

Infringement Of Trademarks And Trade Names: A Comparative Approach To The Trademark Laws In India And European Union

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Abstract

This paper explores the relationship between trademarks and trade-names and offers insights on how Trade-name as an Intellectual property is protected in India. Trade-name is a separate IPR which is equally an asset to the business and when a mark has been used as a trade name for a dissimilar set of goods, infringement shall be granted. The text highlights how the attributive factors influence the outcome when a trademark is used as a trade name on dissimilar set of goods and services. In this research, the author tries to unleash the dynamics of two jurisdictions namely India and European Union covering specific cases in each and also draws support from Paris convention which clearly lays down regulation for trade names. This study ends by providing trade-name owners with an amicable solution in ways that they can use it on their products and protect their goodwill.

Key Words : Intellectual Property Rights, Trade name, Trademark, Similar goods, Non-competitive goods, Trade mark Infringement, Court decisions, business name, European Union directive, Business Goodwill, WIPO Model law, Deceptive similarity, Likelihood of confusion.

1. Introduction

The terms trade name and trade mark have close association with the word ‘Trade’ which makes it evident that “name and mark” are vital to a business concern. The rapid expansion of business activities beyond territories had led to the massive reach of ‘marks and names’. The success of business largely depends on external factors which are responsible for reaching the goods or services to the end consumer. An enterprise fixes a distinct personality to the goods and services it manufactures and trademarks and trade names are used for this process.¹ In strict sense, it is the corporate entity which owns trademarks to distinguish their goods or services from that of another, however when it distinguishes itself from another enterprise it acquires a trade name². The similarity between the terms are that they exercise a distinguishing function (i.e) either between the enterprises or between products of one enterprise as that of another.

However, larger questions arise whether they exercise same purpose and perform same function for a business concern and how far the distinction in terminology reflects the corresponding difference in legal consequences. The Trademarks Act 1999, grants injunction only when the impugned mark is used as trade name on same set of goods and services as that of trade mark owner. Whereas, the Act remains silent on dissimilar or non-competitive set of goods or services. It is on those lines the

present research is developed to find out the limits of trade name protection for non-competitive goods in India and find out a possible regulatory framework that is feasible for business sector and bring out suggestions for maintaining harmony between the rights of trademark owners and the trading concern of dissimilar goods. To reach the conclusion, the author tries to explore the international legal framework and the extent to which it has been implemented by member states in their national laws, specifically European Union and comparing the analysis with Indian Trademark Law. Thus the study analyses the possible solutions to revamp the existing Indian Trademark Act 1999, by comparing with European Union Trademark legislation due to the Anglo-Saxon nature which the Indian legal studies is based upon.

The researcher has demonstrated doctrinal research method in this paper. This research paper is relied upon Primary as well as secondary sources throughout the study. Further the paper also incorporates comparative approach to study the Trademark law with respect to trade names in European Union and compare its position with Indian Jurisdiction.

2. Background For Protection Of Trade Name :

International law on trade marks and trade names are generally regulated by Paris Convention for protection of Industrial Property and TRIPS agreement which confers certain exclusive rights to use trademark and trade name to the rights-holder. Apart from these two major instruments, there is a Model law provided by WIPO for developing countries and those who have not acceded to Paris convention. Further this section also traces the origin of trade names in India, which helps to identify the lacunae in the Trademark Act, 1999.

2.1 PARIS Convention for the protection of Industrial Property, 1883.

After the Revision Conference of Hague in 1925, the definition of industrial property was inserted under Article 1(2) of the Paris convention³ which specifies that the objects of industrial property include trademarks and trade names. According to the commentary on Paris Convention, the term trade name is generally defined as as name or designation which identifies the enterprise of a natural or legal person and usually be protected against unlawful acts⁴. Further article 8 of the convention exclusively deal with protection offered to trade names and also the convention puts trade names on higher pedestal as it obliges member states to provide protection without looking into details of whether trade name forms a part fo trade mark as the agreement considers that trade name stands independent of the marks⁵. However it is pertinent to note that, the convention does not state how much protection is to be given and it has been left to the national laws to decide on criteria to qualify for protection as trade name⁶. Thus it is clear that even Paris convention sets the standard as ‘likelihood of confusion’ against protection for both national and foreign trade names provided the names are all well known in the concerned state.

