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# Unveiling Trademarks and Well-Known Marks: Exploring their Impact in the Intellectual Property Landscape

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## ABSTRACT

*Intellectual Property (IP) has been traditionally categorized into Industrial property and Copyright. The term Industrial Property includes patents, trademarks, industrial designs, and geographic indications of source. Copyright protection is granted to protect literary, artistic and musical works. Rights related to copyright include those of performing artists in their performances, producers of phonograms in their recordings, and those of broadcasters in their radio and television program. Intellectual property rights are generally said to be a bundle of exclusive rights granted to the lawful owner. The Word A trademark is described as a symbol that may be visually represented and that can be used to identify one person's goods or services of one person from those of others and may include shape of goods, their packaging and combination of colours . According to Nordberg, it's critical to comprehend not only the distinction between a trademark and a brand, but also their mutually beneficial relationship. The word "well known mark" refers to a more general term that also includes connections created by a trademark, such as goodwill, image, and prestige, while "trademark" is the legal term that designates a distinctive mark or symbol to which an owner can get an exclusive right. Well known mark have the potential of attracting consumers, employees, financiers etc. and could be used to establish long lasting relationships on the market. According to Petrusson A well-known trademark may be seen as an intellectual phenomena that demonstrates a company's capacity to increase value for customers and other stakeholders. Popular brands are becoming more and more valued assets for businesses. They serve mainly as transporters of collected value from enterprises and as vehicles for communication. The story of the famous trademarks begins with the Paris Convention, moves on to the TRIPS Agreement, and ends with the WIPO recommendation. This Paper will give an Bird's eye view on the Trademarks and wellknown marks and their application in the Intellectual Arena.*

**Keywords:** Trademark, Intellectual Property and Well-known mark.

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## I. INTRODUCTION

Industrial property and copyright are the two main categories into which intellectual property (IP) is typically separated. Patents, trademarks, industrial designs, and geographical source indicators are all considered forms of intellectual property. Creative works such as music, art, and literature are protected by copyright. Broadcasters, phonograph manufacturers, and performing artists are all covered by copyright. The exclusive rights granted to the legitimate owner are referred to as intellectual property rights. To put it simply, intellectual property rights are the exclusive rights granted to the rightful owner. One of the most crucial components of branding is trademarks, which are a necessary tool for companies of all kinds. Trademarks are legally protected images, logos, or phrases that set one good or service apart from another.

Trademarks have their roots in the early days of commercial enterprise. The marks date back to the beginning of human history and religion. Researchers have discovered relics that have been found from historical locations, such as ancient Egypt, that have been engraved with a variety of religious and superstitious symbols. "Potters marks" are remnants from the Greek and Roman eras that are used to identify the potter who created a specific vessel. Among experts studying the cultural legacy of marks, the research on "potters marks" is well-known<sup>3</sup>.

Trademarks are governed by the Trade Marks Act 1999 in India, which provides registered trademark owners with legal protection. The Trade Mark Rules 2017 have instituted a process that empowers the Registrar to declare a certain brand as "well known." Although a "trademark" is a unique mark or sign that confers exclusive rights to its owner, a "well known mark" refers to a wider range of connections that a trademark creates, including goodwill, image, and prestige. A well-known brand has the power to draw in customers, workers, investors, and other stakeholders. It can also be utilised to establish enduring connections in the marketplace. As per Petrusson, a well-known mark can be seen as an intellectual phenomena that symbolises a particular firm's capacity to augment value for customers and other stakeholders.

A trademark can be any term, sign, symbol, or even image that is used to identify a business, its products, or services from those of its rivals. A brand, product, company name, or logo are a few examples. This makes it possible for customers to recognise, buy, and enjoy goods and services based on their unique qualities and attributes, as guaranteed by the relevant trademark/owner. To put it simply, a word trademark is a picture that is affixed to products in

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<sup>3</sup>Latha R. Nair, "Tracking the protection of Well known Marks in India: A Befuddled Path to Nirvana" 101 TMR 1419 (2011).

order to identify the source of their commerce. The word "mark" refers to any device, brand, heading, label, ticket, name, signature, word, letter, number, shape of the product packaging, or any combination of colours<sup>4</sup>.

