

PROCEDURAL IMPEDIMENTS UNDER INDIAN TRADEMARK LAW

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Abstract

There is a need for development of Trademark Jurisprudence in India. The Trade Marks Act, 1999 requires amendment for specifically defining those words which are ambiguous in nature. If the ambiguity in the Act is not addressed by an amendment, then the same will be left to judicial interpretation thereby raising unwarranted litigation. Further, in order to solve out the procedural impediments, the Trademarks Registry has to pro-actively take part in addressing the rights of Trademark owners by timely updating the records of E-registry in an effective manner. In the present era of digitalization, there are various challenges and difficulties which the Trademarks Registry may face while dealing with registration and adjudicating administrative proceedings and the challenges which the Courts may face while dealing with Infringement and Passing-off suits and such challenges and problems requires to be identified and assessed timely. When an application for registering a trademark is made, the processing of trademark to obtain a certificate of registration has impediments depending upon the status of trademark. The procedural impediments as mentioned by the authors have been identified in the execution of Trademark Law.

Keywords: Impediments, Trademark Law, Registry, Opposition, Renewal

1. Notices/ Correspondences from Registry

Rule 18 of Trade Mark Rules, 2017 states about the service of documents by the Registrar and its sub-rule reads out as:

“To prove such service, it shall be sufficient to prove that the letter was properly addressed and put into the post or the e-mail communication was sent to the e-mail provided by the party concerned.”¹

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¹ The Trade Mark Rules, 2017, r. 34.

As per the above provision, it is discretionary on the part of the trademarks registry to issue letter or send an email for service of documents. The Trade Marks Registry sometimes uses both method to issue a letter and send an email. In most of the cases, the authorized agents or advocates while filing trademark application fail to provide their appropriate email-id for communication purpose. This issue is mostly prevalent while receiving examination report as the trademarks registry sends all examination report by e-mail provided by the advocate/applicant at the time of filing the application. Another problem is that an agent or law firms specialized in providing IP Services having end number of clients sometimes miss the document as their official e-mail is overburdened with notices and documents from registry. As the time limit to file a reply to examination is 30 days from the date of receipt of examination report, the authorized advocate/applicant cannot take the plea of having not perused the e-mail sent.

The difficulty is on the part of advocate/applicant to carefully pursue their application and its status. The notification of the Trade Marks Rules, 2017 is an important step taken towards streamlining, digitizing and simplifying the process of trademark registration in India. The new measures, especially digital filings and receipt of documents/notices on e-mail will expedite the registration process. The online filing processes are also likely to bring more transparency and give comfort to the applicants in addition to the eradication of the loopholes of filing at the counter.² In order to adhere with the time limit prescribed for filing oppositions, counter statement, reply to examination report, filing evidences etc., the law firms and organizations providing trademark filing services or into trademark litigation use various software's for managing their IP works. One of the prominent software availed by law firms is Iolite, IP Management Software.³

2. Opposition Proceedings

Another difficulty which the authorized agents/representatives face is that the trademark journal is published every week and if they want to file an opposition against the registration of a trademark which bears confusing or deceptive similarity to their

² Nishith Desai Associates, "Trademark Rules Reformed: Filing Application in India", *available at*: <https://www.nishithdesai.com/SectionCategory/33/IP-Hotline/12/66/IPHotline/5834/1.html> (last visited on September 20, 2022).

³ Iolite Softwares, "Who we are", *available at*: <https://www.iolitesoftwares.com/> (last visited on September 22, 2022).

client's registered trademark, then they have to carefully and diligently peruse the whole journal to identify any mark which is similar to their client's trademark. It becomes very difficult for agents/advocates having numerous clients to match each and every trademark with other trademarks being published in the Journal. Advocates those who don't have softwares or sufficient funds to access such softwares spend a lot of time in searching trademarks similar to their client's trademark. The trademarks registry should provide the facility of softwares to each of its registered agents.

If any party is aggrieved with the registration of a trademark which is published in the trademark Journal, then it can file notice of opposition within 4 months⁴ from the date of publication of the trademark in the Journal. The party which sends the notice of opposition is called as "Opponent" and the party against whom an opposition has been raised is called as "Applicant". The notice of opposition by opponent and counter statement to the notice of opposition by applicant is filed online by uploading it on the E-Registry Portal. Further, the opponent after receiving counter statement from the applicant has to file evidence in support of his opposition, both online and by sending hard copies of evidences along with an evidence affidavit to the applicant's agent address and the concerned trademarks registry. The difficulty which arises is that the opponent, applicant and their authorized agents sometimes fail to understand the jurisdiction of trademarks registry in opposition proceedings with regard to sending hard copies of evidences.

