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Regulating Shape Marks in India: Decoding the Overlap between Design and Trademark Protection

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ABSTRACT

Intellectual property rights (IPR) are the exclusive rights which enable people to claim ownership of their original concepts and innovations in a broad range of industries. There are various kinds of intellectual property rights and one of them being is the trademark. A trademark is a sign or a combination of signs that is used to distinguish the goods or services of one enterprise from those of another. In simple terms, trademarks allow goods and services to be associated with their manufacturer or provider.

Trademark can be for a number, name, logo, colors, coined term, color or mixtures of these or shape of goods. In India, the trademarks are protected by The Trademark Act, 1999 which was introduced by the Indian government in order to meet with the TRIPS (Trade-Related Aspects of Intellectual Property Rights) obligation recommended by the World Trade Organization (WTO).

The present paper aims in analyzing the basic framework of Trademark laws, its historical background and recent development in the arena of Trade Mark especially in the Indian context. The main objective of the paper is to discuss the position of shape trademarks and its registration procedure in India. Further, to critically analyze the ongoing developments in the issue of overlap between trade mark and design rights. The paper will seek also present relevant case laws and the conclusion on the subject.

Keywords: *Intellectual property rights (IPR), Trademark, Shape, Trade-Related Aspects of Intellectual Property Rights (TRIPS), World Trade Organization (WTO).*

I. INTRODUCTION

Intellectual property rights (IPR) are the exclusive rights which enable people to claim ownership of their original concepts and innovations in a broad range of industries. These are the rights given to persons over the creations of their minds. They usually give the creator an exclusive right over the use of his/her creation for a certain period of time.²

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² What Are Intellectual Property Rights? (WTO | INTELLECTUAL PROPERTY (TRIPS)) https://www.wto.org/english/tratop_e/trips_e/intel1_e.htm.

There are various kinds of intellectual property rights and one of them being is the *trademark*. A trademark is a sign or a combination of signs that is used to distinguish the goods or services of one enterprise from those of another.³ In simple terms, trademarks allow goods and services to be associated with their manufacturer or provider. Trademark can be for a number, name, logo, colors, coined term, color or mixtures of these.⁴ It can also be for the texture or shape of the items. It safeguards both the interest of the trader and consumer as consumer relates to a product with the quality guaranteed by its trader, whereas the trader is able to prevent its competitors from using his mark and profiting from imitation while making it distinctive.⁵

“The trademark system thus serves to protect producers against unfair competition from other producers seeking to free ride on the goodwill and positive reputation earned by the trademark owner. In general, trademarks are registered and protected with respect to certain products, which are described in detail in the trademark registration (e.g. ‘FedEx’ for document delivery services, ‘Toyota’ for automobiles and related services and ‘Samsung’ for consumer electronics).”

Trademark piracy is the use of a trademark through unlicensed or unlawful means, such as by producing it for commercial purposes. The owner of a registered trademark can file a lawsuit if there is a trademark infringement, whereas an unregistered trademark merely has passing off as a legal remedy. Many nations, including the United States, Canada, and many others, accept trademark policies, thus they also grant the right to the master of the goods to take legal action for the protection of their brand. A common concept of a trademark is that the owner of a registered trademark has a more legal right for protection than the owner of unregistered trademark.

(A) Research question

The present study has been undertaken by the researcher keeping in views the following objectives:

- Whether India being the member of World Trade Organization (WTO) has introduced any Trademark laws for fulfilling the objective of the Trade-Related Aspects of Intellectual Property Rights (TRIPS) agreement?
- Whether the *shape mark* is qualified for protection under the existing Trademark laws

³ https://www.wto.org/english/tratop_e/trips_e/ta_docs_e/modules3_e.pdf

⁴ Geejo Francis, Geejo, *Law of Trademarks in India* (2011), <https://ssrn.com/abstract=1850364> or <http://dx.doi.org/10.2139/ssrn.1850364>

⁵ Id

in India?