The Trademarks Act of 1999 in India provides precise reasons in sections 11(2), (6), (7), and (9) for rejecting trademark registration as well as a definition of a "well-known mark" under section 2(1)(zg). The significance of safeguarding well-known marks during the registration procedure is emphasised by these clauses. Nevertheless, the phrase "well-known mark" is conspicuously missing from section 29 of the Act, which deals with trademark infringement. Rather, clause (4) of the Act makes reference to a "registered trademark that has a reputation". The terminology used in sections 11 and 29 appears to differ from one another, which has caused uncertainty about the legislative intent behind the protection of well-known marks after registration.

Section 29(4) does not specifically define "well-known mark," which begs the question of whether the legislature intended to preserve well-known marks once they are registered.

## **II. HISTORY**

The Paris Convention of 1925 served as the inspiration for the idea of a well-known trademark. Any trademark that is identical to or similar to a well-known brand and is likely to cause confusion in the eyes of the public will not be registered, per Article 6b of the Paris Convention. Nevertheless, the purview was limited to similar or identical products, and trademark usage for services was not included. The TRIPS Agreement added services to the list of recognised trademarks in 1967. Additionally, it expanded the scope of protection for well-known trademarks to encompass similar or dissimilar goods or services, provided that the use of the brand implies a connection to the well-known mark. Following the Paris Convention and the TRIPS Agreement, the majority of nations changed their trademark legislation to offer particular protection for well-known marks.

Prior to 2003, Section 47 of the Trademark and Merchandise Act of 1956 safeguarded well-known trademarks by allowing for defensive registration and passing-off actions. The determining factor in determining eligibility for defensive registration under Section 47(1) of the TMM Act was whether the use of the same or similar mark in another class of goods or services would cause confusion and deception in the minds of the public about the true owner of the mark, as well as whether such use would indicate a connection of goods or services with

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<sup>4</sup> The Trademarks Act, 1999, Sec 2(1)(m), No.47, Acts of Parliament, 1999 (India).

that of the Well Known Trademark.

The first case dealing with the concept of a well-known trademark in India was *Sunder Parmanand Lalwani & Ors v. Caltex (India) Ltd.*, in which the Bombay High Court Divisional Bench observed that the use of the word CALTEX by Applicant would mislead the public about the origin of the product, and people would associate it solely with the Opponent, despite the fact that both products were in different classes. The court stated that the applicant had no reason to adopt the Opponent's mark CALTEX, which is a recognisable mark across India, and the prospective commerce channel of the Applicant's goods is similar to that of the Opponent's, creating doubt regarding the genuine origin of the items..

But the courts went one step further and included mark dilution as a primary factor when determining whether or not a well-known trademark was violated. This was viewed as a step away from merely defensively registering a mark that confuses or deceives.

### **III. CONVENTIONS AND INTERNATIONAL INSTRUMENTS DEALING WITH WELL-KNOWN TRADE MARKS**

#### **1. Paris Convention:**

The Paris Convention for the Protection of Industrial Property, 1883, is where the term "Well-Known" was first used. As per Article 6bis(1), the member nations of the Paris Convention are required to decline registration, cancel registrations that have already been made, and forbid the use of trademarks within their borders that could cause confusion with another trademark that is already well-known in another member nation and that has been deemed well-known by a competent authority of that country of registration or use. The Paris Convention lacked specifics regarding the safeguarding of well-known trademarks and the processes involved in their recognition. Thus, the signatory countries were given the freedom to handle these issues as they saw fit. The end result was that the majority of countries do not process applications for the recognition of well-known trade marks unless the owners of such marks specifically demonstrate their need for recognition, and the majority of them lack a separate, independent application procedure for such recognition.

