

Analysis Of Proposed Trade Marks Rules 2015 Of India By Perry4Law

The Ministry of Commerce and Industry, Department of Industrial Policy and Promotion, has issued the [Draft Trade Marks Rules, 2015](#) (PDF) for public consultations on 17th November 2015. The said draft will be taken into consideration after the expiry of a period of thirty days from the date on which the Gazette of India, in which this notification is published, are made available to the public. For the wider circulation of the same and spreading public awareness in this regard, [Perry4Law Organisation \(P4LO\)](#) and [Perry4Law Law Firm](#) are providing the crux of the proposed amendments and their suggestions and recommendations to the Indian Government.

(1) Minimised Forms: The proposed rules have reduced the number of forms to a great extent and we welcome this move. Ease of doing business in India needs minimum legal formalities on the one hand and covering of all the regulatory aspects on the other.

(2) Filing Fees: Various fees for Trade marks purposes have been doubled. This is both good and bad at the same time. This is good as now trade mark filings can be reduced to some extent and the Trademark Registry would be in a better position to manage the reduced number of trademark applications. However, this is bad as well as it would result in reduced trademark filings. This would result in limited intellectual property rights (IPRs) creation in the trademark field.

Perry4Law suggests that instead of increasing the filing fees and thereby discouraging the applicants, it would be better to increase the strength and capacity of Trademark Registry and its staff. Applicants must be encouraged to use information technology to interact with Trademark Registry. The Trademark Registry must also be suitably trained to effectively utilise information technology like e-mails, chats, social media platforms, etc so that various stages of trademark filings can be expedited.

(3) Time Bound Performance: The proposed rules lack clarity regarding a time bound performance on the part of Trademark Registry. It is essential that timelines for various stages of trademark registration must be prescribed and it must be ensured that these timelines are strictly followed by the Trademark Registry.

(4) Digital India: E-Governance and Digital India can help in streamlining of Trademark Registry's functioning. Even the proposed rules have acknowledged this fact by providing for a reduced rate of fees for various stages of Trademark Filings done through electronic modes. The applicants will be required to pay an extra ten percent of the fee as compared to filing an e-application under the proposed rules.

Perry4Law believes that e-filing would also help in expeditious disposal of trademark applications as the applications and other paper documents would already be in electronic form. This would also reduce the costs that are incurred while converting paper documents into electronic format. Further, electronic documents are more durable and they can be preserved for a longer duration.

(5) Well Known Trademarks: Well known trademarks are recognised by Indian Trademarks Act, 1999. However, the Trademark Registry is slow in recognising trademarks as well known trademarks. The proposed rules have conferred a discretion upon the Registrar of Trademark for determination of a trademark as well known.

Proposed rule 127(1) provides that any person may, on an application in Form TM-M and after payment of fee as mentioned in First Schedule, request the Registrar for determination of a Trade Mark as Well Known. Such request shall be accompanied by a statement of case along with all the evidence and documents relied by the applicant in support of his claim. Proposed rule 127(2) provides that for the purpose of determination, the Registrar may stipulate criteria in this regard, and also call for such document as he think fit.

Perry4Law strongly recommends that suitable guidelines must be drafted and implemented in advance to help the Registrar. This would also add the elements of certainty and uniformity in the procedure of recognising of well known trademarks.

Proposed rule 127(3) provides that in case the Trade Mark is determined as well-known, the same shall be included in the list of Well Known trademarks maintained by the Registrar. Proposed rule 127(4) provides that the Registrar may, at any time, if it is found that a trademark has been erroneously or inadvertently included in the list of well-known trademarks, remove the same from the list.

Perry4Law strongly recommends that suitable guidelines must be drafted and implemented in advance to help the Registrar in "delisting" of well known trademarks from the list. We also recommend that once a trademark has been added in the list of well known trademarks, only an order in writing and with recorded reasons for such delisting by the Registrar must be sufficient for such delisting. An opportunity of being heard must also be given by the Registrar to the holder of well known trademark before his/her/its trademark is delisted.

(6) Sound Marks: Applications for sound-marks can now be accompanied by a sound-file in MP3 format. We welcome this provision though practical challenges would arise while dealing with sound trademarks.

(7) Digital Signature: In continuance of the Digital India agenda, it has been prescribed under the proposed Rule 13(3) that in case of online filing of the document, the expression 'Signing' includes digital signature.

Perry4Law suggests that public awareness regarding online filing procedure, its benefits, modalities of online filings, etc must be initiated by the Indian Government as soon as possible. Without proper guidance, online filing can never be successful. Further, there are many Cyber Law related issues as well that must also be resolved by Indian Government beforehand.

