



INDIAN TRADEMARK LAW AND PUBLIC INTEREST PROVISIONS

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Abstract

Trade-mark is an important intellectual property right specially for traders and businesses. Unlike most intellectual property rights, trademark once granted is given for perpetuity subject to payment of renewal fees at periodic intervals. Trademark serves dual purpose: firstly, it helps consumers in distinguishing the goods and services of one seller from those of others and secondly, it aids the sellers to hold on to their goodwill by preventing others from using that mark. However, it also needs to be admitted that trademark law grants monopoly to the trademark owner to use a mark to the exclusion of all others. This monopoly right may at times create a conflict with the use of the mark by bona fide users. Hence to resolve this conflict, some important provisions are provided in the Act to balance the interest of the trademark owner and bona fide users of the trademark. The article will be limited to only grounds for refusal of registration of trademark when it conflicts with the legitimate use of the trademark for bona fide purpose by traders while practising their basic human rights to freedom of expression and right to trade, profession and business.

I. INTRODUCTION

Human Rights are certain inalienable rights that are inherited by human beings by virtue of being born as a human being. Human Rights over a period of time has been categorised under various generations, such as civil and political rights which is brought under the umbrella of first generation rights. The second generation rights include economic, social and political rights and the third generation rights are certain collective rights which are important to all human kind like right to clean environment, right to development and right to self-determination. A new fourth generation right is gradually developing includes rights of future generations, that is future claims of first and second generation rights and new rights, especially in relation to right to technology.¹

Intellectual Property Rights (IPR) on the other hand, recognises the creativity of an individual. It gives rights to individuals to exploit their creations. In most IPR, for a certain

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1.1 ¹Jason Woodroffe, "A Fourth Generation Of Human Rights", *available at* <https://Theowp.Org/A-Fourth-Generation-Of-Human-Rights/> (last visited on October 20, 2021).

amount of fixed time and subject to certain limitations,² the exclusive right to use and economically exploit the created work is given to the creator.

This article is limited to grounds for refusal of registration of trademark under the Trademark Act, 1999.

II. HUES OF HUMAN RIGHTS IN GROUNDS FOR REFUSAL OF REGISTRATION OF TRADEMARK

Grounds for Refusal of Registration of Trade-mark

Section 9 and 11 of the Trademark Act, 1999 provides for absolute and relative grounds for refusal of registration of trademarks respectively. When an application for trademark registration is applied for, the registrar of trademark examines if the essential criteria under section 9 are met or not. If it is not met, it will be held as an absolute ground for refusal of registration of trademark. The grounds under section 9 includes three things, firstly, the trademark has to be distinctive,³ secondly, the trademark cannot be descriptive⁴ and thirdly, the trademark cannot be generic, that is, a trademark cannot be consisted exclusively of marks or indications which have become customary in the current language or in the *bona fide* and established practices of the trade. However, in exceptional circumstances when the descriptive or generic word has become distinctive,⁵ in that situation, it can be registered.⁶

The relative grounds of refusal of registration of trademark are certain disqualifications in registering a trademark on grounds that they are pre-existing trademark and due to the subsequent registration of trademark there might be confusion in the minds of the public as they would associate it with the earlier trademark⁷ or at times the later trademark may take unfair advantage of or be detrimental to the distinctive character or repute of the earlier trade mark.⁸ For the purpose of this paper, we will be restricting to the absolute grounds for refusal of registration of trademark.

²Compulsory licensing is one limitation to the rights of IPR.

³ S. 9(1)(a).

⁴*Id.*, s. 9(1)(b) states that consist exclusively of marks or indications which may serve in trade to designate the kind, quality, quantity, intended purpose, values, geographical origin or the time of production of the goods or rendering of the service or other characteristics of the goods or service;

⁵It is important to note that descriptive or generic words are not inherently distinctive, however, by long usage, if such words have acquired distinctiveness, it can be considered.

⁶*Id.*, s. 9(1)(c).

⁷*Id.*, s. 11(1)

⁸ This is particularly in context of well-known trademark. *Id.*, s. 11(2).