2.2 TRIPS Agreement, 1995

The TRIPS agreement under WTO is the most significant multi lateral treaty to harmonise intellectual property system and it sets the minimum standards for the members of World trade organisation. The interpretation of Article 1.2 and 2.1 of TRIPS agreement seems to be in contradiction and a dispute was filed by European Communities before WTO appellate body(AB) since trade names were not explicitly protected in the agreement. The argument put forth by EC was in reliance with Article 1.2 that, the trade names comprise a separate category of intellectual property like Trademarks, Patents and Copyright which was subsequently rejected by panel report committee. An appeal was brought before WTO AB, which found that panel report committee ignored the general interpretation to Article 1.2, since it failed to read the phrase ‘subjects of section 1 through 7 of part II’ as comprising all the sub categories that fall under each section rather than separate titles of each category. Thus the Article must be given a plain meaning along with object and purpose. Further, the interpretation of panel report in the manner described by the committee would deprive the basic purpose of Article 2.1 of TRIPS, as it explicitly includes that member states shall comply with protection for trade names provided under Article 8 of Paris convention. Therefore the AB concluded by reading the provision on a plain language as stated in Article 32 of VCLT⁷, trade name falls as a separate category of Intellectual property rights in TRIPS agreement.⁸ It was in the year 2002, that TRIPS resolved the conflict whether trade names form a separate category and thereby its clear that contracting parties of TRIPS have to comply with Paris convention with respect to protection offered to the trade name.

2.3. WIPO Model law for developing countries on Marks, Trade names, and Acts of Unfair Competition, 1967

WIPO Model Law was prepared by BIRPI on request of developing countries to make Intellectual property as an effective tool in development process of their nation. It has also been sent to India as a developing country according to the criteria adopted by United Nations. The protection for trade names can be found from section 47 to 49 of Part IV, which specifically deals with names that are prohibitive in nature, the extent of protection offered and the assignment of trade names.⁹

It lays down that a trade name can consist of an invented name, description of the enterprise or even name of the proprietor or designation which identifies enterprise of a natural or legal person. ¹⁰ Although, it seems to provide wide choice in opting names, yet there are certain limitations with respect to nature and use of trade name, which curtails the scope in choosing names. The name must not be (i) contrary to public order and morality (ii) deceive public or trade circles (iii) identical or similar to another name, even if it is not used by another company but is still widely known to public. Thus the choice of selecting names is limited than that of marks.¹¹ Section 48 of model law deals with protection offered to trade names where a third party uses same or similar trade name as mark, that is likely to mislead the public then it amounts to unlawful act. It also sets out compelling factors before injunction is granted, namely likelihood of confusion by eliminating distinctiveness and principle of priority use.¹² Thus the Model law acts as a guide to the member states to create or modify the existing provisions at par with the Paris Convention thereby harmonising laws on trade names uniformly.

2.4 Scope Of Trade Name In India

Justice Mohd. Shamim in his judgment quoted the lines from Romeo and Juliet II,

“What’s in a name ?

That which we call a rose

By any other name would smell as sweet.”¹³

This excerpt was quoted to state that an enterprise remains same, even if the name of business is changed. It was justified that name of a company does not alter the personality of an enterprise, even if it was called by different name.

This assessment narrows down the concept of trade name and the values attached to it on the enterprise, especially in the present scenario where the names of corporation also forms subject matter of industrial property in common law.¹⁴ The role of trade name assumes a preliminary character while discussing on crucial matters pertaining to cash flow statements, ascertaining balance sheet, trading in shares where it shifts its focus towards trade name. Moreover it is the ‘Trading style of the firm’ that comes into picture, since it is the principle entity under which different marks subsist. In all such situations, the corporate name helps to maintain goodwill, reputation and value of the business.

Against this background, the researcher will explore the Indian standards of Trademark law with reference to trade names on one hand and the comparative analysis between United States, and European Union so as to show whether the legal systems provide adequate protection to trade names and the criteria used by these legal systems for an action against trade names.

3. Protection Offered In European Union

Although, The Paris Convention and TRIPS agreement considered to be the international framework, for regulating trade names, however it does have certain drawbacks wherein the legislation does not specify the manner in which the protection for trade names has to be executed, yet the signatories of the convention interpreted Article 8 of Paris convention along with 10bis by protecting it under the principle of unfair competition. Similarly, TRIPS agreement prohibits any competition if found to be against the honest practices in industrial and commercial matters. Thus it clearly lays down, the unauthorised usage of trade names amounts to actionable within the purview of unfair competition.

