



**FICCI's Recommendations**  
**on**  
**Draft Trademark Rules, 2015**

**INDUSTRY CONCERNS AND SUGGESTIONS**

## **India's Trademark Rules – A Backdrop**

The Trade Marks Rules, 2002 came into force *w.e.f.* 15<sup>th</sup> September 2003. Since then the rules have been amended several times; in 2010, 2013 and in 2014. The major change in Trade Mark (Amendment) Rules, 2010 were adoption of all 45 international classes in the Fourth Schedule. The 2013 amendment made official entry of India to the International Filing System under the Madrid Protocol. The 2014 amendments were linked to fee hike.

The proposed Draft Trademark Rules 2015, on many fronts, are certainly a welcome step and would prove to be helpful in accomplishing the objective of developing an efficient and expedited trademark filing and examination procedure. However, there are some concerns that have been raised by industry, which are discussed in this representation submitted by FICCI. It is hoped that these industry suggestions would be duly considered for their appropriate incorporation in “The Trade Mark Rules, 2015”.

## **Draft Trademark Rules, 2015**

### **Recommendations for Consideration by the Government**

#### ***Rule sub-rule 2(i)***

*“Divisional application” means an application containing a request for the division of an application made under sub-section 2 of section 18 for the registration of a Trademark*

#### **FICCI comments:**

It appears that the new rule requires a separate application for different goods in a class as the option of filing divisional applications for division of goods or services in a class has been removed. This provision would add monetary burden on the applicant because of multiplicity of applications for different goods in a class. It is proposed that the option for filing of Divisional applications should be restored as earlier because it would enable the applicant to minimize the multiplicity of applications.

**Rule 10 sub-rule (3)**

*Fees may be paid in cash or sent by money order addressed to the Registrar or by a bank draft issued or by a Banker's cheque drawn on a scheduled bank at the place where the appropriate office of the Trade Marks Registry is situated and if sent through post, shall be deemed to have been paid at the time when the money order or the properly addressed bank draft or Banker's cheque is received in the office.*

FICCI comments:

It is proposed that the provision should incorporate cheque as one of the modes of payment in addition to bank draft and banker's cheque. Exclusion of cheque will pose unnecessary hindrance especially in many deadline cases for the applicants. Additionally, the rule must consider the contingency of postal delay in delivery of the cheque, draft or banker's cheque.

**Rule 19 sub-rule (1), (2) and (3)**

*Service of documents by the registrar -*

*(1) 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.*

*(2) Any communication or document so sent shall be deemed to have been served, at the time when the letter containing the same would be delivered in the ordinary course of post or at the time of sending the email.*

*(3) To prove such service, it shall be sufficient to prove that the letter was properly addressed and put into the post or the e-mail communication was sent to the e-mail id provided by the party concerned.*

FICCI comments:

In order to reach out to concerned parties in an effective manner, it is proposed that all the existing means of communication should be mandatory and not remain optional. It is recommended that the Trade Mark Office must exhaust all the mediums of communication

like post, email, SMS, telephone etc. in order to communicate with parties. Further, the record of receipt of delivery or acknowledgment in case of post and delivery receipt or read receipt in case of emails should be kept on record by the trademark office.

**Rule 24 sub-rule (6)**

*Form and signing of application -*

*(6) Where an applicant files a single application for more classes than one and the Registrar determines that the goods or services applied for falls in class or classes in addition to those applied for, the applicant shall restrict the specification of goods or services to the class or classes already applied for.*

FICCI comments:

The proposed Rule 24(6) seeks to replace the existing Rule 25(19) which provides an *option to the applicant and 'the applicant may restrict the specification of goods or services to the class applied for or amend the application to add additional class or classes on payment of the appropriate class fee and the divisional fee'*. It appears that the proposed revised rule would adversely affect the rights of applicants as it disallows the transfer of items in the specification to another class or classes. It is therefore proposed that the text of existing Rule 25(19) ought to be incorporated in the proposed Rule 24(6).

**Rule 26 sub-rule (1) and (2)**

*Statement of user in applications -*

*(1) 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 the goods or services mentioned in the application.*

*(2) 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.*

FICCI comments:

The rule makes it mandatory to file an affidavit along with supporting documents which evidence the period of use claimed in the application at the time of filing the application for all the new applications filed, claiming use of the trademark in India. The rule puts an unnecessary burden upon applicants in cases of urgent filing of trademark applications as it might be difficult for the applicant to gather the documents evidencing the use of mark at the time of filing the application. Further, entry of a wrong user date can affect the rights of the applicant and hence it should not be made mandatory to file an affidavit of user along with the registration application. It is proposed that the applicants should be given a window period of at least two to three months after filing the registration application for filing the user affidavit along with the supporting documents.