A mark that is a copy of a well-known mark may only be removed through an action under Article 6bis (1) if the action is filed at least five years after the date of registration, according to Article 6bis (2). The member nations were allowed to stipulate a minimum amount of time before a well-known trade mark owner may take legal action to prevent the mark from being used without permission. However, in situations where a person was using, copying, or imitating a well-known mark in bad faith, such a restriction on the mark's protection was not

to apply.

## **2. Trade Related Aspect of Intellectual Property Rights:**

Minimum requirements for the protection and enforcement of intellectual property rights were established in 1995 by the Agreement on Trade Related Aspects of Intellectual Property Rights. The TRIPS Agreement's Articles 16.2 and 16.3 address well-known trademarks. The TRIPS Agreement replaced the Paris Convention as the source of the idea of well-known marks. The TRIPS Agreement improved our understanding of well-known marks by outlining the criteria for deeming a mark to be well-known. These criteria included knowledge of the trademark in the relevant public domain as well as knowledge gained by the member in question from trademark promotion.

Furthermore, the Paris Convention only addressed goods and offered protection against identical or similar goods; however, the scope of the TRIPS agreement includes protection against registered trademarks in relation to both goods and services. It also covers dissimilar goods and services to the extent that use of such goods and services by a third party is determined to indicate a relationship with the registered mark owner, which is likely to be detrimental to the owner's interest. Despite significant improvements to the well-known trade mark component, neither of the agreements defined the phrase "well-known mark," leaving it up to the individual national laws of other nations to determine the definition.

## **3. World Intellectual Property Organization:**

The Standing Committee on the Law of Trademarks, Industrial Designs, and Geographical Indications (SCT) adopted the Joint Recommendation Concerning Provisions on the Protection of Well-Known Marks (June 7-11, 1999) at a joint session of the Paris Union for the Protection of Industrial Property and the General Assembly of the World Intellectual Property Organisation (WIPO).

The WIPO Recommendation is the first step towards adopting WIPO's policy to adapt to the changing landscape of industrial property. It seeks to speed the development of internationally harmonised principles by investigating new possibilities. The WIPO Programme and Budget for 1998-99 emphasised the importance of a flexible approach, in addition to treaty-based procedures, for achieving speedy harmonisation of industrial property concepts.

From the Indian perspective on trademarks, becoming a well-known mark is equivalent to entering a state of "Nirvana," which denotes joy obtained through detachment from extraneous influences. The modern meaning of well-known marks goes beyond the old definition of trademarks, focused on preserving a mark's distinctive character from dilution, free-riding, and

tarnishment. This deviation from the usual idea shifts the emphasis away from establishing deceit or confusion in infringement actions and towards protecting the mark's reputation.

The WIPO Resolution, adopted in 1999, establishes a framework for identifying well-known trademarks. The repute of the mark, the duration and geographical scope of use, publicity, global trademark registrations, and successful enforcement cases are all taken into consideration. This resolution advances a complete understanding of well-known marks and promotes their international protection.

#### IV. INDIAN PERSPECTIVE OF WELL-KNOWN TRADEMARKS

India, a signatory to the Trade Related Aspects of Intellectual Property Rights (TRIPS agreement) and a member of the World Trade Organisation (WTO) since 1995, adopted the Trade Marks Act 1999, which went into effect in 2003. This Act introduced numerous statutory changes, including the protection of well-known trademarks even in the absence of registration and use in India, as well as granting trademark owners the unique right to initiate opposition proceedings at the registration stage on the basis of the mark's reputation.

In India, the protection of well-known marks is given more importance than that of common trademarks. This protection was once given by the Common Law action of passing off. In the *Daimler Benz Aktiengesellschaft v. Hybo Hindustan* case, for example, the Mercedes Benz manufacturer requested an injunction to prevent the unauthorised use of both the term Benz and its iconic 'three-pointed star in the circle' mark. Given that the defendant had used these well-known marks to market clothing, the court acknowledged the infringement and issued an injunction.

