

REGISTRATION & BEYOND: LIMITS ON EFFECT OF REGISTERED TRADE MARK

Trade marks are a diverse and familiar feature in both industrial and commercial markets and have long been used by manufactures and traders to identify their goods and distinguish them from goods made and sold by others . Marks are a very valuable form of intellectual property because they become associated with quality and consumer expectations in a product or service . Some goods have become almost synonymous with their trade names¹ . Coupled with intensive advertising campaigns , the utility of marks to their owners as marketing weapons is plain to see and thus it comes as no surprise that trade mark rights are vigorously asserted and defended .

Section 2(zb) of the Trade Marks Act , 1999 defines trade mark as a mark capable of being represented graphically and which is capable of distinguishing the goods and services of one person from another and may include the shape of goods , their packaging and the combination of colours² . A “ Mark “ is not clearly defined in the Indian Act , However Section 68(1) of the Trade Marks Act , 1994 of England defines a “Mark” as a device , brand , heading , label , ticket , name , signature , brand , letter , numeral or any combination thereof . Thus Trade Marks can be seen as serving two main purposes:

1. To protect business reputation and goodwill.
2. To protect consumers from deception, that is to prevent the buying public purchasing inferior goods or services in the mistaken belief that they originate from or are provided by another trader.

The Trade Marks Act , 1999 envisages registration of the Mark before affording protection . Section 27 of the Act states that no infringement action is maintainable against an unregistered trade mark. Thus it is in the best interests of the

¹ Soft drink Coca Cola , Cadbury chocolate , Levis Jeans , Nescafe Coffee etc .

² This concept was propounded by the Court of Appeal in England in the case of ***Smith kline & French Laboratories Ltd v Sterling Winthorp Ltd , [1976] RPC 511 .***

owner/proprietor that the trade marks are registered for effective and profitable utilisation.

There is a common misnomer that once a trademark is registered it is safe and protected for good, however there are certain limits on effect of registered Trade Marks as envisaged by the provisions of Chapter IV of the Act³. The Grounds for revocation of a registered trade mark are:

1. **Non Use** – A registered trademark can be revoked if within five years of the date of the date of completion of the registration procedure the mark has not been put to genuine use by the proprietor or anybody who has his consent and there are no proper reasons for non use. The intention to use the Trade Mark must be bona fide otherwise the mark is in danger of being removed from the registrar. Such marks are usually referred to as “ghost marks “. In the case of *Imperial Group Ltd v Philip Morris Ltd*⁴, the claimant registered the word “ Merit “ as a brand of cigarettes but did not manufacture cigarettes . Subsequently the defendants also launched a new brand of cigarettes called “ Merit “ and started manufacturing them . The claimant brought an action against the defendants for infringement. The Court held that the claimant had lost its right to claim compensation because the mark was unused for a long period of time . In *Re Magic Ball Trade Mark*⁵, a trade mark was registered for a new type of lollypop to be made by a new manufacturing technique . Unexpected delays were met in developing the machinery. An application for revocation was filed against the company. However the Court held that in this case there were proper reasons for non use and that the delay was bona fide, therefore revocation could not be granted.
2. **Non Use** – A registered trade mark can be revoked if the genuine use has been suspended for an uninterrupted period of five years and there are no proper reasons for non use.

³ The Trade Marks Act , 1999 .

⁴ [1982] FSR 263 .

⁵ [2000] RPC 539 .

3. ***That it has become a generic name*** – A registered Trade Mark can be revoked because of the acts or the inactivity of the proprietor which has resulted in the mark becoming a common name in trade for a product or service for which it is registered. In ***Re Xerox Case*** , the trademark “ XEROX” became a generic name and substituted the word Photocopy . It became such a part of the common public domain that instead of saying photocopying people started using Xeroxing and thereby the mark lost its distinctiveness and was subsequently revoked . This case thus points out the necessity of an efficient trade mark management .
4. ***It is Misleading*** – A Registered Trade mark can be revoked because of the use made by the proprietor or with his consent in relation to the goods or services for which it is registered, the mark is liable to mislead the public (particularly in respect of the nature , quality or geographical origin of the goods or services in question) .

Another limit on the effect of registered Trade mark is “ Honest Concurrent Use “⁶ by another user in respect of the same trademark . If two users had been using the same trade mark in the course of their business for a period of five years then no infringement action will be maintainable on the unregistered user by the registered user.

Thus, in the course of this article it is evident that registration of a trade mark is not the end all and be all of the matter. There are certain limits to registration, and in order to safeguard the product from falling within the ambit of those limits , an efficient and proactive trade mark management is an absolute must .

⁶ Section 12 , The Trade Marks Act , 1999 .