Judicial interpretation of absolute grounds of refusal of trademark registration from a human rights angle

The human rights which can often conflict with trade-mark is the freedom of right to expression.⁹ This conflict can be looked at from the angle of the applicant aggrieved if a trademark registration is denied and thus stops him from advertising (a form of expression) a product in the way he wants. The second conflict is when due to a registration of trademark in favour of one person, a wide range of other legitimate users would be deprived from doing so. It is the second conflict that is the focus of attention in this paper.

Descriptive words not to be registered

In a leading case of *M/s. Hindusthan Development Corporation Ltd. v. The Deputy Registrar of Trade Marks*,¹⁰ one of the leading question was whether the word *Rasoi* which was used as a trade-mark by the appellant company for selling their product groundnut oil, has a reference to the quality and character of the product and thereby disqualified on the ground of being descriptive. While looking into the application, the Deputy Registrar of Trademark stated that the meaning of the word *Rasoi* is cooking. To reach this conclusion, he stated that,

...whether a mark has reference to the character or quality of the goods, the mark must be looked at, not in its grammatical significance, but as it would represent itself to the public at large.

The provision stated that the word *Rasoi* should not have direct reference to the character or quality of goods. The Deputy Registrar stated that:

the word character has been defined in Murray's *New English Dictionary*, Vol. II, Part I, to mean a feature, trait, characteristic and the word characteristic has been defined to mean a distinctive mark, trait or feature, a distinguishing or essential peculiarity or quality. One of the use of hydrogenated groundnut oil is that it can be used for cooking. The way a commodity is used forms part of its character. Thus the word *Rasoi* would imply a direct reference to the character of the goods.

⁹Andreas Rahmatian, "Trade Marks and Human Rights" in P. Torremans, (ed.), *Intellectual Property and Human Rights* 335-357 (Wolters Kluwer, Alphen aan den Rijn, 2008).

¹⁰AIR 1955 Cal. 519.

Another question looked upon by the court in this case was since Rasoi was a common word of a particular language and hence monopoly should not be given to any particular seller or trader. The court made an important observation that words of a language are not the property of a single individual and hence no one should be allowed to monopolise it. However, the court also noted that in special circumstances, there can be an exception to this rule. The exceptional situation would be if the common word has lost its primary meaning as a result of the long usage of the word by a particular trader. In the instant case, since it was observed that the word Rasoi had not lost its primary significance, hence a trader cannot be permitted to monopolise it.

Name of place not to be allowed to be registered as a trade-mark

In a case of *The Imperial Tobacco Co. of India Ltd. v. The Registrar of Trade Marks*,¹¹ the applicant wanted to register the word 'Simla' for selling their cigarettes. The Deputy Registrar while looking into the application observed that:¹²

...Simla in its only and obvious signification is a well-known geographical name and the chief town of a State and further the word Simla was inherently not adapted to distinguish the goods of any particular trader.....

On the argument that the trademark became distinctive on the material date due to the high sales and large advertisements, it was stated that it will not be correct to only accept trade evidence as complete proof of acquired distinctiveness.

Coming to choosing geographical names as trade-mark, it was stated that a geographical name in its ordinary significance should not be registered. However, there can be an exception if there is an evidence of distinctiveness. The court quoted Karly's¹³ treatise on trademark wherein it was stated that a word is not prohibited from registration as a trademark merely because it is a geographical name. Some geographical names can be allowed registration if it can be made sure that these names will not come to the minds of other traders of that area or on grounds of distinctiveness. In other situations, geographical names used in a

¹¹ AIR 1977 Cal 413.

¹² *Id.*, para 13.

¹³ *Id.*, para 43.

fanciful manner can be allowed as a trademark. However, it was also noted that names of major cities should be completely prohibited from registration.

Finally, while rejecting the word ‘Simla’ for selling cigarettes, the court remarked that the fact that the applicant used an imprint of snow clad hills in the trademark indicates that they wanted to use the word Simla in its ordinary and geographical sense. If registration of the word Simla will be given, it will definitely hamper the traders in and around the locality in future if they decide to go into the tobacco business. It cannot be denied that Simla is a prominent city, which is famous in India and abroad and hence it is neither inherently distinctive nor capable of distinguishing the goods and services of one trader from others.