Similarly, in *Whirlpool Co & Anr v N R Dongre*<sup>5</sup> the plaintiffs, whose Whirlpool mark had a global reputation, took legal action against the defendants who started using their mark on washing machines. The court acknowledged the plaintiff's 'transborder reputation' established through worldwide sales and advertising, issuing an injunction against the unauthorized use of the trademark.

Regarding the analysis of transborder reputation, Indian courts have progressively adopted a broader perspective over time. Cases such as *Indian Shaving Products Ltd v. Gift Pack*<sup>6</sup> (involving the use of the words 'Duracell-ultra' by plaintiffs and 'Ultra' by defendants) and *Allergan Inc v Milmet*<sup>7</sup> of the industries (involving the use of the word 'ocuflex' for medicinal

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<sup>5</sup> *Whirlpool Co & Anr v N R Dongre*, 1996 PTC (16) 583 (SC).

<sup>6</sup> *Indian Shaving Products Ltd v. Gift Pack*, MANU/DE/0209/1999.

<sup>7</sup> *Allergan Inc v Milmet*, AIR 2004 SUPREME COURT 3355.

preparations) demonstrate this evolution. Despite the plaintiffs not having a business presence in India, the courts recognized the transborder reputation of the marks within Indian trade circles. In both cases, the courts issued injunction orders against the defendants, emphasizing the importance of protecting well-known marks even in the absence of a direct business presence.

### **Provisions Related to Well-Known Trademarks:**

#### **a. Rule 124 of Trade Mark Rules 2017**

This rule allows trademark owners to file a request for award of a "well-known" trademark with the Registrar using form TM-M. Prior to the implementation of this law, a mark was considered well-known only after proceedings, rectification, and opposition were conducted before the Hon'ble courts. With the implementation of this rule and the procedures outlined therein, a trademark owner can request a well-known trademark without engaging in any litigation or rectifications. Rule 124 ensures that a trademark will be granted the "well-known" tag simply by submitting a request to the Registry.

### **Trademarks Act, 1999**

#### **i. Section 11<sup>8</sup> outlines specific considerations for recognizing a trademark as well-known in India. These factors include:**

##### **1. Knowledge and Recognition:**

Courts consider the awareness of the alleged well-known mark in the relevant section of the public, acquired through the promotion of the trademark. In the *Warner Bros. Entertainment Inc. and Anr. Vs. Harinder Khli and Ors*<sup>9</sup>, the court ruled that similar names to the famous Harry Potter series would not cause confusion, considering the distinct target audience. Another case involves *Rolex S A v. Alex Jewellery Pvt. Ltd.*<sup>10</sup> where the Delhi High Court held that a well-known trademark, like Rolex, could be protected against use in unrelated goods like artificial jewelry.

##### **2. Duration, Extent and Geographical Area of Use:**

The Court considers the trademark's duration, scope, and geographical area of use. Flexibility is demonstrated in cases such as *Indian Shaving Products Ltd. vs. Gift Pack*, where a brief period of usage combined with large sales and advertising was found adequate.

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<sup>8</sup> The Trademarks Act, 1999, Sec 11, No.47, Acts of Parliament, 1999 (India).

<sup>9</sup> Warner Bros. Entertainment Inc. and Anr. Vs. Harinder Khli and Ors.155 (2008) DLT 56.

<sup>10</sup> Rolex S A v. Alex Jewellery Pvt. Ltd., LAWS(DLH)-2014-9-280



### 3. Duration, Extent and Geographical Area of Promotion:

The Court examines trademark promotion through advertising, publicity, and presentations at fairs and exhibitions. In the Whirlpool case, intensive advertising, notwithstanding the absence of the product in the Indian market, prompted the court to recognise the mark as well-known.

