



## UNDERSTANDING THE GROUNDS AND CONSEQUENCES OF TRADEMARK REGISTRATION REFUSAL UNDER INDIAN TRADE MARK LAWS

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KEYWORDS	ABSTRACT
Trade Mark, Grounds, Goods, Services, Consumer, Market.	<p>Section 9 of the Trademark Act addresses the absolute grounds for the refusal of trademark registration. It delineates various criteria that a mark must satisfy to qualify for registration primarily, a trademark must possess a distinctive character capable of distinguishing the goods services of one entity from those of another. Marks that are devoid of distinctiveness, such as generic terms or, or those that merely describe the goods or services do not qualify. Additionally, trademarks that are misleading, scandalous, or offend public policy may also be refused registration. This section aims to prevent registration of marks that do not fulfill the essential functions of a trademark, thereby protecting the interest of consumers and ensuring fair competition in the market.</p> <p>Section 11 on the other hand, provides specific relative grounds for refusal of registration. It primarily focuses on the likelihood of confusing arises from from the similarity of a proposed trademark with existing registered marks. If a mark is identical or similar to an already registered mark, and the goods or services are of a similar nature, the application for registration may be refused. This section emphasizes the importance of prior rights, ensuring that existing trademark holders are not jeopardized by new applications that could confuse consumers. It also includes provisions targeting the protection of well-known trademarks, recognizing their status in preventing unauthorized use that may lead to dilution or unfair advantage. Together, Sections 9 and 11 establish a balanced framework that safeguards both the rights of trademark owners and the interests of consumers, fostering a competitive market environment in India. This paper analyses the grounds and their consequences of trademark registration under the Indian trade mark laws.</p>

### 1. Introduction:

*“McCarthy on Trademarks and Unfair Competition” as any words, name, symbol, or device, or a mix of these, utilized by a producer or seller to differentiate their products from those of others and show where the products come from.<sup>1</sup>*

McCarthy's examination also emphasizes the importance of trademarks in terms of law and finance. Trademarks protect businesses from unfair competition and brand dilution by giving a distinct identity to their products, preventing competitors from capitalizing on their reputation with similar

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marks. After being registered, a trademark provides its owner with exclusive rights and offers protection within the realm of commerce. This exclusive nature stops rivals from causing confusion among customers or damaging the brand's reputation, further establishing trademarks as crucial instruments for both safeguarding consumers and ensuring fair competition. In the end, trademarks are crucial for protecting market identity, fostering innovation, and maintaining transparency in the market.

*“A trademark as a symbol that differentiates the products or services of one company from those of others. He stresses the importance of trademarks in branding, as they establish visibility and safeguard the market identity of products and services.”<sup>2</sup>*

Author David Bainbridge, states that a trademark is crucial for distinguishing between the goods or services provided by one company and its competitors. According to him, trademarks are essential in establishing a company's distinct identity in a competitive market. In addition to simply identifying products, trademarks are essential for enhancing brand exposure and awareness. A well-designed logo helps customers quickly identify a product or service, establishing trust and loyalty. Further he highlighted those trademarks safeguard the market identity of a brand, not just its awareness. Obtaining a trademark assists companies in protecting themselves from rivals attempting to imitate or misuse their logos, ultimately upholding their brand image and trust. Bainbridge stresses that trademarks play two important roles: they serve as powerful branding tools and provide legal

safeguard against dilution and misrepresentation, ensuring the longevity of a company.<sup>3</sup>

A “trademark” as a graphic representation capable of distinguishing goods or services and may include the shape, packaging, and colors of goods.<sup>4</sup> It also includes a registered trade mark or mark used to show a connection between goods or services and a person with the right to use the mark, as well as a mark used or intended to be used to indicate a connection in trade between goods or services and a person with the right to use the mark, including certification trademarks or collective marks.