Generic names not to be allowed registration

In the case of *Geep Flashlight Industries Ltd.v. The Registrar of Trade Marks*,¹⁴ the appellants being unsatisfied that their trademark Janta has been refused trade-mark registration for electric torches filed an appeal. The Registrar while rejecting the application stated that the word Janta was a word of common use and hence lacks the criteria for distinctiveness. The court on appeal agreed with the Registrar and made a very important observation that, in India, the word Janta plays a very significant role and it is used in different situations. It is one of those words which should be kept open for the use by any person for a *bona fide*, trading or descriptive purpose. No one should get monopoly on such a word.

Analysis of the aforementioned provisions and judicial precedents *vis-à-vis* human rights

The human rights that are in discussion is the right to freedom of expression and right to freedom of trade, profession and business. It is important to note at this juncture that trademark and advertising are interrelated. Trademark performs the communication function, which conveys the trademark image through advertising to and between consumers.¹⁵ In the case of *Tata Press Ltd.v. MTNL*,¹⁶ the Supreme Court stated that commercial advertisements are part of freedom of speech and expression and the only limitations to it can be under article 19(2) of the Constitution of India. Article 19(2) states that in the interests of the

¹⁴AIR 1972 Del 179.

¹⁵ Sebastian Deck and Richard Brunner, “Brand And Trademark: Where Marketing Meets Law”, available at: <https://www.mondaq.com/trademark/733436/brand-and-trademark-where-marketing-meets-law> (last visited on October 20, 2021).

¹⁶1995 SCC (5) 139.

sovereignty and integrity of India, the security of the State, friendly relations with foreign States, public order, decency or morality or in relation to contempt of court, defamation or incitement to an offence, restrictions can be imposed by the state on the right to freedom of speech and expression.

Alternatively, it can also be seen that trademark registration of a particular word or logo can be a restriction to the right of freedom of expression of another trader or business who wants to use it in the course of their trade or business but are denied by the trademark registration. Hence, to balance these extreme approaches, section 9 of the Act plays an important role. On one hand, owing to the international recognition of intellectual property rights and the TRIPS Agreement, it is mandatory for all member states to have strict IPR laws including trademarks. On the other hand, it is also important to allow traders to be able to use a mark which is important for their legitimate business interests and for bona fide purposes.

Section 9(1)(b) of the Trademark Act plays a key role in this aspect. The provision states that, “the trademark which consist exclusively of marks or indications which may serve in trade to designate the kind, quality, quantity, intended purpose, values, geographical origin or the time of production of the goods or rendering of the service or other characteristics of the goods or service shall not be registered.”

Imagine a situation that the word Mango is registered as a trademark by a trader for selling mangoes. It will be completely detrimental to the interests of all other mango sellers as they will be unable to use the word ‘Mango’ for selling Mangoes. Hence, it is for the legitimate interests of the other sellers that the mark which indicates the kind is disallowed. Another example could be that the word ‘creamy’ is allowed trademark registration for ice-cream. It will definitely to affect the other traders as creaminess is one of the qualities of an ice-cream. Hence any kind of descriptive word of the goods is disallowed registration of the trade mark under the said provision. Geographical origin is discouraged as every trader/manufacturer of a good in a particular place would want to put the place of origin in their goods. Allowing the geographical origin as a trademark will naturally hamper the interests of other traders.

Generic and Common words

Section 9(1)(c) of the Trademark Act states that trademarks which consist exclusively of marks or indications which have become customary in the current language or in the *bona*

fide and established practices of the trade shall not be registered. Fry L.J.'s observation in the case of *Re: Dunn*¹⁷ is particularly important as he mentioned that though the word 'Fruit-Salt' has not been used in collocation except by the applicant Mr. Eno in the case. However, the court cannot overlook that there was an attempt by Mr. Eno "to enclose and to appropriate as private property certain little strips of the great open common of the English Language". The court held that this the court cannot allow.

Similarly, the Supreme Court in the case of *Geep Flashlight Industries Ltd.v.The Registrar of Trade Mark*¹⁸ held that by trying to register the word Janta for electric torches, the applicant is trying to get a monopoly of the word and this instance is nothing but an attempt to enclose and to appropriate as private property certain little strips of the great open common of the Hindi Language. There are certain words which are important for all traders, they are words of everyday usage, everyday importance. Monopolising those words or attempting to register those words as trademark is going to hamper the legitimate words of all people. The Supreme Court's last observation in the said case is worth mentioning,

Janta in India has a special significance and it is used very widely in various situations to denote or connote people or the common man and that the word 'Janta' is one of those words which should be kept open for the use of any person for a bona fide descriptive or trading purposes and that the appellant should not get monopoly right over this word.