### 4. Registration and Enforcement:

The Court looks at the duration and geographical area of trademark registration and the record of successful enforcement. In the case of *Shaw Wallace & Co.Ltd. Vs. State of Tamil Nadu*<sup>11</sup> They successfully enforced their trademark rights on the numerical element 5000 of their business name.

### 5. Number of Customers:

The Court considers the number of actual or potential customers. In *Aveda Corp. Vs. Dabur India Ltd*<sup>12</sup>. The Delhi High Court acknowledged the limited presence of Aveda's Beauty products in India and suggested minor changes to avoid confusion.

### 6. Channels of Distribution:

The number of persons involved in the channels of distribution is taken into account.

### 7. Business Circle:

The business circle dealing with the goods or services to which the trademark applies is considered.

### 8. Previous Recognition:

If a trademark has been recognised as well-known by any Indian court or registrar, the registrar will consider it a well-known trademark eligible for registration under the Act.

## ii. Section-11 (2)<sup>13</sup> Protection of well-known marks across all classes

The clause in this section broadens the scope of protection afforded to well-known trademarks. According to this provision, well-known trademarks must be recognised and protected across all categories of goods and services. The relevant portion of the section has been reproduced here:

A trade mark that: (a) is identical or similar to an earlier mark; and (b) is to be registered for goods or services that are not similar to those for which the earlier mark is registered in the name of a different proprietor, shall not be registered if the earlier mark is well-known in India

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<sup>11</sup> Shaw Wallace & Co.Ltd. Vs. State of Tamil Nadu (1988) ILLJ177MAD

<sup>12</sup> Aveda Corp. Vs. Dabur India Ltd. [2013] EWHC 589.

<sup>13</sup> The Trademarks Act, 1999, Sec 11(2), No.47, Acts of Parliament, 1999 (India).

and the use of the later mark without due cause would take unfair advantage of could detract from the former trade mark's distinctive character or reputation.

**iii. Section-11(6)<sup>14</sup> Factors Taken into consideration while determining the trademark as well-known:**

WIPO adopted a Joint Resolution Concerning Provisions on the Protection of Well-Known Marks in 1999 to protect well-known marks from misuse and infringement, outlining numerous considerations to consider when determining a well-known trademark. India, as a member of the World Trade Organisation, embraced these elements and included them into clause 6 of Section 11 of the Trademarks Act. The determining criteria include:

- a. Public awareness of the mark;
- b. Use and promotion of the trademark for relevant goods and services;
- c. Registration or application for registration of the trademark reflecting use or recognition;
- d. Successful enforcement of trademark rights.

**iv. Section 11(9)<sup>15</sup>-Conditions not required for well-known trademark registration**

The section lists a few requirements that are particularly mentioned but are not necessary in order to obtain a well-known trademark. These requirements are as follows:

- a. the trademark must have been used in India;
- b. the trademark must be registered;
- c. the application for the trademark's registration must have been submitted in India;
- d. the trademark must be well-known in or registered in any other jurisdiction outside of India;
- and e.the trademark must be well-known to the general public in India.

Therefore, it may be said that a trademark does not have to be registered or owned by a company located in India in order for it to be protected in that country. The trademark must be well-known among the general public. Thus, the specific law provides for the concept of trans-border repute of a trademark..

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<sup>14</sup> The Trademarks Act, 1999, Sec 11(6), No.47, Acts of Parliament, 1999 (India).

<sup>15</sup> The Trademarks Act, 1999, Sec 11(9), No.47, Acts of Parliament, 1999 (India).

**v. Section 11(10)<sup>16</sup>-Obligation on the Registrar**

In the event of a dispute or infringement, the registrant is required to protect the interests of the well-known trademark against identical ones, as well as to consider and observe the complainant's or opponent's ill intention and malafide motive.

