

India Inc can now register trademark as 'well-known'

TNN | Mar 8, 2017, 04.00 AM IST

Mumbai: In a significant development, the Trade Mark Rules 2017 — which were notified on March 6 — permit companies to apply for their trademark to be recognised as a 'well-known' one. In simple terms, a well-known trademark is one that is well recognised and any infringement could result in misleading the public.

Prior to this notification, any trademark was held as 'well-known' by courts only consequent to a dispute regarding its use, such as when another party applied for registration of the same or similar trademark. IPR advocates have many examples to share. 'Amul' for instance, was given the status of a 'well-known' mark, owing to infringement of the mark in the name of 'IMUL' by another milk cooperative. Watch manufacturer 'Rolex' got a favourable order from the Delhi high court, which recognised 'Rolex' as a well-known mark, and restrained Alex Jewellery from using this name for artificial jewellery as it could be misleading the public. Other well-known decisions are in the case of Whirlpool, Daimler-Benz, to name a few.

"While many Indian companies who have already registered their trademarks will continue to get protection against registration of conflicting trademarks, the rules will be a boon to foreign companies that do not have a registered trademark in India but at the same time wish to protect themselves. At times, entry of some companies may be restricted — say, an adult magazine. Yet, through the process of registration of well-known trademarks, it will now be easier for the publication to protect its globally recognised trade name. This should also reduce the cost of opposition as, typically, the registrar will cite the registered well-known trademarks as conflicting marks to subsequent applications," explains Gowree Gokhale, partner and head of IPR practice at Nishith Desai Associates.

Raja Selvam, managing attorney at Chennai-based law firm Selvam and Selvam, says, "Recognition of a trademark as a well-known trademark will greatly help the trademark owner in opposition or infringement proceedings (eg: Amul v/s Imul). The registration fee of Rs 1 lakh is insignificant if compared to the savings in potential litigation costs."

When a trademark is recognised as a well-known trademark, its owners can stop infringement in respect of any goods or services even if they are not related to identical or similar goods of the trademark owner. "It could be viable for larger companies to get their trademarks (already filed or registered) now recognised as a well-known trademark," says Selvam.

"Before granting recognition, the registrar will determine whether or not it is worthy of being registered as a 'well-known' trademark. He will take into cognisance factors such as extent of recognition among the public, the reach of promotion efforts, et al. If at all an application is rejected, an appeal against the same would lie before the IPAB," he adds.

In addition, the rules have hiked the registration fees but a concession is available to government recognised startups.