

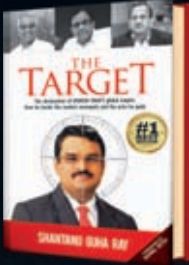
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# Well Known Mark Provision - A Simmering Pot!!

■ **Sangeeta Goel & Bharadwaj Jaishankar**

**R**

Recently, on 3 March 2017, the new Trade Marks Rules, 2017 ("New Rules") came into effect. The New Rules replaced the Trade Mark Rules, 2002. The New Rules

brought about certain sweeping changes, which included- (i) revision of official filing fees; (ii) consolidation and re-categorization of trade mark filing forms; (iii) mandatory filing of statement of in new applications where use is being claimed and (iv) expedited processing of application. However, one of the most important and potentially controversial (if not already controversial) additions is Rule 124 of the New Rules.

Under Rule 124 of the New Rules, a trade mark owner may apply to the Registrar of Trade Marks to have their trade mark declared as a well-known mark. The said application is to be accompanied by a statement of case, supported by evidence and documents that the owner relies on. Per the New Rules, the official fees for such an application is Rupees One Lakh (₹ 1,00,000) per mark. Accordingly, if an owner seeks to have both their word mark and logo mark recognized as a well-known mark, separate applications will have to be made.

Once an owner makes an application under Rule 124, the Registrar of Trade Marks will

scrutinize the application. If the application is accepted, it will be notified in the Trade Marks Journal and the public will be afforded a period of thirty (30) days to object to the application. If no objection is received or, if an objection is received and the same is overcome by the owner, the mark will be accorded the status of a well-known mark and will be published in the Trade Marks Journal, and will also be added to the list of well-known marks maintained by the Trade Marks Registry. Under Rule 124(6), the Registrar of Trade Marks has been vested with the power to remove a mark from the well-known mark list if the said mark was erroneously or inadvertently added or where the mark can no longer be considered as being a well-known mark. However, such a removal process cannot happen without affording the concerned party(s) an opportunity of being heard.

An obvious question that arises here is- What are the parameters that the Trade Marks Registry will employ in determining whether a mark is a well-known mark. This question is pertinent because any owner of a mark would naturally feel that their mark is entitled to a well-known mark recognition. Merely because a mark is not owned by a Fortune 500 company or a global Multi National Corporation or an established Indian business house, cannot disentitle a mark from being recognized as a well-known mark. What about



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a scenario where a mark is being used extensively and for several decades in a specific region only (say North India)? Can such a mark, based on region-specific use and reputation, qualify for as well-known mark and, therefore, capable of being so recognized under Rule 124? The added complication to this simmering pot is the fact that different examiners, and indeed the 5 different Trade Mark Registries, will, no doubt, have their own determinative standards which vary. It is going to be absolutely fascinating and intriguing to see how this new Rule is going to be used (and indeed misused!!).

Rule 124(2) does, however, provide some benchmark to determine whether a mark qualifies as a well-known mark or not. The Registrar while determining such an application may, apart from scrutinizing the application itself, may also consider Sections 11(6) to (9) of the Trade Marks Act, 1999 ("TM Act"). Under Section 11(6) of the TM Act, the Registrar may consider the following factors for determining a mark to be a well-known mark:

- (i) Knowledge and recognition of mark in the relevant section of the public;
- (ii) Duration, extent and geographical area of use;
- (iii) Duration, extent and geographical area of promotion;
- (iv) Registrations obtained/pending applications;
- (v) Successful enforcement actions taken.


Under Section 11(8) of the TM Act, the Registrar shall consider a mark to be a well-known mark where the said mark has already been determined to be a well-known mark by a Court or the Registrar himself. In the context of Rule 124, Section 11(9) of the TM Act makes an interesting read. Under Section 11(9), for a mark to be determined as a well-known mark by the Registrar, it is not condition precedent that the said mark has been used in India or stands registered or an

application has been filed or that it is well known to the public at large.

A combined reading of Section 11(9) and Rule 124, therefore, makes it clear that an application under Rule 124 can be made for a mark that is either not used in India or for which there is no pending application/ registration or it is not known by the public in India. Could this, therefore, open a door for foreign marks to be designated as a well-known mark under Rule 124, without the said mark having any use or local knowledge in India, i.e. based entirely on trans-border reputation? Could this, also, therefore, be the foundation for owners of marks that have regional/ local use and reputation to apply for a well-known mark designation? It is pertinent to note here that Courts in India have recognized rights emanating from trans-border use & reputation, as well as rights in marks that have regional/ local use only.

The other aspect that is interesting, which will only get answered in time, is whether a designation of a mark as a well-known mark by the Trade Marks Registry mean an automatic reciprocal recognition by a Court of law. Put slightly differently, it will be very interesting to see how a Court of law will consider a well-known mark designation, under Rule 124, in an enforcement action for infringement and/ or passing-off. Will the Court still require a plaintiff to prove its reputation in its mark, when the said mark has already been designated as a well-known mark by the Trade Marks Registry under Rule 124?

If the Trade Marks Registry is not objective and stringent, the entire purpose of Rule 124 can be rendered ineffective, thereby opening the door for unworthy and mischievous marks being designated as a well-known mark.

The coming months are certainly going to be very interesting to see how Rule 124 of the New Rules is used and applied by trade mark owners. As a trade mark attorney, much like the owners, there are more questions than answers as on date. This is a space that certainly needs close monitoring and watch. 



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