**REGISTRATION OF A WELL-KNOWN TRADEMARK:**

The Trade Mark Rules of 2017 become operative on June 3, 2017. The Registrar shall determine what constitutes a well-known trademark in accordance with Rule 124. The general guidelines listed below are being provided to make it easier for the general public to file applications under the aforementioned Rule:

- a. Applications under Rule 124 must be submitted on TM-M along with the required payment, as stated in the First Schedule.
- b. The application can only be submitted electronically using the trademark compressive e-filing facilities that are accessible on the official website. [ipindia.nic.in](http://ipindia.nic.in).
- c. The following paperwork needs to be included with the application:
  - A case statement outlining the applicant's rights to the trademark and supporting their assertion that it is a well-known trademark,
  - Evidence supporting the applicant's rights and claim, including documentation of trademark use, registration applications filed or obtained, annual sales turnover of the applicant's business based on the subject trademark duly corroborated, information about the number of actual or prospective customers of goods or services sold under the said trademark, information about the costs associated with publicity and advertisement of the said trademark, and information about whether the trademark is known or recognised in the relevant Indian and international public sectors
- a. Information about the effective enforcement of rights pertaining to the aforementioned trademark, including the degree to which the trademark is acknowledged as a well-known trademark by Indian courts or the Registrar of Trademarks, A copy of any Indian court's decision or the Registrar of Trademarks' ruling designating a trademark as well-known,

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<sup>16</sup> The Trademarks Act, 1999, Sec 11(10), No.47, Acts of Parliament, 1999 (India).

- b. The document presented should be in PDF format, with a resolution of 200 x 100 dpi on A4-sized paper, and its entire file size should not exceed 10 MB. This includes the statement of case and any supporting documentation.
- c. Following application receipt, the office will evaluate the applicant's claim based on the provided documentation.
- d. The proposed trademark's details may be published by the office. Any person, who wants to object the inclusion of the trademark in the list of well-known trademarks, may file his objection in writing to the Registrar of Trademarks stating out the reasons for his objection

Please provide any supporting documents Applicants can receive a copy of the objection and provide feedback within a specified time frame. The Office will notify the parties involved of its decision regarding the objections

The applicant will be notified of the office's final decision to include the trademark on the list of well-known trademarks. If the mark is considered to be well-known, it will be published in the Trade Marks Journal and added to a list of well-known trademarks available on the official website.

**e. Cost of filing a Well-Known Trademark application in India:**

According to Rule 124 of the Trade Marks Rules, 2017, any person may file a request for the determination of a trademark as well-known, along with an official charge of INR 1,00,000, which is only for one mark.

**Drawback of the Newly Introduced Rule-124:**

**1. Constitutional Validity of Rule 124:**

Following the implementation of changes, there was a controversy about the constitutional legitimacy of Rule-124. Because the Trademarks Rules, 2017 are delegated legislation, they are presumed to be valid in regard to their parent statute, the Trademarks Act, 1999. According to the Trademarks Act of 1999, the federal government lacks the ability to establish a new method for registering well-known marks. Furthermore, Section 157 of the Trade Marks Act of 1999, which specifies the central government's rule-making authority, is silent on well-known marks, allowing the government to create rules for "any other matter which is required to be addressed or is prescribed to the government".

However, the new Rule 124 introduces a new procedure for registering well-known marks that is not considered an adversarial proceeding. This new approach clashes with Section 11 of the

1999 Trademarks Act, which provides an adversarial procedure for registering well-known marks. Rule-124 allows for the registration of well-known trademarks by merely submitting an application to the register, but Section-11 requires an action of opposition, infringement, or rectification to determine the authenticity of marks that are well-known.