With the backdrop of this principle, the EU legislature either applied common law action or enacted a specific legislation for unfair competition, which led to disharmony among the member states. At a glance of protection afforded by national legislation to trade names, the general approach is to pursue for an action under unfair competition laws in the member states, although it did not prevail as EU jurisprudence.¹⁵ However these deficiencies were resolved after the WTO appellate body ruling in Havana club case¹⁶, which further developed the ECJ jurisprudence to identify trade names as separate category of intellectual property rights.

The Protection for trade name has strengthened in the European Union, only after the WTO Appellate body ruling in the case of Havana Club Holdings S.A v. Galleon S.A, wherein it was concluded that trade names formed a distinct category of Intellectual Property Rights for the purpose of the TRIPS agreement which makes it clear that WTO members are required to include enforcement procedures in their national laws against any act of infringement of trade name.

In the light of WTO appellate body ruling in Havana Club case to identify trade names as a separate intellectual property right, the European Commission enacted a specific provision under Trademark Law directive¹⁷, to deal with trade names registered on pan-european. According to it, if a trade name is put to use unauthorisedly and not for the purpose of distinguishing goods or services, then recourse could be referred to the laws of member states by looking at the extent of protection offered for trade name owners.¹⁸

The statutory provision was backed by *Robelco NV v. Robec*¹⁹, where the ECJ was asked to give preliminary ruling regarding the interpretation of article 5(5) of the directive read with article 8 of Paris Convention and Article 16 of TRIPS agreement. The court was of the view that, the member states may incorporate laws in accordance with the principle of prohibition on unfair competition in Paris convention²⁰, if the mark is found to be used by trade name owner in an unauthorised way, detrimental to the character of the mark or the plaintiffs reputation provided the mark has not been used to distinguish goods or services. Nonetheless this provision resulted in vain, as the companies had to rise globally and mark their presence in all states which became burdensome as it had to procure relief from each state, every time the name has been used by unfair means.

3.1 Protection for related goods.

It was clear to the courts that, the user would be restricted if related goods were involved, but it should be noted that there are secondary factors which play a prominent role in injunction, other than similarity of goods involved. In *Anheuser*²¹ case, both the parties were operating 'Beer' companies in Finland, wherein the plaintiff registered its trademark 'Budweiser and Budvar' in 1980 and the defendant adopted similar mark as its trade name which was duly registered in commercial register in 1967. The ECJ placed emphasis on whether the trade name owner actually used the plaintiffs mark to distinguish goods and services or merely used it as a company name. The court by relying on *Arsenal*²² found that rights of trademark owner is encroached while a mark is used as a name solely for the purpose of distinguishing goods and thereby causing confusion as to source of origin among the consumers.²³ Further the clarification regarding interpretation of Article 16 of TRIPS agreement, the courts held that defendants use of trade name will not be unauthorised if, defendants could prove their priority in registering trade name. It was also observed by ECJ that if a trade name has been used in another member state, then the factor to be considered is the honest practise followed by the company and the local reputation established in the country where the protection is sought, apart from priority factor.

Likewise, in *Celine* case²⁴ the plaintiff registered its trademark 'CELINE', while the defendant was trading as 'Celine Sarl'. The dispute was filed before french civil court, claiming that defendant was trading under name identical to plaintiffs registered mark, in relation to similar business. The ECJ had to decide whether trademark owner can exercise his rights when an identical trade name has been adopted on similar goods. The ECJ relied on *Arsenal* and *Anbusch* cases to conclude that a company name used by a third party on an earlier registered trade mark and believed to be trading on similar goods, amounts to unauthorised act since such conduct affects the basic function of the mark. It has been observed that the main purpose of trade name is to designate the business rather than to distinguish goods and the only defence for trade name owner is to prove the business is being carried on subject to honest trade practices.

Therefore in cases of similar goods, the courts analysed two main factors before granting injunction, whether the :

- Name affects the functions of the trade mark.

- Honest practices were followed and local reputation was established in case of foreign name.