A trademark is a distinct symbol, word, design, or a blend of these elements that sets apart the goods or services of one company from those of others in the market. It acts as a “stamp of origin” that links buyers to the origin of products or services, establishing a distinct identity for a brand. Trademarks play a crucial role in competitive business settings by distinguishing products and fostering consumer trust and loyalty. The trademark act of 1999 regulating trademarks in India defines a trademark as “a graphical representation capable of distinguishing the goods or services of one individual from others”.<sup>5</sup> This extensive description encompasses not just conventional marks such as words and logos but also shapes, sounds, colors, and scent marks. The legislation permits companies to obtain sole ownership of their trademarks, granting legal defense against infringement and unauthorized usage. By providing the owner with this exclusive right to the mark, the legal system promotes the growth of brands, creativity, and dedication to high

standards.

Trademarks are crucial in the worldwide business environment, providing companies with substantial advantages. Their main role is to serve as marketing instruments, aiding in the establishment of brand recognition and promotion of customer loyalty. Famous logos like the Apple logo and Nike's Swoosh create feelings of reliability and excellence, inspiring customers to select items linked to these emblems. Furthermore, trademarks aid companies in distinguishing themselves in a saturated market, giving them a competitive advantage by ensuring immediate recognition. They also guarantee customers reliability and performance by maintaining consistent quality, enabling buyers to associate a well-known brand with trustworthiness. This decreases misunderstandings and allows customers to make educated choices, strengthening confidence and loyalty to the brand. For example, buying from a well-known brand assures consumers that they will get the consistent quality they anticipate, which strengthens their brand loyalty. Trademark legislation also contributes to fostering economic development. By safeguarding the brand identity and reputation of companies, it allows businesses to invest in advertising, product development, and customer service without the worry of losing market share to fake products or imitations. Trademarks also play a role in the worldwide economy by facilitating businesses to expand into international markets with their brands and protect them from violations on a global scale using treaties like the Madrid Protocol.<sup>6</sup>

Trademark registration entails validating its

uniqueness and ensuring that it does not clash with any existing trademarks, followed by submitting an application to the appropriate authority. Once finalized, the registration allows the owner exclusive right to use the trademark in their business, with potential legal consequences for infringement. Trademarks are more than just a legal requirement; they are essential to every company's branding strategy. They protect the company's brand, increase customer happiness, and are valuable assets that can be sold, licensed, or franchised. In today's linked and competitive world, trademarks are critical to a company's success and exposure across multiple industries. A trademark is a branding tool that sets your products and services apart from those of others. It is utilized by individuals to prevent others from imitating your products or services. A trademark can consist of a word, design, logo, shape of products their packaging, or a mix of colors. Trademarks utilized to show a relationship between the products or services and the individual who is authorized to use the mark as the owner. Protection for trademarks is accessible for specific names, symbol, device or words that will be utilized in association with a product or services. In technical terms, a mark connected to "service mark," the term trademark is generally used to encompass marks related to both services of goods<sup>7</sup> Trademarks serve the purpose of enabling companies and individuals to identify the origin of their products or services and differentiate them from those of others in the same field. Various kinds of unique symbols are categorized as trademarks. A company, a sports team, and a singer

all have trademarks in the form of their name, mascot, or lyrics.

A company's trademark protection is provided for particular names, symbol, or words that are meant to be associated with a product or services. When a mark pertains specifically to a service, it is known as a "service mark." Nevertheless, the term "trademark" is frequently used in a broader sense to include both goods and services. The main purpose of trademarks is to help businesses and individuals recognize the source of their products or services and distinguish them from those of competitors in the marketplace. There are many different types of distinctive marks that are classified as trademarks. A trademark is vital for recognizing the origin of products or services and safeguarding brand identity. Nevertheless, not every trademark can be registered, with several legal and court-recognized reasons available to reject an application<sup>8</sup>. These rejections are intended to strike a balance between a company's right to exclusive ownership of its trademarks and the public's need to prevent confusion or deception in the market. In the case of *Kaviraj Pandit Durga Dutt Sharma*<sup>9</sup>, the Supreme Court held that in trademark infringement cases, the plaintiff bears the burden of proving that the defendant's use of the mark, in relation to goods covered by the plaintiff's registered trademark, is deceptively similar.