- Whether the *shape mark* have to fulfill any criteria in order to get registered under The Trademark Act 1999?
- Whether a design can also function as a trademark?

II. BACKGROUND

(A) Evolution of the ‘Trademark Laws’ in Indian Legal Jurisprudence

In India, there was no law governing trademarks prior to 1940. Section 54 of the Specific Relief Act of 1877 was used to resolve a number of trademark infringement issues involving both registered and unregistered marks, while the Indian Registration Act of 1908 was used to decide registration matters.⁶ In order to address these issues, the Indian Trademark Law was implemented in 1940. Trade and commerce saw significant expansion following the enforcement of the trademark legislation, which raised demand for trademark protection.

The Trademark and Merchandise Act, 1958, replaced the Trademark Act. It offers improved trademark protection and prevents unauthorized and deceptive use of marks on products. The Act allows for trademark registration, giving the trademark owner a legal right to the exclusive use of their mark.⁷ The Trademark Act, 1999 was introduced by the Indian government in order to meet with the TRIPS (Trade-Related Aspects of Intellectual Property Rights) obligation recommended by the World Trade Organization. The major objectives of the Trademark Act are to protect trademark users, set rules for property usage, and offer legal recourse for enforcing trademark rights. The Trademark Act of 1999 grants police authority to make arrests in instances of trademark infringement. The Trademark Act stipulates penalties and punishments for offenders. It also increases the time duration of registration and also registration of a non-traditional trademark.

III. POSITION OF ‘SHAPE’ TRADEMARKS IN INDIA

(A) ‘Shape’ Trademark

According to the Indian Trademarks Act, 1999, a trademark or mark comprises the *shape of goods* and their packaging, provided that it is able to ‘*graphically represent*’ the same and that their shape clearly distinguishes such products from those of any other competing brand.⁸

⁶ N Thapliyal, *Threshold for Extending Exclusive Rights to Shape of A Product Quite High In Trademark Law: Delhi High Court*, LIVE LAW (accessed February 2, 2023), <https://www.livelaw.in/news-updates/threshold-exclusive-rights-shape-product-trademark-law-delhi-high-court-204248>

⁷ Id

⁸ Anirudh Agarwal and Ashneet Hanspal, *Shape Mark in India: Registration Process & Benefits*, AHLAWAT &

A shape mark may be understood as a multi-dimensional or three dimensional (3D) mark associated with the shape of a product or its packaging. Section 2(m)⁹ and 2(1)(zb)¹⁰ of the Trade Marks Act, 1999 includes the *shape of goods* in the definition of a mark. The shape should be able to be graphically represented and be able to differentiate between the products and services of different businesses. The shape mark is qualified for protection under the existing law in India if these two requirements are satisfied.¹¹ The typical market consumer automatically connects certain products' distinctive shapes to specific brands or companies, such as the distinctive Coca-Cola bottle or Oreo biscuits. The products listed above are all instances of shape marks that are protected in India by the existing legislation.¹² The Indian Trade Marks Act specifically permits the registration of shape of goods as trademarks.

(B) Procedure For Shape Mark Registration in India

a. Documents required for a Shape Mark

According to the First Schedule of the TMA, 1999 read with Rule 11 of the Trade Marks Rule, 2017, an applicant may submit a trademark application with respect to the shape of products to the authorized office of the Trade Mark Registry of India in the required form and with the prescribed fees. Some additional requirements for submitting applications for registration of a shape mark have been clarified by the introduction of Rule 26(3) of the TM Rules. The relevant provision provides that where an application for the registration of a trademark consists of the shape of goods, certain documents are required to be filed along with such application, as enumerated below:

- Written description of the shape mark in words; and
- A representation of the shape mark in 2D form or a through a photograph, provided the same must be taken from minimum 3 (three) different angles.

b. Registration Process

An application for a shape mark registration in India shall be granted protection subject to the satisfaction of the TM Registry that the shape mark is distinctive. The shape mark must satisfy

ASSOCIATES, (2021) <https://www.ahlawatassociates.com/blog/shape-mark-registration-process-in-india/>

⁹ Section 2(m) of the Trade Marks Act, 1999: "mark" includes a device, brand, heading, label, ticket, name, signature, word, letter, numeral, shape of goods, packaging or combination of colours or any combination thereof.