In light of above cases, initiatives on Policy developments of European Trademark System²⁵ and repetitive assessments by EU commission²⁶ for strong protection of trade names led to enacting of the uniform Trademark law directive 2015²⁷ and Trademark law regulations 2017.²⁸ The major change in the new directive was to do away with the unlimited restriction provided for trade name owner in Community trademark directive, as trade names were always on higher pedestal compared to trademarks adopted at later stage. It could be seen from the preamble of new directive that names and marks shall be given equal protection and the trade name could have priority over mark adopted at later point, is only through own name defence. The directive has rested upon the principle 'free movement of goods' to prohibit trade mark owners who enjoin the use of mark or sign by third parties unless it has been appropriated or put to use in a fair and honest manner, thereby ensuring freedom of expression by their party²⁹. Further more, the recital states that infringement of trademark shall be amended to include any sign used as a trade name for the purpose of distinguishing goods and services.³⁰ The present 2015 directive and the EU trademark regulations 2017, could be seen as welcome change as exclusive rights are conferred on trademark owner to prohibit the sign partly or completely upon used as trade name and the reason it stop avoids confusion as to commercial source from which goods or service originate and prevent the assumption in the minds of public regarding the link between the company trading name and the goods produced by it.

It can be inferred by looking at the intention of legislature behind the clause that, it is based primarily on the source of origin of defendants goods (i.e) it is more worried that defendants buyers may believe it was made by the plaintiff. Though this principle was negated in *Vogue*, *Rolls-Royce* and *waterman* cases where it was advocated that 'impression between the parties is more important, as opposed to source of origin yet, the legislature enacted it on the lines of source of defendants goods.

3.2 Conclusion

Courts have weighed a few possible factors in deciding trademark and trade name disputes when a third party uses or the own name of the person has been used as a sign to designate the business. In EU, the new directive has clearly set out the provisions for protecting trade names against any unfair practises by third parties irrespective of similar or dissimilar goods. This strait jacket mechanism of enforcing rights of trade name holder removes all the uncertainties existed in earlier trademark law directive and national laws. It is considered as a positive change in the trademark system by balancing the interest of both the mark and the name owner and this is yet to be monitored since it has been a year of introducing this directive.

From this it would be safe to conclude that, trade names have become a mandatory part of business culture and the present laws of both the jurisdictions have enacted strong jurisprudence in lines of International Framework. Therefore laws of E.U could be taken as a base to compare the Indian Trademark Act 1999 to figure out the conflicts and confusion present in protecting trade names, in the next chapter.

4. Protection Offered In Indian Jurisdiction

The term Trade name in the Indian Trademark law, first referred in the Ayengar Committee report 1958, which was formulated for the revision of the earlier Trademarks Act 1940. However the report did not deal extensively with the scope of trade name but modified section 79³¹ of the earlier act to admit evidence of trade name against any trademark infringement suit, if the name found to be relevant to impugned mark. In furtherance to the radical change in market conditions and the obligation to implement TRIPS provisions to be on equal footing with other countries trademark law, there felt need to repeal and replace Trade and merchandise act 1958 through enacting a new legislation.

Accordingly, on a perusal over the minutes of parliamentary discussions on the Trademark Bill 1999, it could be understood that the need for new Trademark law was due to the growth of multinational companies, opening up of economy, liberalisation policies, to offer protection for foreign trade names and other factors related to the economic aspects of firms. Subsequently the bill was passed and the TMA 1999 came into force, wherein the terminology trade name was placed as negative covenant. It prohibited third party from using the registered trade mark as part of its trade name or corporate name or firm name, provided the parties are dealing in the same goods. ³² However the reason behind enacting this provision was not discussed in the parliament debate sessions, rather the discussions were inclined towards protecting one aspect of firms industrial property- trade marks and were silent on protection for trade names aspect although India acceded to Paris convention which mandated the member states to incorporate laws for protecting Trade names.

Before the special provision governing mark - name dispute was enacted by legislature, the Indian courts similar to U.K. jurisdiction dealt such instances under the law of passing off.³³ The courts looked into the main principle - likelihood of confusion caused among purchasers which governs the law of passing off. Moreover, the court considered broadly, the factors likely to create confusion namely class of consumers, Trade channels and the extent of reputation³⁴. Thereby the courts employed law of passing off to grant relief to the parties.