The above issue can be made clear by an example. Let us assume that a company named "ABCD" located in Delhi made an application in the year 2017 to the Trademarks Registry, Delhi and got registration in 2018 has filed an opposition against the trademark "ABBD" located in Chennai for which an application for trademark has been made before the Trademarks Registry, Chennai. Further, upon the publication of trademark "ABBD" (Applicant) in the trademark Journal, The Company "ABCD" (Opponent) filed notice of opposition and received counter statement from applicant and now has to file "Opponent evidences" under Rule 45 of the Trade Marks Rules, 2017. The opponent has to send the physical copies of evidences by speed post/courier to the applicant on his provided address and to the trademarks registry. The important question which arises is that whether the physical copies of evidences has to be sent to the trademarks registry, Delhi

⁴ *Supra* note 1, r. 34.

or Trademarks Registry, Chennai. The procedural difficulty which arises is that for sending physical copies of opponent evidences to the registry under Rule 45, this rule does not specify the registry. Rule 45 with regard to this issue reads out as:

“The opponent shall leave with the registrar, such evidence by way of affidavit as he may desire to adduce in support of his opposition”⁵

Rule 45 is not clear about which trademarks registry; it only says that the opponent “shall leave with the Registrar”. So, this procedural difficulty which has been continuing even today but has been resolved by continuous practice. The concept can be understood from the perspective of opponent and applicant.

- i. If an opponent wants to file evidences under Rule 45 or Rule 47 against the applicant in opposition proceedings, then the physical copies of evidences has to be sent to the registry where the applicant has made an application for registration.
- ii. If an applicant wants to file evidences under Rule 46 against the opponent in opposition proceedings, then the physical copies of evidences has to be sent to the registry where the applicant himself has made an application for registration.

3. Renewal and Restoration of Trademark

The Trademark is valid for a period of 10 years and same is renewed at the expiration of 10th year. Normally, the period of registration is counted from the date of registration certificate issued by any authority but in the case of trademarks, it is totally different. The period of registration would be 10 years from the date of application. Practically, it is presumed that the period of registration is 9 years rather than a term of 10 years as the initial year of filing a trademark application goes into filing reply to examination report, attending show-cause hearing, trademark getting published in Journal, period of opposition and final hearing of opposition before the Registrar of Trademarks. In most of the cases, it takes 18 to 24 months to get trademark registered after filing application.⁶ The Registrar on receiving application after six months and within one year from the date of expiration of last registration of trademark restores the

⁵ *Supra* note 1, r. 45.

⁶ *Ibid.*

trademark.⁷ As per Rule 58 of Trademark Rules, 2017, if the trademark has not been renewed by filing Form TM-R, the Registrar has to mandatorily send a renewal notice i.e., O3 Notice or RG-3 Notice anytime within 6 months from the date of expiry of term period of Registration. Further, if the trademark is not renewed within a period of 6 months, the same is removed from the register of Trademarks. The procedural difficulties which have been noticed in case of renewal are:

- i. Failure on the part of concerned trademarks registry to send renewal notice to the address of service mentioned by authorized agent/advocate or client in his/her trademark application.
- ii. Trademarks registry sometimes claims the O3 notice to have been issued even though the same is not been uploaded on the E-Registry Portal of Trademarks Registry.
- iii. Back date uploading of Renewal notices by the trademarks Registry.
- iv. Non-availability of records of notices sent for renewal of trademark

It becomes very difficult for authorized agents/ advocates as maintaining records regarding renewal of various trademarks. That is the reason why, the Rules have been framed in such a way that the Registry owes a duty to inform the applicant or his authorized representative to renew trademark by sending notice.

As per Rule 60⁸, an application for the restoration of a trademark can be entertained provided it is made within 1 year from the date of expiry of trademark registration. The Registry is itself violating this rule as it is restoring the trademark even after a period of one year from the date of expiry of trademark registration. The reason behind Registry violating such rule is that the applicant approaches the court against the registrar for not sending renewal notice and the registrar being bound by the order of courts are restoring the trademark even after a period of 1 year.

