



## VAIBHAM ACCOUNTS SERVICES

Trademark- A BUSINESS NECESSITY

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While developing a brand most of business house has a threat of misuse of developed brand by the competitors. Elsewhere business house want to make the brand well known with its consumer base. Trademark is the solution to the worry. Lets understand step by step how to go with this.

### **1. What is a Trademark ?**

A TRADEMARK is a word, phrase, symbol or design, or combination of words, phrases, symbols or designs is used in the course of trade which identifies and distinguishes the source of the goods or services of one enterprise from those of others.

### **2. What is a service mark?**

A service mark is any word, name, symbol, device, or any combination, used, or intended to be used, in commerce, to identify and distinguish the services of one provider from services provided by others, and to indicate the source of the services.

A SERVICE MARK is the same as a trademark except that it identifies and distinguishes the source of a service rather than a product.

### **3. What is a collective mark?**

A COLLECTIVE MARK is a trademark or service mark used, or intended to be used, in commerce, by the members of a cooperative, an association, or other collective group or organization, including a mark which indicates membership in a union, an association, or other organization.

### **4. What is a Trade Name?**

A trade name is a company name. Some trade names are also used in a way that makes them trademarks as well. For example, ACME Inc. may use the mark, "Widgets R Us" or "ACME Widgets." If they use the former, then ACME remains a trade name only. If they use the latter, then ACME is both a trade name, because ACME it is the name to identify their company, and a trademark, because they identify the source of their products with the word, "ACME"

### **5. How are trademarks, copyrights and patents different?**

A trademark is different from a copyright or a patent or geographical indication. A copyright protects an original artistic or literary work; a patent protects an invention whereas a geographical indication is used to identify goods having special characteristics originating from a definite territory.

Patents protect new inventions, discoveries and designs, while copyrights protect original works of authorship such as paintings, computer programs, sculpture and architectural designs. Trademarks do not protect creation or inventiveness at all. In fact, a trademark can be acquired with no creative or innovative input from the owner whatsoever. For instance, when the public spontaneously began referring to "Coca Cola" as "Coke," the new term became a source identifier for the product, and thus automatically a trademark.

### **6. What is the difference between a trade name and a trademark?**

A trade name or business name is the name which identifies a business. It is either the formal name under which a business is incorporated or organized, or the assumed or fictitious business name adopted by the business. A trademark or service mark is the word(s), logo, or slogan used in connection with goods or services, such as a brand name. Trade names are sometimes used as trademarks or service marks, but this is not always the case.

### **7. What a trademark does?**

Trademarks benefit both businesses and individuals. They allow businesses to build an identity and reputation with customers, and thereby grow or expand. Trademarks also allow individuals to be better consumers. In fact, Trademark law is the original consumer protection statute. It ensures that consumers can repeat their positive buying experiences by searching out familiar brand names, and avoid bad buying experiences by steering clear of brands they didn't like.

### **8. What are some tips for using a trademark or service mark?**

Once a mark has been cleared, decide on a consistent way in which the mark will appear. For goods, use the mark on the goods themselves or on the packaging of the goods in a prominent manner in which potential customers will see it when deciding whether to purchase the goods. For services, use the mark in promotional material and advertising of the services. The mark should be used as an adjective rather than as a name for the goods or services, in order to prevent the mark from becoming commonly known as a generic name for the goods rather than a brand name, and thus a loss of trademark rights. Use a "TM" symbol or "SM" symbol for trademarks or service marks, respectively, as a superscript or subscript immediately following the mark. Do not use the "®" symbol without a registration. Separate the mark from the generic term for the goods or services, and from any designation of the business name or address, using spacing, font size or style, color, etc. Seek advice of counsel regarding registering the mark.

### **9. When can I use the TM or SM symbols?**

The "TM" and "SM" designations ("trademark" and "service mark," respectively) are commonly used as superscripts or subscripts after trademarks and service marks to place the public on notice that rights in the mark are being claimed. These symbols may be used as soon as the mark is in use without any registration of the mark.

### **10. When can I use the ® symbol?**

The ® designation is reserved to indicate that the mark is registered as Trademark. This symbol should not be used under any circumstances until a certificate of registration has issued on the mark.

### **11 Do I need to register my trademark?**

No. You should use the "TM" or "SM" designation to indicate that your brand name/slogan belongs to you. The use of TM is a way of informing the world that you have (or you think you have) a protectable trademark.

### **12. Rights given to trademark owners**

Trademarks are essentially limited monopolies over the use of symbols in business. The government grants trademark owners the right to exclude all other businesses from using a similar mark on related goods or services. For instance, nobody in the computer industry is allowed to use the name "apple" as a way of identifying themselves, except for Apple Computers, Inc., who was the first to use that symbol to sell computers. If someone selling computers uses "apple," Apple Computers, Inc. has the right to sue immediately in court and force that company to stop using the mark immediately, and without compensation. In fact, they may even be able to make the other party pay monetary compensation for their losses, and have them pay attorneys fees as well.

One when selling related goods or products. Because the government can enforce this exclusivity, trademarks are considered assets of a business, and thus can be licensed or even mortgaged as collateral.