4.1 Understanding the provision for infringement of Trade mark - name dispute

The statutory provision for infringement of trademark specified in section 29 has totally nine subsections, wherein each provision deals with different objectives such as likelihood of association, well known mark and these are an extension of relative grounds for refusal of registering trademark. The sub section involving trade name runs as follows:

29(5) - "A registered trade mark is infringed by a person if he uses such registered trade mark, as his trade name or part of his trade name, or name of his business concern or part of the name, of his business concern dealing in goods or services in respect of which the trade mark is registered".

This sub-section has been inserted in the 1999 Act, and a provision equivalent to this could not be found in the earlier Trade and Merchandise Act 1958. It has been introduced specifically to deal with disputes between trade marks and corporate names or firm names. The major difference between 29(5) and other subsection is that, it eliminates the factors responsible for grant of injunction, unlike other subsection where likelihood of association, deceptive similarity, confusion created in the minds of public are considered as decisive factors and making it as no fault provision.

4.2 Judicial Dicta on the Interplay of section 29(4) and 29(5) of TMA 1999.

Post the enactment of Trademark Act 1999, the Supreme Court in matter of first instance in Laxmikant case³⁵, dealt with factors to be looked by the courts with respect to trade mark and name dispute although the judgment was not based on present legislation. In this case, the plaintiff was trading under the name of QSS - Muktajivan Colour Lab since 1982 and the defendant was operating under name 'Gokul Studio', later he adopted plaintiffs name in the year 1997. The court analysed that, the intention behind the defendants change of name from Gokul to Muktajivan was to divert the entire business of plaintiff towards him and he was aware of the fact that same name was being used by plaintiff on the same business, which led to the conclusion that there arose likelihood of injury to plaintiff business due to the adoption of similar name by defendant. It observed that the law does not permit anyone to make false advertising by associating goods or services of his business with someone else products.

Subsequently, the first case³⁶ under the new provision was before single bench of Bombay High Court, where a suit for injunction was filed to restrain defendants from using the mark 'RAYMOND' as part of trade name. It is to be noted that both parties were operating on dissimilar set of goods or services. The court observed, even if entire mark has been used as part of trade name it does not constitute infringement as long as the defendant used it in 'due cause' and did not take unfair advantage or cause any harm to the repute of mark or distinctive nature of the mark. On an appeal³⁷, the plaintiff submitted that present case falls under section 29(4) of the act and the court has to restrain the use of name since the goods of both the parties are related. The court dismissed the argument by stating that the legislature introduced section 29(5) of Trademarks Act to specifically deal with mark and name disputes and the phrase used in sub-section (5) provides meaning that defendant must not be dealing in same goods in those of which plaintiffs trademark is registered and has not differentiated in terms of similar or dissimilar goods.

The Cipla³⁸ Pharma company also seem to be in trouble on similar issue, wherein suit for infringement of trade mark was filed before the Bombay High Court single Judge, who was unhappy with the decision in Raymond case, urged for full bench to be appointed to discuss on specific issues regarding interpretation of section 29(4) and 29(5). Firstly, 'whether trademark owner has recourse in law, if the mark has been used as part of corporate name on dissimilar set of goods'. It was decided in negative, explaining that two conditions are necessary to establish infringement, (i) The said mark must have been applied on the part of trade name, corporate name or name of business concern. (ii) Provided the defendants are trading in goods or services in respect of which the trade mark is registered section 29(5) Thus the court applied the rule of literal interpretation to conclude that, the language of the statute is clear and unambiguous thereby sub section (5) will be attracted only when there is a dispute between a mark and name associating with similar goods. The second and third issue briefly dealt with, Whether section 29(1)-29(4) of Trademarks Act operate mutually exclusive of section 29(5) of the Act. The court inferred from plain meaning to the statute that sub section (1)- (4) deal between mark and mark dispute whereas (5) deals exclusively in case of mark and name dispute. Further, aggravating circumstances need not be present to qualify for protection under latter section, thus a trade mark owner cannot claim relief under section 29(4) for a dispute between mark and name, since the basic objective of 29(4) will be otiose, if recourse is provided for matter concerning trade mark and name. Therefore the court ruled that, both the provisions operate in a mutual exclusive sphere.