3.1 Mandatory Serving of Renewal Notice

The Court in its various decisions has ruled out that it is mandatory for the Registrar to send renewal notice before removing the trademark from register of

⁷ B.L. Wadehra, *Law relating to Intellectual Property* 191 (Lexis Nexis Publications, Haryana, 2016).

⁸ *Supra* note 1, r. 60.

trademarks.⁹ There have been several instances where no notice for renewal is received by the applicant and the trademark is found to be removed from the Register. This procedural difficulty has been continuing where the applicant without any fault on his part has to venture into unnecessary litigation by approaching Courts.

The petitioners in all cases contend that they did not receive the renewal notice from the Registry and the Respondents usually defend by relying on the contention that O3 notice i.e., Renewal notice was served to the address provided but the same is not traceable by the Registry.

In *Kleenage Products (India) Private Limited v. The Registrar of Trademarks and Ors*, the Bombay High Court by quoting its earlier Judgment of *CIPLA Limited v. Registrar of Trade Marks Boudhik Sampada Bhawan and Ors*.¹⁰ held that “That in the absence of any reliable evidence in support of the stand taken by the respondent that O-3 notices were sent, it was difficult to accept the contention that the O-3 notices were duly sent. In the absence of documentary evidence in respect of the contentions raised by the respondent, it cannot be concluded that such notices were sent and the petitioner is in receipt of the same”¹¹

4. Non-Speaking Order of Registrar

When an application for a trademark is filed, the trademark is either accepted or an objection is raised to it. After submission of reply to the objections raised, the applicant has to appear before Registrar on the day of show-cause hearing. If the Registrar is satisfied with the contentions of applicant/Authorized Representative that a trademark can be registered, he will pass an order of acceptance which states “Accepted for Publication” or an order of refusal which states as “Refused”. The procedural issue which arises is that in most of the cases, the Registrar on the date of show-cause hearing after hearing the arguments of applicant/authorized representative states orally that the Trademark has been accepted or has been refused. The other issue is the registrar orally

⁹ S.S. Rana & Co., Advocates, “Trade Mark Registry Required to Send a Mandatory Notice Under Section 25(3) Of The Trade Marks Act Before Removing a Trade Mark from The Register: Delhi High Court”, available at: <https://www.mondaq.com/india/trademark/829456/trade-mark-registry-required-to-send-a-mandatory-notice-under-section-253-of-the-trade-marks-act-before-removing-a-trade-mark-from-the-register-delhi-high-court> (last visited on October 03, 2022).

¹⁰ 2013(6) ABR 347.

¹¹ *Kleenage Products (India) Private Limited v. The Registrar of Trademarks and Ors*, MIPR 2018 (1) 320, p.5.

passing an order of acceptance and the status of trademark when being updated by the registry on its e-registry portal after 2 to 3 days reveals that the trademark has been refused. Lastly, no copy of order stating the reasons for accepting or refusing the trademark is provided to applicant.¹²

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“(5) In the case of a refusal or conditional acceptance of an application, the Registrar shall record in writing the grounds for such refusal or conditional acceptance and the materials used by him in arriving at his decision”¹³

The words “shall record in writing” being inserted in section 18 clearly states that the order for acceptance or refusal so passed by the registrar shall be a speaking order and not a Non-speaking order. In spite of existing provision in the act itself, the trademarks registry doesn’t upload the copy of order which states the reasons for acceptance or refusal of a trademark.

4.1 Rule 36 (1) Inconsistent with Section 18 (5)

¹² LexCounsel Law Offices, “Mandatory to give Reasons for Refusal of Trade Mark Registration”, *International Lawyers Network*, available at: <https://www.ilntoday.com/2019/10/mandatory-to-give-reasons-for-refusal-of-trade-mark-registration/> (last visited on October 06, 2022).

¹³ The Trade Marks Act, 1999 (Act 47 of 1999), s. 18 (5).

The General rule is that if there is any inconsistency between the act and the rule, then the act shall have an over-riding effect over rule. The same rule shall also be applicable to address such issue. Rule 36 (1) reads as follows:

“36(1) Decision of the Registrar: The decision of the Registrar under Rules 33, 34 & 41 shall be communicated to the applicant in writing at his address of service and if the applicant intends to appeal from such decision he may within thirty days from the date of such communication apply in Form TM-M to the Registrar requiring him to state in writing the grounds of, and the materials used by him in arriving at his decision”¹⁴

The above rule states that any decision of registrar shall be communicated in writing to the applicant at the provided address. It is pertinent to note that this rule is mostly violated by the Registry by not sending the copy of order and only the status of hearing is “uploaded” as accepted or refused. Further, on one hand section 18 (1) provides for a speaking order for acceptance and refusal and on other hand, rule 36 (1) favours non-speaking order by sending the copy of order in writing to the applicant at his provided address.

