

Ashutosh Kumar Singh

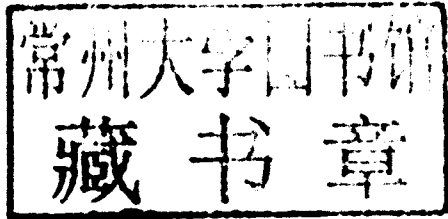
Well-known Trademark

Concept, Protection and its Legal Implications

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Implications**



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ABBREVIATION

| | | |
|---------|---|-------------------------------|
| A I R | : | All India Reporter |
| All E R | : | All England Law Reports |
| Alld. | : | Allahabad |
| Art. | : | Article |
| Bom L R | : | Bombay Law Reporter |
| Bom. | : | Bombay |
| C A | : | Court of Appeal |
| Cal. | : | Calcutta |
| Ch | : | Law Reports Chancery Division |
| Co. | : | Company |
| Corp. | : | Corporation |
| CTM | : | Community Trade Marks |
| Del. | : | Delhi |
| e.g. | : | Exempli Gratia |
| ed. | : | Editor |
| Edn. | : | Edition |
| EU | : | European Union |
| FMCG | : | Fast Moving Consumer Goods |
| FTMs | : | Foreign Trade Marks |
| Govt. | : | Government |
| HC | : | High Court |
| HL | : | House of Lords |
| I P | : | Intellectual Property |
| i.e. | : | id est (That is) |
| IA | : | Indian Appeals |
| Ibid | : | Ibidem (In the same place) |

| | | |
|---------|---|--|
| ILR | : | Indian Law Reports |
| IPC | : | Indian Penal Code |
| IPLR | : | Industrial Property Law Reporter |
| IPR | : | Intellectual Property Rights |
| JILI | : | Journal of Indian Law Institute |
| KB | : | Law Reports, king's Bench Division |
| LDC | : | Least Developed Countries |
| LJ | : | Law Journal Reports |
| LT | : | Law Times Reports |
| Ltd. | : | Limited |
| Mad. | : | Madras |
| MLJ | : | Madras Law Journal |
| MNCs | : | Multi National Companies |
| My & Cr | : | Mylne & Craigs Chancery Reports |
| p. | : | page |
| Pc | : | Privy Council |
| pp | : | pages |
| PTC | : | The Patent and Trade Mark Cases |
| QB | : | Law Reports, Queen's Bench Division |
| R&D | : | Research and Development |
| RPC | : | Reports of Patent, Design & Trade Mark Cases |
| S.C. | : | Supreme Court |
| SCA | : | Supreme Court Appeals |
| SCC | : | Supreme Court Cases |
| Sec. | : | Section |
| TLT | : | Trade Mark Law Treaty |
| TRIPs | : | Trade Related Aspects of Intellectual Property Rights |

| | | |
|--------|---|--|
| U. S. | : | United States of America |
| U.K. | : | United Kingdom |
| U.S. | : | United States |
| U.S.A. | : | United States of America |
| Viz. | : | videlicet (Namely) |
| Vol. | : | Volume |
| Vs. | : | Versus |
| w.e.f. | : | With effect from |
| WIPO | : | World Intellectual Property Organization |
| WLR | : | Weekly Law Reports |
| WTO | : | World Trade Organization |

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Introduction

As forces of Globalization and Liberalisation of trade and commerce sweep across the Globe, new forms of property are evolving. Viewed in this context it becomes extremely urgent and important to put in place a strong legal regime to protect Trade Marks. This is necessary both in the national interest as well as in the interest of discerning consumers worldwide.

Though use of the mark is an ancient phenomenon but its protection as valuable assets is recent development. With the increase of commerce and industry accompanied with development of various modes of advertisement, trademarks have gained a very valuable strength. Now trademarks are part of the everyday scene, for almost everyone involved in buying and selling. They have been adopted by commercial companies all over the world as a means of identifying their product or services, so there are literally millions of them, all competing for the attention of consumers.

Concept of well-known trade mark is not very old one. The term first included in Paris Convention by the revision held in Hague in 1925, and again at Stockholm in 1967 enhanced protection is given to it.

Well-known trademarks play a highly complex role in market driven economics, operating in the context of rapid integration of world economy. Through advertisement and other strategies, large market share are captured by a few brands leading to concentration of market power in a few hands.

Well-known trade mark is a kind of Intellectual Property which is extremely valuable to its owner; some of them are having worth more than 50 Billion dollars. These marks are very strong means of generating wealth.