In a similar instance, *Mankind Pharma v. Tiwari*³⁹ before Delhi High Court, the plaintiff filed a suit for permanent injunction to restrain defendants from using the mark *Mercykind* or any word with prefix or suffix to *KIND* as part of their trade or corporate name. In the case, both the parties were operating in the pharmaceutical business and the plaintiff was trading under the name and mark 'MERCYKIND' whereas the defendant trading under the name 'mankind'. The court in its first issue, had to find out whether defendants used the registered mark as trade mark, (i.e) the way in which the defendants represented the plaintiffs mark in the course of trade has to be looked into. It was submitted by defendants that all the products contain different trade marks with all having prefix or suffix 'Mercy' which does not conflict with plaintiffs trademark. Further the court differentiated between the test of infringement in section 29(4) and 29(5) of TMA, wherein aggravating factors such as identical or deceptive similarity are present only in former section. Thus applying the test to present case, the court held the defendant trade name 'MERCYKIND' is only deceptively similar and not identical to attract infringement proceedings. It was mentioned that, the court concurs with the decision in the case of *Raymond pharmaceuticals* and concluded that a trade mark owner has the right to restrain the use of name only when an identical name has been put to use and not similar or deceptively similar name by the defendants.

The review from the above cases shows the confused situation on trade names as it can be seen from the comment made by Justice Endlaw, that he is unable to find any judgment addressing the interpretation of Section 29(5). The courts in all the above mentioned cases boiled down to the question of whether goods or services in which both parties were trading are identical, similar or dissimilar in nature. Further the *Raymond* and *Cipla* decision is contradictory with respect to interpretation of section 29(4) and 29(5) as the former case rules 'if the goods are dissimilar, then injunction shall not be granted meaning thereby the only recourse available for trade names dealing with goods dissimilar would be an passing off action and not under sub section (4). This leads to complicated questions, as to how well known marks fits into sub section (5), since it is very narrowly constructed and has not specified factors or offered wider protection like 29(4), thereby resulting to claim an action for passing off. On the other hand, *Cipla's* case held that trademark owners can have recourse under section 29(4) if the goods or services are not identical provided the necessary conditions namely unfair advantage, proof of mark's reputation and its detrimental use are met. However this ruling has also led to complications in cases of trade names created with minute variances amounting to be deceptively similar to the registered mark escape from infringement under section 29(5). It is surprising to note in this juncture that, none of the courts have looked into section 4 and 16 of Companies Act 2013, which has been introduced as rectification procedure for company names identical or resembling the registered trademarks. This proviso does not specify either that the trade name must deal with goods that are identical to the registered trademark or how close the trade name must be to attract rectification proceedings. It has been construed in a very broad manner, contrast the narrow provision in Trademarks Act and as a result both laws do not provide for any aggravating circumstances or for infringement proceedings in respect of all possibilities

5. Comparative Analysis Between Indian And European Union Jurisdiction :

This section presents the comparisons with respect to statutory definitions, similarities, grounds of protection for trade names, and how far the judiciary has interpreted these provisions in the cases arising with respect to trade names.

The first concern is regarding the definition of trade names under both the legislations. The EU Uniform directive defines commercial designation which includes trade names or names of business concern whereas the Indian framework in section 2(m) defines mark that includes of name but has no clarity regarding whether trade names also fall under 'name'.

Despite the differences in defining trade name, EU legal system share similarity with Indian Trademark system. Firstly, in the European Union jurisdiction, the principle of unfair competition was followed before enacting specific legislations or protecting trade names and laws of unfair competition was intact with the Article 10bis of Paris convention. However not exactly unfair competition has been followed in India, but branch of unfair competition being Passing off was the remedy available for trade mark owner while a third party misappropriates it on trade name. The passing off stemmed out from UK legal system, since majority of the Indian trademark act was borrowed from U.K. laws.

The next concern was the grounds of protection offered for protecting trade names. The EU directive 2015, follows a straight jacket mechanism stating that trade mark is said to be infringed when it is used by third party as part of its trade name irrespective of the goods dealing in similar or dissimilar goods, provided the trade name owner has not used it in honest manner. Further, only leverage available for trade name owners in such circumstances is own name defense. The underlying policy in Indian jurisdiction is in strong contrast to both other jurisdiction. Although the claims could be raised that large chunk of the Act were borrowed in the context of UK and examined the need to protect trade names much earlier than the EU legal system, yet a lot of confusion could be found in the structure of the law. The legislature is currently placed in such a way that it eliminates the concept of likelihood of confusion and focusses on the principle of direct competition to claim action against the use of trade names.