¹⁰ Section 2(1)(zb) of the Trade Marks Act, 1999: "trade mark" means a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others and may include shape of goods, their packaging and combination of colours.

¹¹ Id

¹² By Ananyaa Banerjee and Sandhya A. Parimala, *Importance and Challenges of Protecting Shape Mark in India*, S.S. RANA & CO., (2022) <<https://ssrana.in/articles/importance-and-challenges-of-protecting-a-shape-mark>

the requirements outlined in Section 9 of the TM Act, 1999 in order to pass the test of distinction.¹³

The applicant should specifically have mentioned on the application form that the application is for a *shape* trade mark. If this is not specified explicitly, the examiner should question if the trademark is a shape trade mark from the applicant.¹⁴ The depiction of a shape must, whenever possible, take the form of a perspective drawing that accurately captures all feature of the trademark. Along with the representation, the trade mark must be described briefly and precisely. There should be no contradiction between the representation and the description, and the description should generally link to the representation in order to make their relationship evident.¹⁵ The Registrar may request up to five more views of the trademark if the applicant's representation fails to adequately portray the features of the mark.¹⁶ “Furthermore, the draft manual states that black and white or color photographs of shape marks which have been mounted on good quality paper will be acceptable as representations of the trade mark, however, they must be able to be reproduced for the purposes of advertisement.”¹⁷

Pursuant to Section 9(3) of the TMA, 1999 Act, a shape mark will be registered provided the TM Registry concludes that the shape of the applied-for goods is such that it does not exclusively¹⁸:

- ***Relate to or result from the nature of those goods:***

“For instance, a product may bear a shape relevant to its nature, such as a football. Owing to the fact that the shape is necessarily owing to the very nature of the product, it will not be seen as eligible for protection.”

- ***Required to obtain a technical result:***

“The shape of a product cannot be registered if it is determined to be functional or a means of achieving a technological outcome. A relevant reference may be made to the case of *Koninklijke Philips Electronics v Remington Consumer Products*¹⁹ wherein Philip’s shape mark in respect of its three-headed rotary razor for men was revoked, owing to this very principle.”

¹³ **SHAPE MARK IN INDIA: REGISTRATION PROCESS & Benefit**, *supra* note 7

¹⁴ Draft Manual Ch I, section B at 4.7.1

¹⁵ Draft Manual Ch I, section B at 4.7.2

¹⁶ Draft Manual Ch I, section B at 4.7.4

¹⁷ Draft Manual Ch I, section B at 4.7.6

¹⁸ *Id*

¹⁹ *Koninklijke Philips Electronics v Remington Consumer Products* Case C-299/99) [2003] Ch 159

- ***Provides substantial value to those goods:***

“If a product's shape enhances its visual appeal or practical abilities, it would add significant value to the product and would not be eligible for registration. Such criterion is however subjective, and determinable only on a case-to-case basis by analyzing the applied for shape and the shape of other equivalent goods.”

“Rule 26(4) read with Rule 26(3) of the TM Rules sets out the procedure in relation to an application for the registration of a trademark consisting of the shape of goods. Rule 26(3)²⁰, states that 3-Dimensional trade mark can be registered by reproduction of the trade mark, which shall consist of a two dimensional graphic or photographic reproduction. Rule 26(4)²¹, states that the shape of the goods, shall consists of shape of goods or its packaging can be registered by producing at least five distinct perspectives of the trade mark and a description by word of the brand.”