Leveling any goods or services with these marks is sufficient for its marketing. But do these marks serve only proprietor? Imagine a situation that you go to departmental store for your weekly purchasing, where you find every goods of ordinary trade mark, will you not feel puzzled? You may be quality inspector for some goods but not for all which you are using. These well known marks assure you about quality of product. These marks become very necessary when you are buying highly technical or medicinal objects. It is for this reason products having trademarks are kept out of principle of caveat emptor.

Well-known trademarks have been a legal concept that requires interpretation by the authorities of the country in which protection is sought. Protection of well-known trademarks has to adapt to the needs of economic development. Mass media, telecommunications, travels, and advertising promotion make people familiar with trade marks in other countries. Especially the extensive, skillful and modern advertising promotion can bring the high reputation to the owners. The effect of well-known trademarks extends to unreal field in comparison with the original goods or services the trademarks are used. For the sake of the protection of consumer's interests and trademark owners' reputation, the enhanced protection of well-known trademarks has become the international trend.

Article 6bis of the Paris Convention and Article 16.2 and 16.3 of the TRIPs Agreement require a member country to refuse or cancel registration and to prohibit the use of a trade mark that is liable to create confusion with another mark already well-known in that country for identical or similar goods. The purpose is to extend protection to a trade mark that is well known even though it is not registered or used in that country.

The enactment of Trade Marks Act, 1999, which has repealed the Trade and Merchandise Marks Act 1858, has brought some substantial changes in the administration of law relating to trade marks in India. Being signatory to the

International Convention for Protection of Industrial Property (Paris Convention) and the Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPs Agreement) it was necessary for India to render this branch of law to be in the tune of international agreements.

The new law provides for added protection to well-known trade marks by a comprehensive definition of the expression in Section 2(1)(zg) of the Trade Marks Act, 1999, and by strengthening the relative grounds for refusal of registration under Section 11(6) to 11(10) through detailed provisions. With a view to prevent infringement of well-known marks, suitable provisions have also been made in Section 29, of the said Act.

But there are not only positive implications of recognition of well-known trademarks, if care is not exercised, a developing country may find itself flooded with foreign trade brands, unaccompanied with any flow of technology and building up national capabilities. Of course, indigenous brands are exposed to an unequal competition in which they have to suffer well.

Keeping in view the nature of the problem the present study adopts analytical, descriptive and evaluative methods. The materials for the present study have been collected from primary as well as secondary sources. In accordance with this method, apart from the material from decided cases attempts have been made to use facts and information already available and analyse them to make a critical evaluation of the problem.

Structure of the study

Keeping in view the nature of the problem the present work is divided in to six chapters:

Chapter I is an introductory chapter.

Chapter II deals with origin and development of concept of trademarks, and history and development of concept of Trade Mark Law in England as well as in

India. It also deals with various International Conventions and Agreements regarding trademarks.

Chapter III deals with definition and concept of trade mark and well-known trade mark as adopted in the Trade Marks Act, 1999. It also enumerates various functions performed by trademarks and value of various well-known trademarks.

Chapter IV discusses the recognition and protection of well-known trademarks under international treaties.

Chapter V examines various protections given to a well-known trademark, firstly, under the provisions of the Trade Marks Act, 1999, thereafter protection given to it under case law.

Chapters VI assess various implications of recognition and protection given to well-known trademarks.

Chapter VII deals with conclusion and suggestions.

A Brief Historical Overview-Trademark

History of trade mark is as old as history of trade. Some marks were being used even before person engaged in trade. With the growth of trade these marks served different purposes. Its origin and development is discussed in following heads:

1. History of “Trade Mark”

The concept of mark as a label of recognition is an ancient phenomenon. The first type of marking began with branding of cattle and other animals. These are called proprietary or possessory marks. As reading and writing were not yet invented, marks existed for many centuries only in the form of design.

The origin of trademarks can be traced back as far as the beginning of the circulation of goods. The history of marks is as old as histories of mankind and religion. Interestingly, this important area of intellectual property traces its origin not to Britain or the US but to India and China. History holds that as far back as 3000 years ago. Indian craftsmen used to engrave their signatures on their artistic creation before sending them to Iran. These creations have also been later found in the ruins of Mohanjodero and Harappa. Manufacturer from China sold goods bearing their works in the Mediterranean area over 2000yrs ago.¹

Likewise from the Greek and Roman societies to the Orient, merchants and manufactures have marked their products with various signs to distinguish them from those of their competitors. Occasionally the name of the place of origin was put on the goods for this purpose. In other words trademarks have for

¹ Priya Ranjan Trivedi, Encyclopaedia of Intellectual Property Rights, Vol 3, Kohima, The Global Open University, Nagaland, 2007, p10