## 2. Background

Trademarks have played a vital role in business and trade for many years by helping to distinguish the origin and excellence of products. Evidence shows that ancient civilizations also utilized

symbols and marks to represent ownership and craftsmanship, dating back thousands of years in the history of trademarks. The Egyptians, Greeks, and Romans used different methods of branding to distinguish products, particularly in sectors such as pottery and metalwork. These initial indications served as an assurance of excellence, aiding consumers in recognizing the source of the items they bought. Trademark usage became increasingly regulated during the Middle Ages, especially within guilds. Guilds were groups of craftsmen and traders who governed the execution of their craft in a specific region. Marks were utilized to show that specific products conformed to the necessary quality standards. For instance, a member of the guild would mark a product, indicating to buyers that it was made in compliance with the guild's standards. This was an initial method of preserving intellectual property, guaranteeing that only authorized artisans were able to create products marked with the guild's logo. It also aided in stopping fake products from being sold in the market.

England implemented its first trademark laws during King Henry III's reign in 1266<sup>10</sup>. To ensure the protection of consumers, "*the Assize of Bread and Ale*" implemented regulations which imposed restrictions on the dimensions, mass, and price of bread, as well as the quality of flour. In order for regulators to trace where a loaf came from, bakers had to label their bread with a distinctive symbol. According to the name of the law makers are required to label their bread with their identification before it could be sold.<sup>11</sup>

### • **Bakers Law**

Trademark law's development traces back to ancient English laws that established standardized measurements and required bakers to distinguish their bread with marks, in accordance with the Winchester Regulations before 1275. Legal specialist Bartolo da Sassoferrato (1314–1357) examined the use of emblems, impacting early theories of trademarks. The first Anglo-American trademark dispute, known as Sanforth's Case in 1584, focused on disagreements regarding clothier insignias before the well-known *Southern v. How* case in 1618<sup>12</sup>.

Modern trademark law developed from safeguarding distinct identifiers of companies such as logos and names. The Lanham Act of 1946 created a uniform U.S. system for trademarks, enabling nationwide registration and federal legal actions against infringement. Worldwide, treaties such as the Paris Convention (1883) and Madrid Agreement (1891)<sup>13</sup> improved global protection by allowing registration and enforcement across borders, making brand protection easier with the growth of international trade.

### 3. **International Laws**

International trademark laws aim to safeguard trademarks globally and guarantee that businesses can retain sole ownership of their brands in various nations. With the globalization of trade, different international agreements and groups have been established to create a unified system for trademark registration, protection, and enforcement on a global scale.

International trademark laws aim to create a unified structure for safeguarding trademark rights

globally. Most of these regulations are controlled by global agreements and groups that set standard rules for registering, safeguarding, and upholding trademarks. The Paris Convention for the Protection of Industry Property (1883) was among the first pacts, guaranteeing that companies from member nations are given the same level of protection in other member states, allowing them to prioritize filing in various regions. The Madrid System, overseen by World Intellectual Property Organization enables businesses to submit one trademark application to cover multiple countries.<sup>14</sup> Another important agreement, set out basic requirements for trademark safeguarding, implementation, and conflict resolution among World Trade Organization nations.<sup>15</sup> These global agreements make it easier to manage trademarks worldwide by lowering legal obstacles, deterring trademark squatting, and ensuring consistency in trademark rights in various nations.