2. No Limitation on the Arbitrary Power of Registrar:
3. This new regulation gives the Trademarks Registry great power, as the arrest of Registrar ND Kasturi proved the presence of corruption in the organisation. The new regulation increases the likelihood of abuse of the registrar's jurisdiction in the registration of a well-known mark by allowing the registrar to remove well-known marks from the list if they were included incorrectly. The registrar can now register a mark as a well-known mark at their discretion, as Section-11 states that the registrar does not need to consider the mark's use in India to determine its status.
  - i. The mark is registered.
  - ii. An application for registration is submitted.
  - iii. Mark is approved
  - iv. Mark is well known in India

**Is the protection of a registered well-known trademark limited to the specific class of goods and services for which it is registered, as per the Trademarks Rule, 2017?**

The absence of a specified option for imposing restrictions or identifying applications, coupled with the lack of clear guidelines for the Trademarks Registry to determine the appropriate use of a mark as well known, has created challenges. This issue has been evident in legal cases, such as the *Microsoft Corporation v Kurapati Venkata Jagdeesh Babu*<sup>17</sup> case, where the court noted the absence of proper guidelines in the law. This absence has made it difficult for companies, like Microsoft in this instance, to register their mark as "Well-known," depriving them of the associated benefits and leaving their mark susceptible to infringement. The responsibility to address such limitations falls on the Judiciary, requiring them to navigate through these drawbacks and contribute to the establishment of a comprehensive system. However, this process is inherently time-consuming, adding complexity to the registration of trademarks as Well-known Marks.

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<sup>17</sup> Microsoft Corporation v Kurapati Venkata Jagdeesh Babu, [CS(OS) No. 2163 of 2010 & I.A.No. 14225 of 2010]

## **Doctrine Of Dilution**

A trademark law principle known as the doctrine of dilution allows the owner of a well-known mark to prevent others from using it in a way that would diminish its distinctiveness. The law of dilution differs from other forms of infringement in that it grants the trademark owner the power to forbid anybody from using his trademark, even in noncompetitive markets, on dissimilar goods, or on goods that are not in direct competition with the trademark owner's goods.

For instance, if another business started using a similar mark to refer to spark plugs or breakfast cereal, the fame of a well-known trademark used by one company to refer to hair care items may be diminished. When a trademark loses its ability to identify a single source due to the usage of similar or identical trademarks in non-competing areas, it is considered diluted. Put differently, dilution protection, in contrast to standard trademark law, covers trademark uses that do not mislead customers about the manufacturer of a product. Dilution protection law, on the other hand, attempts to safeguard sufficiently strong trademarks from losing their unique association in the public consciousness with a specific product, perhaps imagined if the trademark were encountered independently of any product (that is, just the word Pepsi spoken, or on a billboard). Trademark dilution refers to the deterioration of a trademark's potency or efficacy due by using the trademark on an unrelated product, which typically distorts the brand's unique qualities or tarnishes it with an unsavoury association.

Under fact, dilution was defined as the reduction of a renowned mark's ability to identify and differentiate goods or services, regardless of the existence or lack of [competition] or [chance of confusion] under section 45 of the Lanham Act, 1946 of the USA.

Trademark dilution is covered by Section 29(4) of the Trademarks Act of 1999. Although the term "dilution" is not defined in the legislation, the following circumstances are listed in section 29(4) of the Trademarks legislation of 1999 as qualifying for dilution:

Section 29(4) states that a person who, without being a registered proprietor or someone using the mark in accordance with permission, uses a registered trade mark in the course of business is infringing on it if the mark is used in relation to goods or services that are not similar to those for which it is registered, is identical to or similar to the registered trade mark, or (c) the registered trade mark has a reputation in India and its use without permission unfairly takes advantage of or harms its distinctive character or reputation.

Therefore, section 29(4) listed the following: if an infringer produces a mark that is identical to or similar to a well-known registered mark and uses it on products and services that are not

covered by the registration, this may constitute trademark infringement in the form of dilution. Furthermore, it may be considered infringement in the form of dilution if an infringer unfairly uses the distinctive character of the well-known mark for their own benefit and their mark has the potential to damage the reputation of the well-known mark. The requirements for proving dilution of trademark have also been clarified in the *ITC v. Philip Morris Products SA* and *Ors* case.

