may be cancelled or registration rectified so as to make the true owner as the registered proprietor by assignment - section 146.

Some Trademark Infringement Cases in Manufacturing Sector

HSIL Limited v. Gujrat Ceramic Industries &Anr.
Hindustan Sanitary ware & Industries Limited (HSIL) filed for a permanent injunction in the Delhi High Court to restrain Gujarat Ceramic Industries (GCI) from using the trademarks ‘Hindustan Vitreous’ or ‘H Vitreous’ which are identical/deceptively similar to HSIL’s registered trademarks. HSIL, India’s largest manufacturer of sanitaryware products, having a presence in over 50 cities is the registered trademark holder of ‘H Vitreous Hindware’ since 1990. During a market search, HSIL discovered that GCI is selling sanitaryware products under the brand ‘H Vitreous’ in conjunction with Hindustan, which was the former corporate name of HSIL. The Delhi High Court opined that HSIL has proved and established a case of infringement of registered trademarks, misrepresentation and unfair competition, passing off and dilution, blurring and garnishment. The Court, therefore, passed a decree in favor of HSIL granting a permanent injunction restraining the other party from using the ‘Hindustan Vitreous’ or ‘H Vitreous’ trademarks.

Adidas Ag &Anr. v. Praveen Kumar & Ors. [CS (COMM)]
Adidas AG and its Indian subsidiary, filed a suit before the Delhi High Court seeking a permanent injunction against the footwear manufacturer Colo Footwear, for using the trademark COLO along with the ‘Three Stripes’ on their products. It is submitted in the suit that Adidas, founded in 1920, had adopted the ‘Three Stripes’ device mark in 1949 and since then has earned immense goodwill and reputation for its mark. The Court had appointed a Local Commissioner to visit the infringer’s premises, and around 550 pairs of shoes, including replicas of the Adidas brand and shoes bearing the ‘Three Stripes’ device mark, were seized. As per the Commissioner’s report, Colo Footwear is clearly infringing the registered trademark of Adidas. On the basis of the pleadings and the documents on record and lack of any defence by Colo, the Delhi High Court granted a permanent injunction in favour of Adidas restraining Colo Footwear from using the ‘Three Stripes’ on their products. Further, the Court ordered Colo Footwear to pay INR 20 lakh as damages to Adidas.

Swarovski Aktiengesellschaft v. Durgesh Kumar Patwa
Swarovski Aktiengesellschaft, a well-known crystal jewellery maker filed a suit seeking a permanent injunction against Durgesh Kumar Patwa, proprietor of M/s. Bajrang Beads for infringing their registered trademark “SWAROVSKI” and logo. Durgesh was engaged in selling, manufacturing, soliciting and trading jewellery, gemstones, artificial stones or allied products using the mark/logo SWARAWSKI, SWAROVSKI and its logo and its variants having artistic features, getup, layout and lettering style similar to that of Swarovski. On the basis of the documents filed and the evidence, the Delhi High Court noted that Swarovski is the registered owner of the trademark SWAROVSKI and its logo and the said trademark have acquired distinct features due to the long and continuous use. The Court, therefore passed an order permanently restraining Durgesh from using the ‘SWAROVSKI’ and its logo or any other deceptively trademark and awarded damages of INR 25,000 to be paid to Swarovski.

III. CONCLUSION
Trademark protection is a type of intellectual property right that gives the exclusive right to identify goods and services from competitors. Today with the advent of globalization increase unfair competition has been through infringement of trademarks and misleading by customers and tarnish the image and reputation of trademark owner. That is why the Indian government introduced Trademark Law for the purpose of against of infringements and unfair trade practices. Trademark Law 1999 protects the public from confusion and deception by identifying the source or origin of particular products and protects the trade mark owner’s trade and business as well as the
goodwill which is attached to his trademark. Here different case studies given brief information for trademark infringements and protection in this study

REFERENCES
5. Manzoor Elahi Lascar, 2013 passing off and Infringement of Trademarks, SSRN Electronic journal