- **Paris Convention for the Protection of Industry Property (1883):** The Paris Convention ratified in Paris, France on March 20, 1883<sup>16</sup>, is dedicated to protecting industrial property such as patents, trademarks, industrial designs, and geographical indications. One of the oldest intellectual property agreements, which has been revised several times including in 1979. The main ideas of the Convention involve treating foreign and domestic businesses equally under the law in member countries and promoting fairness in international trade. The privilege of priority gives trademark owners a six-month opportunity to establish rights in other member



countries based on the original filing date, making international protection easier. Furthermore, independent protection guarantees that the standing of a trademark in one nation does not impact its legitimacy in other jurisdictions, giving assurance and protection for international businesses.

- **Madrid System for the International Registration of Marks (1891):** The Madrid system created in 1891 and overseen by WIPO, allows companies to obtain trademark rights in several countries with just one international application. Regulated by the Madrid Agreement (1891)<sup>17</sup> and the Madrid Protocol (1989)<sup>18</sup>, it streamlines worldwide trademark registration by removing the requirement for separate applications in each country, cutting down on expenses and administrative hassles. Recognized locally in all selected countries, approved trademarks are acknowledged in over 130 member nations. The system enables centralized control of updates, renewals, and changes. Despite being cost-effective and efficient, businesses are still required to adhere to specific national laws and inspection procedures.
- **Trade- Related Aspects of Intellectual Property Rights (TRIPS):** Trade- related aspects of intellectual property rights<sup>19</sup> through the WTO, sets out mandatory regulations for safeguarding intellectual property rights worldwide, which include trademarks. It standardizes global intellectual property regulations by mandating basic requirements, like ensuring trademarks are protected for a

minimum of seven years with the option for indefinite renewal and safeguarding owners from unauthorized usage that may cause confusion among consumers. In addition to providing protection, TRIPS mandates that member countries establish strong legal mechanisms to combat infractions, such as injunctions, compensation, and border controls. By giving importance to national and most-favored-nation treatment, TRIPS guarantees fair and equal IP protection worldwide, strengthening legal certainty in global trade.

- **The European Union Trademark:** The E.U. Trademark system, founded in 1996<sup>20</sup>, provides companies with a cost-efficient method to safeguard their trademarks in all 27 EU member states through a single application. Operated by the E.U. Intellectual Property Office, it streamlines the system by offering consistent protection and enforcement throughout the E.U. Once a trademark is registered, it remains valid for 10 years and can be renewed indefinitely. This system enables companies to take legal action for infractions in any member state and incorporates procedures for challenging and annulling. The comprehensive nature of the system means that if a trademark is rejected or canceled in one E.U. country, it impacts the entire region.
- **Singapore Treaty on Trade Mark:** The Singapore Treaty, approved in 2006<sup>21</sup>, enhances the Trademark Law Treaty by updating trademark registration to cover additional types of marks like holograms, motion, and non-visible marks such as sound,

smell, and touch. The main goal is to improve the efficiency of trademark registration and licensing procedures, particularly for non-traditional marks. The emergence of technologies such as the internet led to the creation of the treaty. It creates a Contracting Parties Assembly to ensure that the treaty is current and relevant to WIPO member states and specific intergovernmental organizations. In contrast to the Trademark Law Treaty, the Singapore Treaty is frequently updated and can operate on its own or in conjunction with the Trademark Law Treaty.

#### 4. National Laws

Trademark laws vary from one country to another, drawing from common principles shaped by international agreements such as the Paris convention and the TRIPS Agreement. These agreements strive to establish consistent intellectual property rules on a global scale, guaranteeing equal safeguards for trademarks. The Paris Convention introduced the concept of “national treatment,” ensuring that trademark applicants are granted equal protection in member countries as they are in their own country and brought in the idea of priority filing globally. The TRIPS Agreement, which is a component of the WTO, establishes the basic standards for trademark governance, which involve implementing legal actions against unauthorized use. Therefore, the trademark laws of numerous countries coincide on important elements, including providing trademark owners with exclusive rights, protecting against unauthorized usage, and mandating a formal registration procedure to confirm the

distinctiveness of the mark. Many countries offer a first registration period (usually lasting 10 years) and allow for renewals that can be made indefinitely. These globally inspired principles assist companies in ensuring consistent trademark protection across various legal jurisdictions.