**Rule 27 sub-rule (5)**

*Representation of mark -*

*(5) Where an application for the registration of a trade mark consists of a sound as a trade mark, the reproduction of the same shall be submitted in the MP3 format not exceeding thirty seconds' length recorded on a medium which allows for easy and clearly audible replaying accompanied with a graphical representation of its notations.*

FICCI comments:

It is a welcome move to recognize the sound as a trade mark. However, a further clarity pertaining to the sound mark is required in order to avoid any misinterpretation and other legal complexities. It is proposed to include 'sound' as a mark in the definition of "mark" under section 2(m) and also in the definition of "trade mark" under section 2 (zb) of the Trade Mark Act, 1999, in order to maintain the conformity of rules with the act.

**Rule 35**

*Expedited Processing of Application -*

*The application 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. Modalities for expedited processing of trademark application shall be determined by the Registrar.*

FICCI comments:

It is a welcome move to introduce the concept of 'Expedited Processing of Application' in place of 'Expedited Examination of Application'. However, the substituted new rule 35 does not stipulate timelines for rest of the proceedings after the expedited examination within 3 months and time-limits of subsequent proceedings are left to the Registrar's discretion. Further, the rule does not stipulate maximum timeline for the final disposal of an expedited application. It is, therefore, proposed that the rule should mention specific timelines for other proceedings as well and should define the time-limit for the final disposal of the expedited applications.

Further, it is also proposed that the rule should be extended to provide the shortened time lines for opposition proceedings in case of expedited applications. The expedited applications might be published in the journal with a note that 'This is an Expedited Application' and hence, the opponent would be aware that expedited opposition rules would be applicable in filing the opposition for the application.

**Rule 124**

*Inspection of documents – The documents mentioned in sub-section (1) of section 148 shall be available for inspection at the appropriate office of the Trade Mark Registry on payment of the fee mentioned in First Schedule on all working days and at such time as may be fixed by the Registrar.*

FICCI comments:

On many instances, it happens that the authorized agents of the applicants have their offices in another city which is different from the principal place of business of applicant and the applications are made in some other city. It appears that as per the amended rule the applicant or the agent would be required to travel to the 'appropriate office' which will add cost and time in the due procedures. It is proposed to reframe the rule so that the applicant or the agents would be able to avail the inspection of documents at the head office of the Trademark Registry and at the each branch of trademarks Registry as well.

**Rule 127 sub-rule (1), (2), (3), (4)**

*Determination of Well Known Trade Marks by the Registrar -*

*(1) 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.*

*(2) For the purpose of determination, the Registrar may stipulate criteria in this regard, and also call for such document as he thinks fit.*

*(3) 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.*

*(4) 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.*

FICCI comments:

The Trademarks Act, 1999 already well recognises the Well-Known Trade Marks and criteria are critically defined under *sub-sections (6), (7), (8) and (9) of Section 11*. However, it appears that the proposed Rule 127 can surpass the Trade Marks Act, 1999 by conferring the power upon the Registrar to stipulate the criteria for determination of the well-known status of a trade mark. The Rule confers upon the Registrar wide discretionary powers to list

as well as to delist the trademarks from the list of well-known trademarks, which might have uncertain implications on the rights and interests of various stakeholders. Without proper guidelines and criteria for recognising the trade marks as well-known, the rule gives a considerable amount of wide discretionary powers to the Registrar to define the criteria in arriving at a decision of listing or even delisting the trademark arbitrarily from the list of well-known trademarks.

It is, therefore, recommended that suitable guidelines, procedures and criteria should be drafted in advance which needs to be followed and implemented by the Registrar. This would give certainty and uniformity to the procedure of recognition of trademarks as 'well-known'. It is also recommend that once a trademark is included in the list of well-known trademarks, then the delisting should be accompanied by a written order of registrar with proper justification and valid reasons. To follow the principle of natural justice, an opportunity of being heard should also be given by the Registrar to the owner of well-known trademarks before arriving at the final written order. It is also recommended that the rule should include a proper objection or opposition procedure for well-known trademarks which could be used by any affected party which is willing to object the application or the status of a listed well-known trademark.

### ***The First Schedule***

#### **Fees -**

Almost all the applicable fees have been increased by hundred percent in the proposed rules starting from filing of the trademark application and to the renewing of the trademark. After the rules will come into force, the trademark registration procedure will cost almost double as much as it costs currently, which appears to be on the higher side and needs to be reconsidered and reduced. It is also proposed that there should be a different fee structure for different categories of applicants viz. Natural person, small entity (MSMEs) and large organisations.



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