The aforementioned are some of the leading cases in India when the courts have intervened and disallowed a particular trademark registration for the common benefit of all others who are professing a particular trade or profession. An important observation in the context to name of places being registered as trademark by Calcutta High Court in the *Imperial Tobacco* case is that,¹⁹

Such monopoly rights must not be granted, otherwise wealthy applicants will divide amongst themselves all the names of important cities and towns of India to the embarrassment and prejudice of smalltraders....

¹⁷(1888) 6 RPC 379.

¹⁸*Supra* note 14.

¹⁹*Supra* note 11.

It is true that trademark is essentially a commercial law, however, no law can be read ignoring the larger benefit of the society. If a law encourages private interest solely over public interest that has to be considered to be a bad law.

Bona fide use of trademark

Section 35 of the Trademark Act, 1999 is worth mentioning. It states that, “Nothing in this Act shall entitle the proprietor or a registered user of a registered trade mark to interfere with any *bona fide* use by a person of his own name or that of his place of business, or of the name, or of the name of the place of business, of any of his predecessors in business, or the use by any person of any *bona fide* description of the character or quality of his goods or services.” This provision is complementary to section 9 of the Act. Section 9 prohibits trademark applicants from using a descriptive or generic words from registration, whereas, section 35 gives a legitimate right to the people irrespective of the trademark registration to use their own name, place of business, or any bonafide description of the character or quality of his goods or services in their course of trade or business. This provision particular is beneficial when a corporation is able to monopolise a descriptive or generic word as trademark by providing strong grounds of acquired distinctiveness.

Another provision that needs to be mentioned is section 11(11) of the Act which states that if a trademark is registered in good faith by revealing all material information or the trademark is acquired through use in good faith before the enactment of the legislation, then the registration will still be held valid irrespective of whether the trademark is similar to or identical with a well-known trademark. This provision is important as otherwise all trademark that would be slightly similar to a well-known trademark will be held infringement. As is known, trademarks which comes under the category of well-known trademark are given special privilege under the Act.²⁰ In that scenario, this provision comes as a relief to those whose genuine trademark which are acquired through good faith or before the coming of the 1999 Act. Say, for example, H&M is a well-known trademark which came into the Indian market in recent years. Let’s say they apply for a trademark in India and gets it being a reputed brand. Now they file infringement case against a small Indian company based in Baroda as they are trading under the mark ‘H and M’. If it is found that the Indian company had taken this trademark in good faith as the owners were two brothers, Haribhai

²⁰Well-known trademarks are protected not only against similar or identical trademarks of similar goods and services but also against similar or identical trademarks of dissimilar goods and services. See, *supra* note 3 at s. 11(2).

and Manishbhai (hence H and M) and started their trademark much before the 1999 Act came into force, they will be allowed to use and register the trademark.

Another provision is section 12 of the Act which states that in cases of honest concurrent use, the registrar may permit the registration of more than one identical or similar trademark in respect of same or similar goods and service. Some conditions or limitations can be imposed by the registrar in such cases. Cases in which a proprietor may be using a particular trademark long before the coming of the trademark act of 1999 but haven't registered it, may be given registration under this provision irrespective of the fact that there is another similar or identical trademark which was registered under the Act.

IV. CONCLUSION

In today's time and era, trademark law plays an important role in the business and goodwill of corporations. Hence, the corporations put in a lot of effort to register as well as protect their trademark. The discussions aforementioned highlights the problems underlying the trademark registration and analyses the provisions in the trademark act which counterbalances the interest of corporations and legitimate public interest. It is important to mention that in the absence of such provisions, specifically section 9, 11(11), 12 and 35 of the Trademark Act, the legitimate rights of individuals to trade, practice and profess their trade and profession will suffer a huge setback. The absolute grounds of refusal of registration of trademark under section 9 of the trademark law have since a long time helped the general public from the corporations which seek to appropriate generic, descriptive and non-distinctive common words as their trademarks. It is laudable that the courts in India also have played a prominent role in protecting public interest which would have otherwise suffered heavily in the hands of trademark registered or sought to be registered by corporations.