- **The Trademark Law:** India's laws on trademarks have undergone substantial changes as time has passed. The initial legislation in India to prevent counterfeiting was the Merchandise Marks Act of 1889, which did not include a formal registration process. The Trade Marks Act of 1940<sup>22</sup> came next, implementing a registration system, but offering only partial protection. The Trade and Merchandise marks act of 1958 heightened trademark safeguards and consequences for infringements. The Trade Mark act of 1999 underwent a significant revamp, bringing it in line with international norms and broadening the scope of trademark definitions. Recent developments, including the 2017 Trade Marks Rules, simplified the registration process and India joining the Madrid Protocol in 2013<sup>23</sup> enabled worldwide trademark protection through a single application. Trademark laws before independence mainly aimed to stop imitation rather than creating a registration process.
- **Post-Independence:** India improved its trademark protection by enacting the Indian Trade Marks Act of 1940, modeled after the British Trademark Act of 1938<sup>24</sup>, establishing a system for official trademark registration. Its ability to address the complexities of trademark

rights was restricted. The Trade and Merchandise Marks Act of 1958<sup>25</sup> made enhancements by providing more explicit registration guidelines, broadening protection to cover various product types, and implementing consequences for infringement. This legislation served as the foundation of trademark regulation in India for an extended period, paving the way for additional progress amid the country's adoption of economic liberalization and globalization.

- **Modern Era:** The Trade Marks Act of 1999<sup>26</sup> transformed trademark regulations in India to comply with global norms, especially following India's accession to the TRIPS Agreement. It broadened trademark coverage to encompass service marks, shapes, colors, and sounds, and established regulations for famous trademarks, regardless of registration status. The legislation also enhanced the registration procedure, bolstered enforcement against infractions, and acknowledged geographic indications. The 2017 Trade Marks Rules made the process more efficient with easier forms and online filing. Moreover, India joining the Madrid Protocol in 2013 made it easier for global trademark protection, boosting India's influence in international markets. The changes have improved trademark protection, promoting innovation and economic growth by making the system more efficient and inclusive.
- **Recent Development:** India's trademark laws have undergone notable changes to meet global norms and improve effectiveness. The registration process was simplified by The

Trade Marks Rules<sup>27</sup>, 2017 through a reduction in forms from 74 to 8, the introduction of e-filing, and faster application processing. The modifications, combined with reduced fees for startups and small enterprises, improve the accessibility of trademark registration. The Trademarks Act of 1999 has been revised to align with international standards such as the TRIPS Agreement, providing rules for registration, owner privileges, and penalties for infringement. India's joining of the Madrid Protocol in 2013 increased global protection even more. A trademark provides exclusive rights for use with goods or services, but these rights only apply to the mark's use within the industry, not the word or phrase overall. It is simpler to safeguard unique trademarks compared to those that are descriptive.

## 5. Rejection of Trademark Registration

The rejection of trademark registration is an important element of trademark law, created to uphold the accuracy of the trademark registry and avoid misleading or deceiving consumers. A trademark is vital for recognizing the origin of products or services and safeguarding brand identity. Nevertheless, not every trademark can be registered, with several legal and court-recognized reasons available to reject an application.<sup>28</sup> These rejections are intended to strike a balance between the needs of companies wanting sole ownership of trademarks and the public's desire to prevent confusion or dishonesty in the market. According to the Indian Trade Marks Act, 1999, trademarks may be denied registration based on absolute and relative reasons. The reasons for rejection are