### **13. How are Trademark Rights established?**

Trademark rights are established through either (1) "actual use" of the mark, or (2) the filing with a bona fide "intent to use" the mark in commerce.

### **14. What are the remedies available against Infringement and passing-off?**

Two types of remedies are available to the owner of a trademark for unauthorized use of his or her mark or its imitation by a third party. These remedies are: - 'an action for infringement' in case of a registered trademark and 'an action for passing off\*' in the case of an unregistered trademark.

The basic difference between an infringement action and an action for passing off is that the former is a statutory remedy and the latter is a common law remedy. Accordingly, in order to establish infringement with regard to a registered trademark, it is necessary only to establish that the infringing mark is identical or deceptively similar to the registered mark and no further proof is required. In the case of a passing off action, proving that the marks are identical or deceptively similar alone is not sufficient. The use of the mark should be likely to deceive or cause confusion. Further, in a passing off action it is necessary to prove that the use of the trademark by the defendant is likely to cause injury or damage to the plaintiff's goodwill, whereas in an infringement suit, the use of the mark by the defendant need not cause any injury to the plaintiff.

However, the registration cannot upstage a prior consistent user of trademark in India, for the rule followed is 'priority in adoption prevails over priority in registration'. In many other jurisdictions like Saudi Arabia, Nepal etc. where the first party to register a trademark is considered the party to own the mark, regardless of prior use of the mark.

### **15. What are the safeguards to be taken by the proprietor of a registered trade mark to protect his rights?**

The proprietor should use and renew the trademark regularly and in time. If others misuse the trademark he should file a suit for infringement and passing off and also take criminal action.

The proprietor should keep a watch in respect of trademarks published in the Trade Marks Journal and institute opposition proceedings if identical or deceptively similar trademarks are advertised. He should initiate rectification proceedings if an identical or deceptively similar trademark is registered.

### **16. What to do to have the mark registered in other countries?**

Trademark rights are granted on a country-by-country basis. There is no system as yet wherein a single trademark application is sufficient to protect the trademark right internationally. If the owner of a mark wishes to protect a mark in other countries,

the owner must seek protection in each country separately under the relevant laws. However, Paris convention provides certain privileges to member countries in trademark registration. A party that files their first trademark application in a member state of the Convention, such as India , can within six months of that filing date file applications in other member countries claiming the priority of the first application. If such a trademark is accepted for registration it will be deemed to have registered from the same date on which the application is made in the home country.

It is also possible to utilize multinational filing systems in certain regions in order to obtain trademark protection. For example, Belgium , the Netherlands and Luxembourg have a single trademark registry, commonly referred to as the Benelux Trademark Register. The European Union consisting of 15 countries has adopted its own trademark system, known as the Community Trademark. The African Organization for Intellectual Property (OAPI), a group of African nations, have replaced their national trademark offices with a common trademark office which offers a single trademark registration valid in all of the member states.

### **17. Is an INDIAN Trademark registration valid outside the INDIA?**

No. Certain countries, however, do recognize a Indian registration as a basis for registering the mark in those countries. Many countries maintain a register of trademarks. Keep in mind that the Internet is changing international trademark boundaries. By adding your trademarks, you are being proactive in minimizing the potential cost of international litigation.

### **18. What is meant by "goods/services" classification?**

Almost all jurisdictions including India employ a classification system in which goods and services have been grouped into classes for registration. Most countries follow the same classification system, namely the International Classification of Goods and Services, which consists of 34 classes of goods and 8 classes of services. (The WIPO recently revised the Nice Classification,

adding three service classes (43, 44, 45) and restructuring Class 42, retaining certain services. This provision has not yet been implemented in India ). See Trademark Classification

### **19. Can I register my domain name as a trademark or service mark?**

Yes, so long as it is being used as a trademark or service mark. If it is merely used to indicate the URL or address at which a web site may be found, such use is not sufficient. It must be used as a source identifier for the goods or services.

### **20. DOES REGISTRATION COVER OTHER COUNTRIES?**

A INDIAN trade mark registration only covers INDIA. It does not, therefore, afford protection in any of other country, and a separate application must be filed in each of these countries if registered protection is required. Applications for registration in foreign countries can be based on a INDIAN trade mark application. Convention priority may be claimed if foreign applications are filed within six months after filing of the INDIAN application. Such applications are made in terms of the International Convention of Paris, as in the case of patents, but the period provided is limited to six months.

### **21. LICENSING: HOW TO PROTECT THE LICENSOR AND LICENSEE**

The registered proprietor of a trade mark is obviously entitled to use his own mark. The proprietor can also authorise third parties to use a trade mark. In such a case there are advantages to the licensees being recorded in the Trade Marks Register as "Registered Users".

### **22. HOW CAN THE APPLICATION FOR REGISTRATION BE OPPOSED?**

Within a period of three months from the date of advertisement in the Indian Trademark Journal, any party may lodge opposition to the registration of the trade mark. Extensions of this period can be obtained on application to the Registrar

Various grounds of opposition are available and include conflict with prior registered or common law trade marks. Generally trade marks which do not conform with the requirements for registration may be opposed.

Opposition is an important facility, especially in that it affords trade mark owners the opportunity of ensuring that competitors do not register similar trademarks.

*Thank You*

**Write To us for Your Trademark Consultancy**

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