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Piggy-back Riding Sub-Marks

■ Sidhant Goel & Bharadwaj Jaishankar

I

n today's fast paced investment-infused world, companies, whether multi-national corporations or Indian business houses, are obsessed with maintaining the brand image of their house mark. The house mark of a company (such Tata, Reliance, Amazon, Ford, Hyundai etc.) represents their reputation, goodwill and, indeed, very existence to customers, trade, investors etc. That being said, companies are equally keen to develop, adopt and cultivate sub-brands, which they wish to, ultimately, project as a separate brand. The perfect example would be the car manufacturing industry. Let us take Skoda as an example. While 'Skoda' is the house mark/brand, their individual models such as 'Rapid', 'Superb', 'Octavia' etc. all constitute sub-brands. These brand names may initially be weak trade marks, when taken in isolation, however, combine these sub-marks with the house mark 'Skoda', and the whole picture changes.

The definition of a 'mark' under the Trade Marks Act, 1999 ("TM Act") includes 'brand'. There is, therefore, no dispute that sub-brands/ sub-marks such

as 'Rapid', 'Superb', 'Octavia' etc. qualify as being trade marks. The fact that a sub-mark is capable of holding trade mark significance was also recently recognized by the Bombay High Court in Hem Corporation Ltd. v. ITC Limited, wherein the Court held that a sub-brand falls within the ambit of a trade mark, if it used as a trade mark. While acknowledging that the TM Act does not recognize the concept of a sub-brand/ sub-mark, the Court opined that the true test is whether the brand owner intends to use the brand/ sub-brand, as a trade mark to distinguish their goods from those of others. The underlying principle, that follows, is that the sub-mark must be used as a trade mark (whether with or without the house mark). If



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the sub-brand is being used purely in a descriptive manner, then it may be difficult to establish trade mark significance of the sub-brand.

However, whether the sub-marks, sans the house mark, will pass the test of absolute and relative grounds of refusal, as prescribed in Section 9 and 11 of the Trade Marks Act, respectively, is the key question. Can it be said that the sub-mark 'Rapid', for example, is a distinctive sub-mark, capable of holding trade mark significance on its own? Such a question does depend on the facts and circumstances of each case.

A distinction here, perhaps, can be drawn between foreign words and common English words. Where the sub-mark is a foreign word, an argument can be made that the said foreign word has no specific meaning or connotation in India and, therefore, can be distinctive. This is supported by judgments from Courts in India where Latin and Italian word (which are otherwise common words in Latin and Italian speaking countries), for example, have been held to be distinctive marks, as regards the Indian consumer. The issue of sub-marks, having independent stand-alone trade mark significance, becomes interesting where common English words are involved.

It is, therefore, common for brand owners to initially pre-fix or suffix their sub-mark with their house mark. While the ultimate intention may be for the sub-mark to gain independent trade mark significance, an initial piggy-back ride on the house mark acts as a launch pad. A question that may arise here- how long should a sub-mark ride piggy-back before going "independent"?!

Where the sub-mark is a descriptive mark, there is plethora of support from trade mark law; in that descriptive marks are capable of acquiring trade mark significance or "secondary meaning". The Supreme Court of India, for instance, in *Godfrey Philips India Ltd. v. Girnar Food & Beverages (P) Ltd.*, has held that a descriptive trade mark may be

entitled to protection if it has assumed secondary meaning, which identifies it with a particular product or as being from a particular source. This proposition has been accepted and employed by Courts around the country. An argument, therefore, can be made that if the sub-mark is so prominently used and promoted, such that it acts as a product and/or source identifier, independent of the house mark, then such sub-mark has acquired secondary meaning and, therefore, capable of holding trade mark significance, sans the house mark.

Where the sub-mark is a generic mark, the law is a bit murky. For example, if Skoda starts using the sub-mark 'Mechanic' with their house mark (i.e. Skoda Mechanic), can it be argued that by virtue of long use and promotion, the word 'Mechanic' (which is a generic word describing a profession) has gained independent trade mark significance? This is a debatable question as, in the personal view of the authors, generic marks (as distinct from descriptive marks) cannot hold trade mark significance at all.

As a strategy, if the brand owner is indeed keen on adopting and using a sub-mark, certain important factors may be considered. Firstly, what is the sub-mark to be adopted- a common English word, word from a foreign language, descriptive word/ generic word? This forms the basis for any future business activity. Secondly, whether to promote the sub-mark as an independent mark from the get-go or let the sub-mark piggy back on the coattails of the house mark, till such time that the sub-mark has acquired individual trade mark significance? Thirdly, if the decision is made to have the sub-mark ride on the existing reputation and goodwill of the house mark, what is the level of promotion required to project the sub-mark as an independent mark? Fourthly, when should the sub-mark start to be used and projected independently, sans the house mark? Taking a considered and strategized approach to this issue, at the ideation stage, is the name of the game. [W](#)



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