related to the fundamental characteristics of the mark. According to Section 9 of the Act, a mark will not be eligible for registration if it lacks distinctiveness, is descriptive, or is generic. A descriptive mark simply provides a description of the goods or services it represents, including quality, quantity, intended use, or place of origin. These marks are seen as lacking. For example, a label such as “Fresh” on a juice item could be denied due to its widespread use in describing a product's attribute. Likewise, generic marks, which are common terms for products or services (e.g., “Bread” for bakery items), are not eligible for registration due to their inability to be exclusively owned by a single entity<sup>29</sup>. False marks, which have the potential to confuse consumers about the characteristics, standard, or source of products or services, are also rejected based on objective criteria. Concerning grounds for rejection, as specified in Section 11 of the law, center on the probability of causing confusion with trademarks that already exist. If a suggested mark closely resembles an existing registered mark for comparable products or services, it might not be approved for registration in order to avoid confusing consumers. This involves situations where the suggested mark may weaken the uniqueness or reputation of a famous brand. If a new applicant attempts to register a mark that resembles a well-known brand like “Nike” in the same industry, it would probably be rejected due to the risk of confusing consumers or weakening the brand's worth.<sup>30</sup>

Denials based on both definite and comparative reasons are crucial in guaranteeing the proper and

efficient operation of the trademark system, safeguarding both brand owners and consumers. Legal rules and court decisions have developed to clarify the extent of these rejections, striking a balance between safeguarding IP rights and upholding market equity.

The Trademark act 1999, outlines grounds for refusal based on the trademark's inherent qualities to determine its eligibility for registration. These principles, as described in Section 9, are applicable across the board and do not rely on the presence of prior trademarks. One main cause for rejection based on absolute grounds is when the trademark does not have distinctiveness, making it unable to differentiate one company's products or services from another's. If a company tries to register a trademark using generic terms like “Milk” for dairy products, the request will be denied as it only describes the product and doesn't distinguish its origin. Another definite reason for rejection is when the mark is deemed descriptive, meaning it explains the type, standard, amount, intended use, or geographical source of the products or services. “Fast” would not be accepted for a courier service as it just explains how quickly the service operates, rather than acting as a distinguishing feature. Descriptive marks are usually not eligible for registration unless they have gained distinctiveness through widespread use.<sup>31</sup> Registration is also denied for trademarks that go against public policy or morality. This involves symbols that are inappropriate, controversial, or endorse unlawful behaviors. A trademark containing offensive language, symbols of hate, or promotion of illegal activities will be rejected in order to maintain

ethical principles and legal standards.

Moreover, trademarks that are misleading and likely to deceive consumers regarding the goods or services' characteristics, quality, or origin are prohibited. For instance, a trademark claiming that products are manufactured in France, when they are not, would be denied to avoid misleading consumers. Section 9 of the trademark act outline the absolute grounds for refusing trademark registration under the Act.<sup>32</sup> Section 9(1) provides trademarks are not registerable if trademarks that are unable to identify the applicant's goods/services from those of others.

In trademark law, it is important that a trademark can differentiate between the products or services of one company and those of others. This makes sure that customers can recognize where a product or service comes from and prevent misunderstandings. An example can be found in the case of *Imperial Tobacco Co. of India Ltd. v. The Registrar of Trademarks AIR 1977 Cal. 413*.<sup>33</sup> In this instance, Imperial Tobacco Company, a well-known cigarette producer, wanted to trademark "Simla" for its cigarettes. The application was rejected by the Trademarks Registrar on the grounds that "Simla" was a widely recognized geographic term and therefore not unique. The High Court of Calcutta agreed with the Registrar's ruling that "Simla" could not be used as a trademark because of its common geographical meaning. The court concluded that because "Simla" was a well-known location, it could not effectively differentiate the applicant's products from others. This example highlights the importance of trademarks being unique enough to