(8) Service Of Documents: Rule 14(1) prescribes that all applications, notices, statements, papers having representations affixed thereto, or other documents authorised or required by the Act or the rules to be made, served, left or sent, at or to the Trade Marks Registry or with or to the Registrar or any other person may be delivered by hand or sent through the post by a prepaid letter or may be submitted electronically in the manner specified by the Registrar.

Perry4Law strongly recommends that the Indian Government/Registrar must encourage electronic dealings of all trademark related issues. Presently, the electronic mode has not been specified by the proposed rules and it has been left at the discretion of the Registrar to specify. This is an unnecessary burden upon the Registrar to manage and it must be the responsibility of Indian Government to specify the electronic procedure as mentioned under proposed rule 14(1).

A very good provision has been added in the form of proposed rule 14(5) that provides that the Registrar may, after informing the public in the Journal or through public notice on official website accept applications, statements, notices or other documents online through the gateway provided for this purpose, or in case of documents not requiring the payment of a fee, through designated e-mail for the purpose.

For payment related issues, the payment gateway would expedite the trademark registration procedure whereas for non fee based issues, the designated e-mail id would be sufficient. With the proposed [e-mail policy of India](#), now the Trademark Registry would be required to use National Informatics Centre (NIC's) e-mail id only. This would help in better Cyber Law compliances and adequate cyber security of the documents and financial transactions.

(9) Registry Communications: Proposed rule 19(1) is another good rule suggested by Indian Government. Proposed rule 19(1) provides that all communications and documents in relation to application or opposition matter or registered trademark may be served by the Registrar by leaving them at, or sending them by post to the address of the party concerned or by e-mail communication.

As on date, e-mails are seldom used by the Trademark Registry to communicate with the applicants. This is a welcome change and it would help in expeditious disposal of trademark applications. However, attribution issues of e-mail communication must be better managed by the proposed rules.

(10) Prior Use Proof: The proposed rule 26(1) has mandated that an application to register a trade mark shall, unless the trade mark is proposed to be used, contain a statement of the period during which, and the person by whom it has been used in respect of all the goods or services mentioned in the application. Further, proposed rule 26(2) provides that in case, the use of the trade mark is claimed prior to the date of application, the applicant shall file an affidavit testifying to such use along with supporting documents.

Perry4Law believes that "Prior Use" has significant importance in deciding trademark registration related issues. Prior use also reduces the possibility of "non use" by the trademark holder to a great extent. We believe that while it is pertinent to leave the ascertainment of prior use flexible yet some

guiding principles must also be drafted. The Indian Government/Registrar must issue proper guidelines in this regard covering the issue of prior use and when a use is not considered to be a prior use.

Similarly, Perry4Law also suggest that guidelines regarding "non use" must also be formulated by Indian Government/Registrar so that Trademarks are not misused by perpetual non use of the same.

(11) Speedy Disposal Of Applications: Proposed rule 35 is the most significant provision of the proposed rules. Rule 35 provides that the applicant may, after the receipt of the official number of the application, request for expedited processing of application made for the registration of a trade mark in Form TM —M on payment of five times of the application fee specified in First Schedule. Such application shall be examined expeditiously and ordinarily within three months from the date of submission of the application. Thereafter, the following proceedings viz. the consideration of response to the examination report, scheduling of show cause hearing, if required, the publication of the application and the opposition thereto, if any, till final disposal of the application shall also be dealt with expeditiously.

Although this provision was also in existence in the present rules yet Perry4Law welcomes its retention in the proposed rules. Perry4Law also believes that this is a golden opportunity for the Indian Government/Registrar to speed up the trademark registration procedure that is suffering from backlog as on date.

We also recommend that the Registrar must not "discriminate" between those applicants who have paid additional fees and those who have applied through normal course of action. If the Registrar discriminates between those who have paying capacity and those who do not have such capacity, it would unnecessarily create hinderances before the small and medium enterprises and entrepreneurs.

Fortunately, the proposed rule 35 also provides that modalities for expedited processing of trademark application shall be determined by the Registrar. There is nothing that restricts the Indian Government/Registrar from formulating guidelines regarding expeditious disposal of trademark applications, whether supported by additional fees for expeditious disposal or filed in the normal course of trademark registration.

(12) Savings: Proposed rule 160 provides that the Trade Marks Rules, 2002, are hereby repealed without prejudice to anything done under such rules before the coming in to force of the rules. Thus, vested rights and obligations accrued before coming into force of the present rules, would be protected and governed by the previous rules or wherever specifically mentioned by the present rules.

Perry4Law hopes that this analysis of the *Proposed Trade Marks Rules 2015 Of India* by it would be useful for all stakeholders.