4.1.1 Issue of Inconsistency: Position Settled

The position regarding inconsistency between section 18 (1) and rule 36 (1) of trademark rules, 2017 has been settled by the Delhi High Court in *Intellectual Property*

*Attorneys Association v. Controller General of Patents, Designs, Trademarks and Ors*¹⁵ wherein the court has held that “Registrar of Trade Marks is duty bound to send the copy of the order passed under Section 18(5) of the Trade Marks Act containing the grounds for refusal/conditional acceptance and material used by him in arriving at his decision to the applicant. Rule 36 of the Trade Marks Rules is arbitrary, unreasonable and inconsistent with the mandatory provision of the statute insofar as it empowers the Registry to communicate the decision without the grounds for refusal/conditional acceptance. In that view of the matter, Section 18(5) of the Trade Marks Act shall prevail over Rule 36 of the Trade Marks Rules”¹⁶

¹⁴ *Supra* note 1, r.36 (1).

¹⁵ *Intellectual Property Attorneys Association v. Controller General of Patents, Designs, Trademarks and Ors*, W.P. (C) 3851/2019.

¹⁶ *Id.*, at p. 5.

The Judgment has settled the position by inclining towards the applicant as they are aggrieved by such decisions of Registrar and this judgment will have various effects:

- i. First is that it reduces one procedural step in the appeal process, namely, applying to the Registrar, seeking the grounds of refusal or conditional acceptance¹⁷
- ii. Secondly, it saves the time of an aggrieved applicant in waiting for the written communication of the Registrar of the grounds of refusal or conditional acceptance before it can file an appeal.¹⁸
- iii. More importantly, this ruling is bound to increase the transparency at the Trade Marks Registry.¹⁹