distinguish where the goods or services come from and not being a term typically linked to or describing the product. Another reason for rejection is when a trademark indicates the type, standard, location, timing, or other attributes of the products or services. This rule stops the registration of trademarks that simply describe the product or service they stand for. In the case of *in the case of M/s Hindustan Development Corporation Ltd v. The Deputy Registrar of Trademarks Air 1955 Cal.519*<sup>34, 35</sup> the applicant applied to trademark the brand "Rasoi" for cooking oils. The court determined that the term "Rasoi," which translates to "kitchen" in Hindi, was deemed as a descriptor of the product's purpose and characteristics, and not as a unique brand marker. The trademark was considered unregistrable as it described the products instead of setting them apart. This case shows that trademarks that are overly descriptive or indicative of a product's features do not meet the distinctiveness requirement needed for registration. Trademarks that are so widely used in language or commerce that they no longer function as unique identifiers are grounds for rejection. If a trademark is extensively used in a generic fashion by many persons or businesses, it cannot be owned only by one company. This notion is crucial for preventing monopolies on widely used terms. If a term or phrase is extensively used in the business or by customers to describe certain goods or services, registering it as a trademark would unfairly prevent other companies from using it. This guarantees that the trademark system does not award exclusive rights to words commonly used in everyday language or industry-specific terminology,

promoting fairness and prohibiting anti-competitive behavior.

• **Detailed Overview of the Absolute Grounds of Refusal Along with The Relevant Sections:**

Section 9(1)(a) Of the trademark act 1999, A trademark application may be denied on absolute grounds if the mark lacks distinctiveness, meaning it does not possess a unique character. This requirement ensures that a trademark can effectively differentiate one company's goods or services from others in the market. The purpose of this rule is to preserve the fundamental role of trademarks: to indicate the source of goods or services and prevent consumer confusion. A trademark that lacks distinctiveness does not fulfill its essential role of indicating the origin of the goods or services. Distinctiveness is a key characteristic that allows consumers to recognize and differentiate between products or services from different providers. For example, if a mark is too generic, it cannot be registered because it does not uniquely identify the goods or services of a particular business. A generic term is one that is commonly used to describe a type of product or service, and allowing such terms to be monopolized would unfairly limit other businesses from using commonly understood language<sup>36</sup>. In *Britannia Industries Ltd. V Cremica Agro Foods Ltd.*,<sup>37</sup> The court determined that, upon initial review, the plaintiff had not adequately demonstrated the distinctiveness of the mark "Greetings" or established that it had acquired a secondary meaning.

Courts typically determine if a trademark has gained secondary meaning by considering factors like usage, marketing expenses, profits, and sales revenue associated with the product it represents. These factors objectively demonstrate the popularity, consumer recognition, and market strength of the trademark, aiding in the assessment of its secondary meaning. The criteria for assessing uniqueness include the duration and scope of usage, reputation and identification among consumers, advertising expenditures, visibility in business communities and distribution networks, and the target customer base. If a letter or numeral is used, registration depends on whether consumers would expect all goods/services under the sign to come from one source. If the sign lacks distinctive character, it is considered "devoid of any distinctive character"<sup>38</sup>.

Section 9(1)(b) of the trademark act, 1999 deals with the descriptive marks, stating that a trademark cannot be registered if it only includes signs or indications describing the goods or services' characteristics like kind, quality, quantity, intended purpose, geographical origin, time of production, etc. This clause guarantees that trademarks cannot be simply descriptions of the goods or services they signify. For instance, labeling bakery items as "Fresh" or luxury goods as "Premium" would not be accepted because these terms represent the quality of the products instead of being a distinct identifier of their origin. Likewise, signs showing where goods come from, such as "Paris" for clothing, or words describing what the product is for, like "Cleaner" for cleaning products, are not accepted for registration under this provision. The

reason for this is to avoid one company gaining control of basic terms needed to describe products and services in the marketplace. Allowing these terms to be registered as trademarks could unfairly hinder other businesses from using them, causing market confusion and reducing competitiveness. Hence, Section 9(1)(b) is essential for preserving the uniqueness of trademarks by preventing them from solely describing product or service features, and instead acting as distinct markers to differentiate providers in the market.<sup>39</sup>

In *Durga Dutt Sharma v. Navaratna Pharmaceutical Laboratories*,<sup>40</sup> The Supreme Court stated that the term “**Pharmaceuticals Laboratories**”, when used for medicinal preparations, directly describes the nature of the goods. Regarding the trademark “**TORQ-SET**” for screws, bolts, rivets, studs, and fastening devices, Justice Lloyd Jacob observed that a direct reference essentially makes the term suitable for normal descriptive use.