Moving further to next comparison regarding the enforcement mechanisms by the judiciary with regard to trade marks and names issues, the EU jurisprudence outlined three considerations (i) Whether the name affects the function of the mark. (ii) Whether honest practises were followed by Trade name owner (iii) Local reputation has to be established for foreign trade names. Thus it is clear that the courts in European Union have formulated certain factors, that needs to be examined whenever a specific case arises in relation to trade name infringement. In contrast, Indian courts found it difficult to figure out the legislature's intention and the courts have taken different position so far on the same issue.

6. Conclusion And Suggestions

6.1 Conclusion

The central research question that was set forth to guide this study was Does domestic law in India sufficiently safeguard the trade name owners from infringement of trade mark by a trade name ? This question has been answered in the negative based on the evidence gathered from the research. It is due to the trademark regime in India focusing on the mark owners without considering the name of the entity. Moreover, the over emphasis on the protection of trade mark in the infringement theory, contributed to a larger extent to the enactment of laws without any focus from the perspective of trade name. It has also been borne by the research findings that India has not fulfilled its obligation in implementing International legal instruments namely Paris Convention and WIPO Model Law which is although not mandatory but has been specifically framed for developing countries. Indeed while Indian trade mark law claims to contribute protection of the mark owner

from being used as an identical name, the concepts of aggravating facts remain disintegrated. However, it is pertinent to note that the analysis of judicial interpretation of the provision 29(5) of the Act highlight a trend in India by considering closely related factor test into the ambit of infringement proceeding. Thus a flexible and broad interpretation can be possible and the courts could include dissimilar set of goods into the infringement criteria, so that Indian trademark law stands in par with Federal and European Approach. As a result of these failures, the corporate entities have often suffered to change their name when it is found to be identical to the mark and the goods are being traded as that of registered mark owner. The entities have to go through this even if they prove to have been used it in an honest manner. The following recommendations are drawn from the foregoing.

6.2 Suggestions

1. Firstly, there needs to be an amendment to the Indian trademark law either from the perspective of trade name owner, such as the Lanham Act 1946 or by providing equal protection to trade name owner in the infringement proceedings of a trade mark as enacted in the European Directive 2015.
2. Secondly, India must consider incorporating WIPO Model law into their national legislation, as it acts as a guide to modify the existing provisions of the Trademark law at par with Paris Convention, thereby harmonising laws on trade names uniformly.
3. Thirdly, the Trademark Act must define the term ‘trade name’, because it gives a sense of clarity about the scope and limits of the term. Even though the term was used in infringement section, the meaning of the term can only be seen when it has been described properly.
4. Fourthly, the legislature has to consider ‘deceptive similarity and likelihood of confusion’ test as the criteria for granting infringement against the registered trade name. It is because any dispute with respect to registered mark, the analysis was to check whether the mark is deceptively similar and it causes likelihood of confusion. Therefore the Act must not differentiate the test based on the use of the registered mark on mark or name as it only leads to further confusion.
 - To illustrate, there are possibilities for a trade name owner to introduce a name which is deceptively similar to the trade mark and yet escape from the liability under section 29(5). This way of adopting a deceptively similar name ultimately leads to confusion among the buyers as to source of manufacturer.
 - In another instance, the proprietor of the trade name can be an honest concurrent user. In such instances the law has to look into the priority of the term and grant exclusive rights.

Therefore, the legislation must not consider direct competition to grant infringement, as it is equally possible for an instance of deceptive similarity and confusion among buyers to associate the product with another totally operating on dissimilar set of goods or services.

5. Finally, the provision under the Companies Act with respect to trade name has to be altered because every entity registers its trade name with the registrar of companies as provided under the Companies Act 2013. While doing so, the section under the companies act differentiate the names based on identical and closely related to the registered mark, unlike the provisions under trade mark

law based only on identical goods or services. In such instances, if the company registers a name closely related to a registered mark, then the concerned entity might be asked to rectify it, whereas the Trademarks Act allows the trading concern to operate on the trading name as long as it is not identical to the registered mark. It is therefore evident that both the laws on the same concept contradict each other and does not provide a clear picture for trademark owners and trade name owners to follow a specific set of rules.

To conclude, harmonisation along these lines will help Indian Trademark law to provide a fair level playing field for the trading concern irrespective of trading in similar or dissimilar set of goods as that of mark is registered. Further by practicing these suggestions, there can seem to be a balance between the interest of registered trade name and trade mark holder.

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