In light of the aforementioned, it can be understood that, in accordance with Section 9(3)(b) of the Trade Marks Act of 1999, a good cannot be registered as a trade mark if its shape is such that it primarily and exclusively delivers a technical, utilitarian, or functional result. Thus, it would be necessary to prove that the trade mark does not have only a functional purpose. To qualify for registration, the shape of the goods must have other characteristics or be unique in and of itself and not just serve a functional purpose. In order to demonstrate distinctiveness and establish a direct relationship with their trade mark, the owner must demonstrate sufficient usage of the mark in Indian commerce or transnational recognition in India.

IV. CASE LAWS

In India, the judiciary has consistently recognized and protected shape marks. In plethora of judgements the *protective* approach of the court has been observed. An early example is the case of ***MRF Ltd. v. Metro Tyres Ltd***²² in the year 1990. “In this case, MRF sought relief against the sale of auto-rickshaw tyres by Metro Tyres as their tread pattern was similar to the auto-rickshaw tyres of MRF. The Hon'ble High Court of Delhi recognized the distinctive pattern of a tyre as being eligible for trademark protection and MRF was granted the relief sought by it.”²³

The ***Gorbatschow Wodka KG v. John Distilleries Ltd.***²⁴ case is one of the notable instances

²⁰ Rule 26(3) Trade Marks Rules, 2017

²¹ Rule 26(4) Trade Marks Rules, 2017

²² MRF Ltd. V. Metro Tyres Ltd 1990(10) PTC 101

²³ Id

²⁴ Gorbatschow Wodka KG v. John Distilleries Ltd 2011(4) ALLMR 374

where the rights of traditional shape marks have been safeguarded and shape mark regulations have been defined. In this case, German brand Gorbatschow Wodka claimed that John Distilleries violated the goodwill of its brand by selling vodka in a bottle that was deceitfully similar to and identical to the distinctive bottle used for Gorbatschow Wodka and that the sale of it damaged the brand's extensive goodwill and the trans-border reputation. The Hon'ble Bombay High Court firmly stated that if John Distilleries' operations were let to continue and the infringing shape mark was not restricted, it would irreparably harm Gorbatschow's established reputation and goodwill.

In the similar case of **Zippo Manufacturing Company v Anil Moolchandani**²⁵ the plaintiff hold the trade mark rights to the 3D design of the lighters with the Zippo mark. By selling identical Zippo lighters, the defendant imitated the plaintiff's goods. A permanent injunction was issued prohibiting the defendant from marketing, selling, or distributing lighters that bear the Zippo trademark or have a 3D form that is similar to or identical to a Zippo lighter, as shown on its registration certificate.

Similarly, in the case of **Pidilite Industries Limited v. Proma-Ex Products**²⁶ The court decided that the product packaging for the defendant's (Proma Ex) 'KWIKHEAL' trade mark is an obvious replica of that for the plaintiff's trade mark, making it appear as though the defendant had sold the plaintiff's product.

V. ANALYSIS

- *Challenges in protection of shape marks in India*

(A) Overlapping with the design act, 2000

The statutory laws for designs protect “*exclusive rights over only the features of shape, configuration, pattern, ornament, or composition of lines or colors when applied to articles in two-dimensional or three-dimensional forms.*”²⁷ On the other hand, the trademark law confers “*any ‘mark’ consisting of a device, brand, label, heading, ticket, name, word, signature, letter, numeral, shape of goods, packaging, or combination of colors.*”²⁸

This demonstrates that under the Designs Act, the protection offered relates to a product's overall aesthetic appeal, which is assessed solely by eye. However, the Trade Marks Act

²⁵ Zippo Manufacturing Company v Anil Moolchandani CS (OS) 1355/2006

²⁶ Pidilite Industries Limited v. Proma-Ex Products 2017 (72) PTC 1 (Bom)

²⁷ Maitrayee Sinha Akash Dudhwa, Choosing between Design and Trademark Protection for Shape of Goods **SAGACIOUS IP**, (2022) <<https://sagaciousresearch.com/blog/choosing-between-design-and-trademark-protection-for-shape-of-goods/>>

²⁸ Id

safeguards marks that distinguish the owner's products and services from those of rivals and can be visually depicted.

