

Inside India's IP Market: a Guide

2024

Advantages and Drawbacks of Trademark and Design Protection in India

Inside India's IP Market: a Guide

2024

The first edition of *Inside India's IP Market* provides invaluable on-the-ground intelligence and analysis on a range of trademark and patent topics, covering every stage of the IP lifecycle and the unique challenges and opportunities facing rights holders in India.

Generated: June 5, 2024

The information contained in this report is indicative only. Law Business Research is not responsible for any actions (or lack thereof) taken as a result of relying on or in any way using information contained in this report and in no event shall be liable for any damages resulting from reliance on or use of this information. Copyright 2006 - 2024 Law Business Research



Advantages and Drawbacks of Trademark and Design Protection in India

Amit Aswal

AnovIP

Summary

INTRODUCTION

TRADEMARK REGISTRATION IN INDIA

DESIGN REGISTRATION IN INDIA

FORGING A RESILIENT PROSECUTION STRATEGY: HARNESSING THE SYNERGY OF TRADEMARKS AND DESIGNS

INTRODUCTION

The Indian market offers significant opportunities for businesses seeking growth and expansion. Within this dynamic environment, intellectual property rights have emerged, covering diverse categories such as patents, trademarks, copyright, trade secrets and geographical indications. Patents grant inventors exclusive rights to their innovations for a specific period, while trademarks protect logos, symbols and brand identities. Copyright safeguards artistic, literary and musical works, while trade secrets shield confidential proprietary trade information. Geographical indications safeguard product names originating from specific regions renowned for their unique characteristics or reputation. These various forms of intellectual property rights are governed by distinct sets of laws, including the Patents Act 1970, the Copyright Act 1957, the Trade Marks Act 1999 and the Designs Act 2000.

Intellectual property encompasses the fruits of intellectual creativity, spanning a broad spectrum from inventions and artistic or literary creations to symbols, names, images and designs intended for commercial use. It encompasses manufacturing methods, product launch schedules, confidential formulas and lists of countries where specific patents are authorised. IP extends to elements such as brand names, logos, products, services and operational procedures offered by a company. Unauthorised use of these concepts can lead to significant losses for an organisation.

However, comprehending the intricate rules surrounding the protection of intellectual property can be a challenging endeavour. Intellectual property rights laws differ from one country to another, yet their primary aim is to foster innovation and creativity while striking a balance between the interests of creators and the public. These laws grant creators exclusive rights, enabling them to reap the benefits of their creations, all while ensuring that the public can access and utilise creative works under specific circumstances.

In India, intellectual property protection encompasses both trademarks and designs. Trademarks, which can include words, phrases, symbols, logos or combinations, are governed by the Trade Marks Act 1999. Registering a trademark ensures legal protection against unauthorised use, granting exclusive usage rights.

On the other hand, design protection pertains to the visual aspects of a product, covering shape, surface and ornamentation. The Designs Act 2000 governs this area, offering exclusive rights for typically 10 years. This is crucial for industries like fashion, automobiles and consumer electronics, where aesthetics significantly impact consumer choices

TRADEMARK REGISTRATION IN INDIA

NATIONAL TRADEMARK REGISTRATION IN INDIA

Trademarks represent a vital facet of intellectual property, encompassing various aspects, such as patents, industrial property, trade secrets, copyright and geographical indicators. They furnish distinct identities to products and services, encompassing elements like words, symbols, sounds, logos, colour combinations and even unique fragrances. In India, trademark protection is governed by the Trade Marks Act 1999.

National trademark registration in India entails submitting an application directly to the Indian Trademark Registry, conferring exclusive usage rights for the mark within the Indian borders. Here are the advantages and disadvantages of adopting this approach.

ADVANTAGES

National trademark registration in India offers several advantages. First, it provides strong protection, granting exclusive rights to use the mark for specified goods and services across the entire country, thus bolstering defence against infringement. Additionally, it offers flexibility as applicants can modify or revise their applications during the prosecution procedure, ensuring that the trademark aligns with their evolving business needs. This strategy also operates independently of international agreements or registration in the home country, providing a level of autonomy. Furthermore, it enhances the value of a company, making it more attractive to potential buyers. A well-known brand with protected assets adds substantial value to the business, increasing its market appeal. Finally, trademark registration safeguards the brand name, logo and tag lines from infringement, allowing for legal action against unauthorised use, thereby maintaining the integrity of the brand.

DRAWBACKS

There are several drawbacks to pursuing national trademark registration in India. First, the process can be time-consuming, mainly owing to the backlog of applications at the Indian Trademark Registry. Second, the protection offered is limited to the boundaries of India and does not extend to other countries, thereby requiring separate applications in foreign jurisdictions for international protection. Finally, this approach can be cost-inefficient, as filling individual applications in multiple countries may incur higher expenses compared to regional or international trademark registration options.