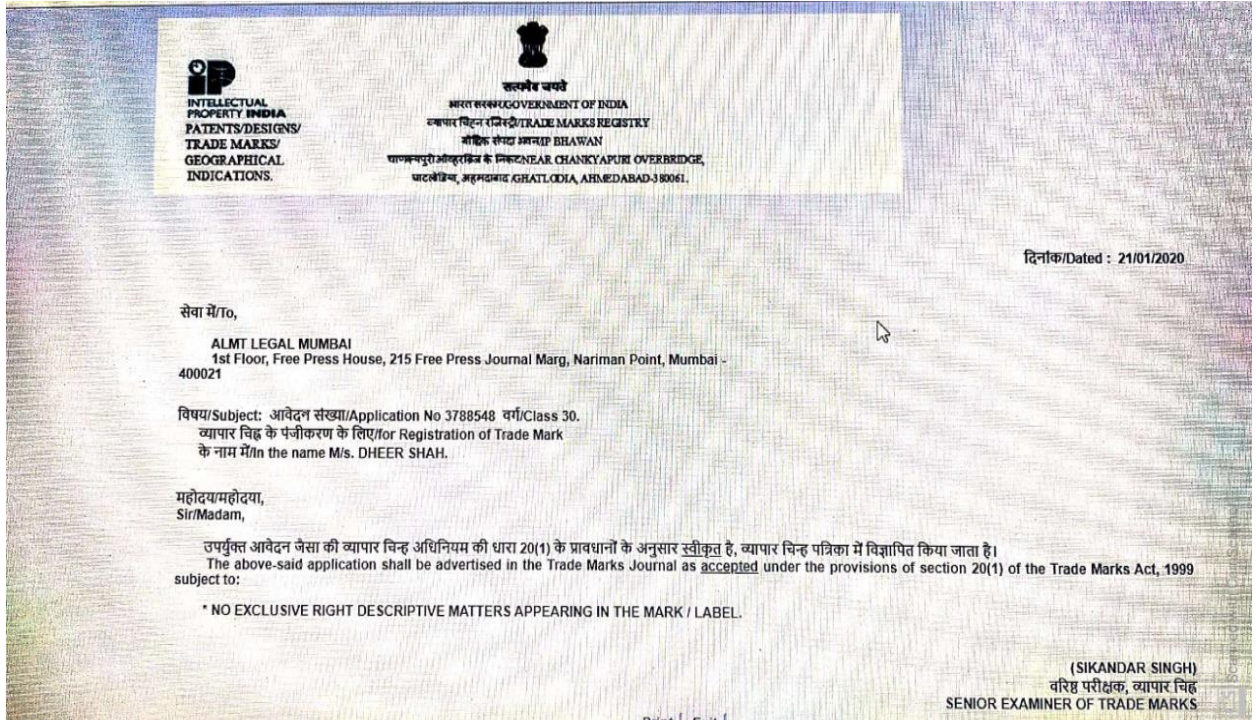
4.2 Non-Compliance of Court's Order

Even after the court adjudicating the issue of inconsistency between the act and rule and directing the Registrar to communicate his decision in writing for refusal and acceptance of a trademark in *Intellectual Property Attorneys Association v. Controller General of Patents, Designs, Trademarks and Ors*, the Registrar of Trademarks have failed to abide by the directions of the Court and this is reflected from the records of E-Registry. A Trademark "JIVRAJ SAMAARA" bearing application number 3788548 was filed on 26/03/2018 and after receiving examination report and filing reply to the examination report, the attorney for the applicant attended the hearing scheduled on 20/01/2020 and further, the Registry uploaded a notice on 21/01/2020 stating that "The above-said application shall be advertised in the Trademarks Journal as accepted under the provisions of Section 20 (1) of the Trademarks Act, 1999" without communicating the reason of acceptance (as depicted in Figure 1) to the applicant which itself proves the non-compliance of directions given by the court.

¹⁷ Latha Nair, "Place the (Trade Marks) Act Before the Rules: Del HC Directs Registry to Record Grounds of Refusal of Applications", available at: <https://spicyip.com/2019/10/place-the-trade-marks-act-before-the-rules-del-hc-directs-registry-to-record-grounds-of-refusal-of-applications.html> (last visited on October 10, 2022).

¹⁸ *Ibid.*

¹⁹ *Supra* note 19.



(Figure 1)²⁰



(Figure 2)²¹

²⁰ E-Register & Application Status, Trade Marks Registry, available at: <https://ipindiaonline.gov.in/register/eregister.aspx> (last visited on October 15, 2022).

²¹ *Ibid.*

Moreover, no other document has been uploaded by the Registry (as depicted in Figure 2) to comply with the directions of court for stating the reason of accepting the trademark. This amounts to undermining the Court's verdict.

5. Conducting Prior Search before Registering a Trademark

“Conducting a trademark search is an incentive to the process of registering a trademark”.²² A trademark search is a systematic hunt for the existence of any registered or unregistered trademark.²³ As, there are numerous registered trademarks at national and international level, it is necessary to conduct a prior search of a trademark before filing an application as there might be chances of existing registered trademarks bearing deceptive similarity for the same product or services. Many law firms specializing in trademark use questionnaire or data sheet to gather information from their clients and use such gathered information to determine registrability of trademark by conducting trademark search.²⁴

5.1 Importance of Prior Search

Before making an application for registering a trademark in India, an individual or any organization has to conduct a prior search on the official website of “Office of the Controller General of Patents, Designs and trademarks, department for promotion of industry and internal trade, Ministry of commerce and industry, Government of India” which is www.ipindia.nic.in. Public search option is provided for patents, trademarks and designs. The individual before making an application has to click on the trademark option in public search and upon clicking the same; a new window will appear (as depicted in Figure 3) wherein any individual can search for similar trademarks.

²² Intepat Team, “Trademark Public Search in India”, available at: <https://www.intepat.com/blog/trademark/trademark-search/> (last visited on October 26, 2022).

²³ S. Fishman, *Trademark Legal Care for your Business and Product Name* 90 (Nolo Law for all, United States of America, 1997).

²⁴ D. E. Bouchoux, *Intellectual Property: The law of Trademarks, Copyrights, Patents and Trade Secrets* 42 (Delmar Cengage Learning, Georgetown, 2012).

Government of India
Ministry of Commerce & Industry
Department of Industrial Policy & Promotion
Controller General of Patents Design & Trade Marks
Public Search of Trade Marks

INTELLECTUAL PROPERTY INDIA
PATENTS | DESIGNS | TRADE MARKS
GEOGRAPHICAL INDICATIONS

Class Details | Well Known Marks | Prohibited Marks | Vienna Code Classification | International Non-Proprietary Names(INN) | Help

Search Type : Wordmark

Key Word	Value	
Wordmark	Start With <input type="text"/>	
Class	<input type="text"/>	*Enter one class at a time
Goods Description	<input type="text"/>	*Will be available soon

Search

(Figure 3)²⁵

The importance of prior search varies from individuals to individuals and organizations to organizations and there are various factors which highlight such importance.

