

JAPAN INTELLECTUAL PROPERTY ASSOCIATION

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15th September, 2010

To: Shri P. H. Kurian
Controller General of Patents, Designs and Trade Marks
The office of the CGPDTM,
Boudhik Sampada Bhavan,
S. M. Road, Antop Hills,
Mumbai- 400 037,
India

Dear Shri P. H. Kurian,

Re: No. CG/PUBLIC NOTICE /2010/156

The Japan Intellectual Property Association (JIPA) is a non-governmental organization that was established in 1938, which represents users of intellectual property systems. As an association having about 900 Japanese leading companies, JIPA submits recommendations and proposals to the relevant authorities and organizations with regard to the establishment of intellectual property systems overseas and improvements in the implementation thereof.

Visiting to the New Delhi branch office in November 2008, we had a fruitful meeting on our 'Requests Regarding the Intellectual Property Systems in India', and we continue to maintain an awareness of Indian IP Acts.

As for recruiting "Suggestions from stakeholders on Indian Trade Mark system", we reviewed Indian Trade Mark system and submit especially important issues for IP stakeholders.

Your deeply consideration on these matters will be appreciated.

Yours faithfully



(Kenichi Osonoe)

Managing Director of Japan Intellectual Property Association
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Suggestions on Indian Trade Mark system

Japan Intellectual Property Association

1. Protection of famous foreign trademarks

(Relevant Section)

Section 11, paragraph (2) of the Trade Marks Act

(Request)

In India, trademarks that are famous in India are protected under Section 11, paragraph (2) of the Trade Marks Act of India in conformity with the Paris Convention and TRIPS Agreement. However, there are some cases where a third party registers a trademark that is famous in a foreign country before the trademark holder and uses the trademark for its business. Such an act of a third party could cause damage not only to the company whose trademark has been registered by a third party but also to general consumers who have purchased the products carrying the trademark. Currently, the only remedy available to the trademark holder is to file an opposition or request a trial for invalidation under Section 11, paragraph (2) of the Trade Marks Act. This situation imposes great financial and non-financial burdens on right holders.

In Japan, famous foreign trademarks are protected under certain conditions (Article 4, paragraph (1), item (xix) of the Trademark Act of Japan).

It would be desirable for India to establish a provision to protect famous foreign trademarks as well (Under the provision, such a trademark should be found unregistrable and invalid).

If companies were notified of the scope of famous trademarks subject to protection in advance, they would be able to determine more easily whether to file an application for a certain trademark. Therefore, it would be appreciated if you could disclose the specific criteria for “famous” trademarks and a list of officially designated famous trademarks, if any.

(Reference)

Japan Trademark Act Art.4

(1) Notwithstanding the preceding Article, no trademark shall be registered if the trademark:

(ix) is identical with, or similar to, a trademark which is well known among consumers in Japan or abroad as that indicating goods or services pertaining to a business of another person, if such trademark is used for unfair purposes (referring to the purpose of gaining unfair profits, the purpose of causing damage to the other

person, or any other unfair purposes, the same shall apply hereinafter) (except those provided for in each of the preceding items);

(Source)

<http://www.cas.go.jp/jp/seisaku/hourei/data/TA.pdf>

Examination Guidelines

42.119.01

http://www.jpo.go.jp/shiryoku/kijun/kijun2/pdf/syohyoubin/42_119_01.pdf

42.119.02

http://www.jpo.go.jp/shiryoku/kijun/kijun2/pdf/syohyoubin/42_119_02.pdf

42.119.03

http://www.jpo.go.jp/shiryoku/kijun/kijun2/pdf/syohyoubin/42_119_03.pdf

2. Early signing of the Madrid Protocol

(Relevant Section)

None

(Request)

The Madrid Protocol is an international treaty signed by 82 countries and regions as of August, 2010 and is used as a tool for application of foreign trademarks.

India is yet to sign the Protocol. By signing the Protocol, Indian companies would be able to obtain trademark rights in other countries more easily and efficiently. This is desirable from the perspective of the Indian economy because it would encourage Indian companies to file foreign trademark applications and provide Indian companies with stronger protection for their trademarks in other countries.

Foreign companies would also welcome India's signing of the Madrid Protocol, which aims to provide trademarks with prompt protection, because it would allow them to obtain trademark rights in India more efficiently, contributing to the development of the Indian industry. The speedy acquisition of trademark rights would make trademarks more stable, eliminating preventable trademark infringements. Furthermore stable trademark rights would promote the distribution of trademarks.

For these reasons, it would be beneficial for India to sign the Madrid Protocol. Early signing of the Protocol would contribute to the international harmonization of intellectual property systems as well.

3. Strengthening of criminal penalties

(Relevant Sections)

Sections 103, 104, and 105 of the Trade Marks Act

(Request)

The Indian Trade Marks Act stipulates that any person who falsifies any trademark, falsely applies any trademark to goods or services, applies any false trade description to goods or services, falsely indicates a trademark as registered, or makes a false statement in the register shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to three years and with fine which shall not be less than fifty thousand rupees but which may extend to two lakh rupees (about 500,000 yen) (Section 103 of the Trade Marks Act). Furthermore, the Act specifies that any person who sells goods or things or provides services to which any false trade mark or false trade description is applied shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to three years and with fine which shall not be less than fifty thousand rupees but which may extend to two lakh rupees (about 500,000 yen) (Section 104 of the Trade Marks Act).

However, with regard to the terms of imprisonment, the period of imprisonment seems to be too short to prevent reoccurrence of such acts of infringement. Although punishment for the second and subsequent offenses are stipulated in Section 105 of the Trade Marks Act, the only difference between these and the provisions for the first offense is that the minimum punishment is increased from fifty thousand rupees to one lakh rupees, and from six months' imprisonment to one year. There is no difference in terms of the maximum fine (two lakh rupees) and the maximum period of imprisonment (three years).

Moreover, the Trade Marks Act even indicates that the court may impose lighter punishments at its discretion by specifying that the court may, for adequate and special reason to be mentioned in the judgment, impose a sentence of imprisonment for a term of less than one year or a fine of less than one lakh rupees. Such punishment seems too lenient for repeated offenses.

Therefore, it would be desirable to create a system to make offenders liable to imprisonment for up to five years, as is the case with Japan, and punish repeated offenders with a penalty at least heavier than the previous penalty.

4. Permission for third parties to take legal action against trademark infringement

(Relevant Sections)

Sections 104, 114, etc. of the Trade Marks Act

(Request)



An act of trademark infringement damages not only the trademark holder but also the consumers who trusted the registered trademark and purchased products carrying the trademark. Due to the vastness of India, it would be extremely difficult for companies to examine a huge volume of imported and exported products and domestically marketed products and detect trademark infringements.

In view of these facts, it would be desirable to establish a provision that permits third parties to take legal action against trademark infringement as well.

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