MADRID PROTOCOL: INTERNATIONAL TRADEMARK REGISTRATION

The Madrid Protocol stands as an international treaty that facilitates the process of obtaining trademark protection across multiple member countries through a single application submitted via one's home country's trademark office. India is a proud member of the Madrid Protocol, and here are the advantages and disadvantages associated with this approach.

ADVANTAGES

The Madrid Protocol offers several advantages for trademark owners seeking international protection. First, it simplifies the process by allowing one application and a unified fee structure to protect trademarks across multiple member countries. This not only enhances convenience but also reduces administrative complexity. Second, it is cost-effective, making it an attractive option for companies looking to protect their trademarks in multiple jurisdictions. Consequently, filing applications through the Madrid Protocol is recommended for efficiency and cost savings. Third, the system allows for centralised management, simplifying administrative tasks, renewals, and changes. Finally, the International Bureau manages the international registration, streamlining fee collections and ensuring a single renewal date for all member nations, further enhancing the convenience of international trademark protection.

DRAWBACKS

Indian trademark protection comes with several considerations. First, it relies heavily on the stability of the initial application or registration within the home country. Any issues encountered during this stage can potentially affect the international application. Additionally, there are limitations when designating additional member countries later on; these designations are bound by the same constraints as the original application. Another risk involves a central attack scenario: if the home country application faces cancellation or restrictions within the first five years, it can impact the international registrations in other member countries. Furthermore, international registrations are closely linked to their primary registration or application. Any modifications made to the basic registration directly influence the international registration. If the basic registration expires within the initial five years, the international registration will also lapse. Although conversion to national registrations is an option, it can be financially burdensome as there are no provisions for refunds. These complexities highlight the nuanced nature of international trademark protection, necessitating careful consideration and strategic planning.

TRADEMARK PROTECTION IN INDIA

In India, trademark protection is governed by the Trade Marks Act 1999 and is administered by the Office of the Controller General of Patents, Designs and Trademarks. Here are some strategies for protecting trademarks in India:

- registration: registering a trademark is the most effective way to protect it. A
 registered trademark provides exclusive rights to the owner and prevents others
 from using similar marks. Applicants can register their marks online through the
 Trademarks Registry's official website.
- 2. Trademark search: conducting a comprehensive trademark search before applying for registration helps in identifying any conflicting marks and allows the applicant to make necessary adjustments to avoid potential infringement issues.
- 3. Trademark watch services: utilising professional trademark watch services to monitor potential infringements helps with timely detection of trademark violations is essential for effective enforcement.
- 4. Renewal: trademark registration in India is valid for 10 years and can be renewed indefinitely. It is crucial to keep track of renewal dates to maintain protection continuously.
- 5. Trademark licensing and assignment: be cautious when licensing or assigning trademarks. Ensure that any agreements are properly documented and registered with the Trademarks Registry.

DESIGN REGISTRATION IN INDIA

NATIONAL DESIGN REGISTRATION

In India, design registration involves applying for protection under the Designs Act, granting exclusive rights over the visual appearance of a product. Here are the pros and cons of national design registration.

ADVANTAGES

National design registration in India boasts several advantages. First, it provides comprehensive protection, granting exclusive rights within India and effectively safeguarding against unauthorised use or replication. Additionally, this approach offers independence,

as it does not depend on international treaties or registrations in foreign countries. Finally, it is considered a cost-effective option when compared to the expenses associated with international design applications.

DRAWBACKS

National design registration in India has its limitations. First, it offers protection exclusively within the borders of India, necessitating the filing of separate applications for international protection in other countries, which can be administratively burdensome. Second, national design registration does not automatically grant recognition and protection outside of India, leaving the design potentially vulnerable to infringement in foreign jurisdictions. Finally, the registration process in India can be time-consuming, often resulting in delays in securing the desired protection.

THE HAGUE SYSTEM: SIMPLIFYING INTERNATIONAL DESIGN REGISTRATION

The Hague System for the international registration of industrial designs stands as an efficient mechanism, enabling applicants to secure design protection across multiple participating nations through a single application. This international framework streamlines the traditionally complex and time-consuming process of pursuing design rights in various countries by offering a centralised and standardised approach. In a notable development in 2023, India joined the ranks of Hague System members, marking a significant advancement in the realm of intellectual property rights. This move aligns with global endeavours to bolster intellectual property protection and simplify the procedures for international design registration. Let's explore the advantages and disadvantages of this system.

ADVANTAGES

The Hague System offers several advantages for those seeking international design protection. First, it streamlines the process by enabling applicants to file a single worldwide application in one language, simplifying the often complex task of seeking protection in multiple member nations. This not only saves time but also significantly reduces administrative burden. Second, it presents a cost-effective solution for businesses looking to protect their designs across various jurisdictions. By opting for the Hague System, companies can save on costs compared to filing individual applications in each separate country. Finally, the system supports centralised management of renewals and changes, further easing administrative responsibilities and enhancing the efficiency of design protection efforts.