5.1.1. Opposition Proceedings

Once the application crosses the stage of scrutiny and examination, the next stage is publication of trademark and opposition proceedings. Individuals and those organizations that setup a new business usually conduct a prior search as per the direction of their authorized representative or advocate. Prior search is not specified as a procedure for registering a trademark but becomes an important procedural aspect to be followed. While conducting a public search, one can figure out the number of trademarks which are conflict, the goods in which conflicting trademarks deal with and the recognition of the conflicting trademarks in the market. If the conflicting trademark is that mark which has gained enviable reputation in the market, then the individual or organization is suggested not to proceed with the application as it would involve unnecessary cost for opposition proceedings and further trademark litigation. The procedural difficulty is that some of the authorized representatives and advocates for their clients don't even conduct a public

²⁵ Government of India, Ministry of Commerce & Industry, Department of Industrial Policy & Promotion, Controller General of Patents Designs & Trade Marks, "Public Search of Trade Marks", available at: <https://ipindiaservices.gov.in/tmrpublicsearch/frmmain.aspx> (last visited on October 28, 2022)

search before filing trademark application and after being an opposition raised by other trademarks, the client is left with no other option except to proceed with the opposition or to withdraw its trademark. It has been observed that only those individuals, firms or organizations whether it is national or multi-national earning huge profit and their majority of profits being dependent on a particular trademark proceed with filing trademark application even after the existence of numerous conflicting trademarks in public search report.

Even after conducting a prior search to determine similar trademarks, it is also important to state that the discretionary power is sometimes not properly exercised by the Registrar of Trademarks while adjudicating opposition proceedings and the interference of courts in setting aside the order of Registrar becomes important. The Supreme Court in *Nandhini Deluxe v. Karnataka Co-operative Milk Producers Federation Ltd.*²⁶ while setting aside the opposition order of Registrar held that “the onus to prove the claim of proprietorship of the mark is always on the Applicants. The Applicants have successfully discharged their onus that they are the proprietors of the mark having applied for registration. In order to safeguard the public interest and to protect the intellectual and industrial property rights of the Applicants who are honest adopters and bonafide users, the applicant’s trade mark is to be protected by granting registration enabling the applicants to use their mark legally without any hindrance”²⁷

6. Conclusion and Suggestions

The authors have identified and analyzed the procedural impediments in Trademark Law. The Procedural Impediments pertain to the drawbacks in the rules framed by the executive authority. These procedural impediments are so meagre that they are not identified easily. These procedural impediments are identified only after continuous practice of trademark law. Overcoming these procedural impediments will make the trademark legislation and rules more effective in nature. Section 157 of the Trade Marks Act, 1999 authorizes Department of Industrial Policy and Promotion, Ministry of Commerce and Industry to frame rules and the said authority can amend the

²⁶ AIR 2018 SC 3516.

²⁷ *Nandhini Deluxe v. Karnataka Co-operative Milk Producers Federation Ltd*, AIR 2018 SC 3516.

rules to cover the procedural lacunas. The authors would like to give the following suggestions:

- i. The Trademarks Registry has come a long way to address the procedural lacunae with reference to registration of trademark right from filing to registration but needs to take suo moto initiatives rather than waiting for the court to give directions for any compliance. The issue of oppositions being accepted by the registry beyond the 4 months statutory period was addressed by the Delhi High Court in *Dr. Reddys Laboratories Limited v. Controller General of Patents, Designs and Trademarks (W.P. (C) – IPD 4/2022* by directing the trademarks registry to frame out strategy for the same.
- ii. The Trademarks Registry prior to 2020 had reported many delayed applications in the registration. World Intellectual Property Indicators 2021 published by World Intellectual Property Organization revealed that the annual filings of trademark for India in the year 2020 exceeded 4 lakhs for which it had shown improvements by stating that the new applications shall take an average of 40 days from trademark filing to Examination Report. Apart from addressing concerns regarding delay in trademark registration and oppositions, the trademarks registry needs to analyze other problems which a trademark applicant is facing during the registration phase of his trademark.
- iii. There is need for increase in manpower and infrastructure for the smooth functioning of trademarks registry.