According to the case, there may be an infringement through dilution if the contested mark is confusingly similar to the well-known mark, the well-known mark is well-known in India, the contested mark has been used without authorization, and the contested mark's use is diluting its distinctiveness. There are, however, several circumstances in which the infringing mark will not be regarded as dilution. This covers scenarios in which the mark is utilised for commentary, news reporting, parody, criticism, entertainment, and education. These circumstances might be covered by descriptive or nominative fair use, therefore they are not liable to be regarded as trademark dilution. Additionally, the marketing and promotion initiatives that permit a brand's consumers to compare goods or services are permissible and will not be actionable as trademark dilution.

## V. SUGGESTIONS

To address the challenges posed by the existing drawbacks in Rule 124 of the Trademarks Rules, 2017, the following suggestions are proposed:

1. **Legislative Support:** Introduce new legislation that constitutionally supports Rule 124. This legislation should aim to curb the arbitrary power of the registrar and provide clear guidelines for the registration of well-known marks.
2. **Criteria for Well-Known Mark Registration:**

Establish a criterion requiring companies to have a minimum yearly turnover (e.g., INR 500 crores) for more than five consecutive years to qualify for registration as a well-known mark.

  - Mandate applicants to demonstrate why their marks should be considered well-known, especially in comparison to similar or identical marks registered by others.
  - Require evidence, including statistics and facts, showcasing the marks' secondary significance
3. **Scope of Protection:** Define the scope of protection for well-known marks, clarifying whether protection extends to all classes or is limited to specific categories.

#### **4. Proactive Objection Process**

- In line with Section 11 provisions, empower the Registrar to invite objections before declaring marks as well-known.
- Mandate trademark owners to publish advertisements in national and local newspapers, similar to practices in Dubai and China, announcing their application for well-known mark registration.
- Allow a three-month window for interested parties to raise objections, requiring valid documents and pertinent details to support their claims.
- If no objections are raised within the stipulated period, consider the proposed marks eligible for registration as well-known marks in the Trademarks Journal.

These suggested measures aim to bring transparency, fairness, and a systematic approach to the registration of well-known marks, ensuring that the process is objective and accountable.

## **VI. CONCLUSION**

The introduction of the new Rule in the TM Rule, 2017, reflects a commendable initiative by the Government of India to enhance and fortify the Trademarks Registration system. This underscores the government's commitment to intellectual property (IP) sector development and the bolstering of IP laws in the country. The transformative impact of Trademarks Rules, 2017, is expected to unfold over time, contributing to an efficient, progressive, and user-friendly trademarks registration system in India. The new rules signify a positive shift, offering a broader scope and heightened stringency, aligning with the evolving landscape of intellectual property protection. The revised regulations are poised to encourage foreign companies to safeguard their trademarks in India, fostering a more secure environment for global businesses.

When granting renowned brands well-known status and acknowledging the global nature of trademarks, courts ought to take a practical stance. Practical ramifications show that, in cases of infringement, brands frequently have to wait for a court ruling, even though it is imperative that these brands be listed as well-known marks in order to access growing market locations. It has been noticed that courts tend to favour local brands in situations involving well-known marks, frequently ignoring relevant circumstances and available evidence. Preferential treatment that safeguards the interests of regional trademark holders should not undermine the very important role that courts play in creating intellectual property rights (IPR) legislation. Innovation should inform protection, not just past usage.



The Indian Trademark Registry encourages foreign businesses to aggressively register their well-known trademarks. This helps ensure profitable markets in India while also defending the best interests of Indian consumers in terms of commerce. It also prevents manufacturers from illegally capturing markets by acting as a deterrent against counterfeit and phoney goods. However, it's essential to acknowledge that the new rules have certain shortcomings and areas of silence on specific factors. Recognizing the inherent scope for improvement, legislative changes can address these loopholes, ensuring a more robust Trademarks Registration system in India. This adaptability and responsiveness to feedback will be crucial in refining the rules for optimal effectiveness and alignment with the evolving needs of the intellectual property landscape.

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