DRAWBACKS

International design registration has certain characteristics worth noting. First, it depends on the initial application or registration in the home country, meaning any issues with the primary application could impact the extent of international protection. Second, when making subsequent designations after the initial filing, they are bound by the same constraints as the original submission. Finally, there is a risk of central attack, where if the home country application faces cancellation or restrictions within the initial five years, it could have repercussions on the international design registrations. These aspects underscore the interplay between the home country and international registration processes.

DESIGN PROTECTION IN INDIA

In India, design protection is governed by the Designs Act 2000. Here are some strategies for protecting designs in India:

- 1. Registration: registering a design is a primary step in protecting it. It grants the owner exclusive rights to use, make, and sell the design for a specific period. The registration process can be completed through the Designs Office's online portal.
- 2. Novelty search: as with trademarks, conducting a novelty search is crucial for design protection. It helps in ensuring that the design is unique and does not infringe on existing designs.
- 3. Priority applications: India is a member of the Paris Convention, which allows foreign applicants to claim priority based on their initial design applications in other member countries. This can be advantageous when seeking international design protection.
- 4. Publication: once registered, the design is published in the Official Gazette, making it accessible to the public. Enforcement becomes more straightforward as the publication serves as a public notice.

FORGING A RESILIENT PROSECUTION STRATEGY: HARNESSING THE SYNERGY OF TRADEMARKS AND DESIGNS

In the quest to develop a formidable prosecution strategy tailored specifically for the nuances of the Indian market, enterprises can enhance their intellectual property protection by seamlessly blending trademark and design registrations. This strategic fusion allows companies to capitalise on the inherent strengths of each system while proactively addressing potential vulnerabilities. Here's an in-depth exploration of how businesses can intricately integrate these strategies:

- National registrations: the bedrock of this comprehensive approach lies in obtaining national trademark and design registrations in India. This initial step serves as the foundation for a robust shield of protection within the Indian borders. It safeguards intellectual property assets from potential infringement while establishing a strong presence in the local market.
- 2. International reach through the Madrid Protocol and Hague System: to fortify global protection for trademarks and designs, businesses should consider the advantages of international registrations offered by mechanisms such as the Madrid Protocol and the Hague System. By carefully designating specific member countries, companies can extend the reach of their intellectual property rights well beyond India's boundaries. This approach not only enhances international presence but also ensures a cost-effective strategy for safeguarding intellectual property on a global scale.
- 3. Strategic timing considerations: an essential element of this integrated approach involves meticulously planning the timing of international applications through the Madrid Protocol and Hague System. Businesses can maximise efficiency and minimise costs by strategically deciding when to initiate these applications. Waiting for the basic home country registration to mature before filing international applications can be a prudent move, streamlining the entire process and presenting a cohesive global protection strategy.

4.

Vigilant enforcement and monitoring: the crux of any robust prosecution strategy lies in the active enforcement of trademark and design rights. Enterprises must maintain vigilant oversight of the market, deploying advanced monitoring tools and techniques to promptly identify potential infringements. In the face of unauthorised usage, immediate and decisive legal action must be taken to protect the integrity of brand and design assets. Regular, proactive monitoring ensures that any violations are addressed swiftly, preserving the exclusivity of intellectual property.

5. Ongoing maintenance and portfolio management: beyond the initial registration phase, a comprehensive strategy should encompass ongoing maintenance and management of the intellectual property portfolio. Regularly renewing and updating registrations, conducting periodic audits to assess the portfolio's effectiveness and strategically expanding protection as the business evolves are integral components. This proactive approach ensures that intellectual property assets remain current, robust, and aligned with the company's goals.

By integrating these detailed and holistic elements into their prosecution strategy, businesses can navigate the intricacies of the Indian market and beyond with finesse. This comprehensive approach not only bolsters protection but also enables enterprises to adapt swiftly to the dynamic landscape of intellectual property laws and regulations, safeguarding their innovations and brands effectively for long-term success.

Thus, in India, protecting trademarks and designs extends beyond registration. Effective enforcement involves regular market surveillance to spot infringements, both online and offline. Cease-and-desist letters can resolve issues amicably, but legal action via civil and criminal proceedings is an option if negotiations fail. Custom recordal enhances protection by preventing the import of counterfeit goods. These strategies ensure robust intellectual property rights in India.



Amit Aswal amit@anovip.com

45/1 Corner Market, Malviya Nagar, New Delhi 110017, India

Tel: +91 11 4183 5550

https://www.anovip.com/

Read more from this firm on WTR