The key objective for creating a unique trade dress is not aesthetic appeal but rather the unique placement of the logos or the tag lines and the specific arrangement of the different aspects of the trademark, which may or may not add any aesthetic value to the look and feel of the article.²⁹

There may be instances where a person wishes to obtain protection under both the Designs Act as well as Trade Marks Law. However, a trade mark is not deemed to be a design, according to Section 2(d) of the Designs Act of 2000, and a design is only eligible for registration for a period of 15 years. However, the existing law is silent on the legality of using a registered design as a trademark after the 15-year window has passed. However, if a design is capable of identifying the source of a product, then the same is functional as a trade mark, and the design can be cancelled according Section 19(1)(e) read with Section 2(d) of the Designs Act, 2000.³⁰

The Hon'ble Delhi High Court in the case of **Mohan Lal v. Sona Paints and Hardwares**³¹ held that a registered design could not be cancelled on the grounds that it has become an indicator of source i.e. a trade mark. The majority opinion observed that “*a design can be used as a trade mark and if by virtue of its use, goodwill is generated in the course of trade or business, it can be protected by an action in the nature of passing off.*”

Further, in the case of **Crocs Inc USA v. Aqualite India Ltd and Ors**³² Delhi High Court, referring to the Mohan Lal case and stated that, “*the goodwill acquired during the period of registration, when there is a statutory bar to its use as a trade mark, cannot be considered and the person claiming protection as a trade mark will have to show the rights as accruing with effect from post registration.*” This would affect the right holder of the registered design as they would not be able to claim any rights over the said shape after the lapse of 15 years and the design would be under public domain. Even otherwise, to enforce rights under Trade Mark Law, the right holder would have to show that there are additional features to the famous design and seek to enforce rights based on that. The recourse or remedy which the right holder can seek in such kinds of situations is not made clear yet and the law on this point is still ambiguous which might put the right holder in confusion.³³

²⁹ Id

³⁰ **IMPORTANCE AND CHALLENGES OF PROTECTING SHAPE MARK IN INDIA**, supra note 11

³¹ Mohan Lal v. Sona Paints and Hardwares 2013 55 PTC 61 (Del)

³² Crocs Inc USA v. Aqualite India Ltd and Ors CS (COMM 903/2018)

³³ Selvam & Selvam, *What's in a Shape – Protection of a Shape as a Design v. Trademark* (2019) <<https://selvams.com/blog/whats-in-a-shape-protection-of-a-shape-as-a-design-v-trademark/>>

VI. CONCLUSION

In conclusion, it has been noted that the Indian judicial system and legislature recognize the need for the trademark laws to change in order to include *shape marks* within the scope of protection under the country's existing intellectual property rights regime. This is due to the evolving nature of society and the fierce competition observed in the commercial market. A positive development in regards to shape marks has been observed with the introduction of TM Rules which brought clarity and certain reforms in the subject field.

However, the existing statutory provisions must be periodically reviewed to ensure that one is abreast with the evolving changes keeping in mind the rapid pace of the technological advancements. However, in context of the rapid pace at which technology innovation, it is necessary to check the present statutory provisions on a regular basis to make sure that they remain up to date with any modifications that may have occurred. The law must be properly interpreted in order to quickly address any potential obstacles that make the registration of shape marks difficult. For instance, the challenge of demonstrating the shape's distinctiveness, whether acquired or inherent, which usually deters applications for shape marks.

It can be shown that India still has the mistaken perception of being less open to the registration of shape trademarks than other nations like the EU, where non-conventional marks are still more common. While it would be advantageous for India to adopt some legal guidelines from other countries into its legal framework, it is also critical to raise awareness of the advantages of shape mark protection in country.

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