In *J.R. Kapoor v. Micronix India*<sup>41</sup>, The Supreme Court remarked that the word “micro” describes the micro technology employed in the production of numerous electronic products, ruling that no one can claim exclusive rights to this term. Likewise, the phrase “mutual fund” in the domain name [www.mutualfundindia.com](http://www.mutualfundindia.com) was found to be descriptive of the services offered by the plaintiff. Furthermore, the term “kabaddi bazaar” was considered descriptive as it directly conveys relevant information. **Section 9(1)(c) of the Trade Marks Act, 1999** addresses the issue of generic terms by stipulating that a trademark cannot be registered if it consists of terms that have become

generic or customary in the current language or in the bona fide practices of trade. This provision ensures that terms which are widely used in everyday language or by businesses to describe particular types of goods or services cannot be monopolized through trademark registration.

A **generic term** is a word or phrase that is commonly used to refer to a type of product or service rather than indicating a specific brand or source. Such terms do not serve the fundamental purpose of a trademark, which is to distinguish the goods or services of one enterprise from those of others. For example, terms like “Computer” for computing devices or “Shampoo” for hair care products are considered generic because they merely describe the product itself and not its origin or brand. The rationale behind this provision is to prevent any single entity from claiming exclusive rights over common terms that are essential for describing products or services in a competitive market. Allowing a generic term to be registered as a trademark would unfairly restrict other businesses from using these necessary descriptors, leading to potential monopolies and limiting competition.

*Evergreen Sweet House v. Ever Green and Ors.*

<sup>42</sup>(01.07.2008 - DELHC) the court made a classification of marks: - Marks are typically categorized based on their level of distinctiveness, which generally increases in the following order: (1) generic; (2) descriptive; (3) suggestive; (4) arbitrary; and (5) fanciful. The final three groupings qualify for trademark safeguarding as they possess innate uniqueness and have the ability to pinpoint a specific product source. Generic

marks, on the other hand, pertain to the general category the specific product belongs to, and are typically unable to be registered as trademarks, thus, not able to be protected. Descriptions of a product, the second group do not automatically indicate a specific origin, so they are not protected unless they gain uniqueness through additional significance. Secondary meaning occurs when the public associates a product feature or term more with the product's source than the product itself.<sup>43</sup>

- **Contrary to Law or Public Morality: Section 9(2) of the Trade Marks Act, 1999** provides grounds for refusing the registration of a trademark if it is found to be contrary to law or public morality. This section ensures that trademarks do not contravene legal norms or societal standards of decency. A trademark that is deemed offensive, scandalous, or otherwise contrary to accepted public morals or legal principles cannot be registered. This includes marks that might incite hatred, promote unlawful activities, or be considered derogatory or insensitive.<sup>44</sup> For example, a trademark that uses vulgar language or symbols associated with hate speech would be refused registration under this provision. Similarly, marks that suggest illegal activities or undermine public order and decency are also excluded from registration. The objective of Section 9(2) is to maintain the ethical integrity of the trademark system and ensure that trademarks contribute positively to public discourse and respect legal and moral boundaries. This safeguard helps prevent the use of trademarks that could harm public sensibilities or legal norms, thereby

upholding the principles of good taste and legality in commercial branding.

The relative reasons for denying registration, as described in Section 11 of the Trade Marks Act, 1999<sup>45</sup>, aim to safeguard the rights of current trademark owners and avoid confusion among the public. These premises center on the connection between the suggested trademark and previously registered or unregistered marks. A trademark application can be rejected if it closely resembles a previously registered mark and is likely to create confusion among consumers, particularly if the products or services are alike. This provision's main aim is to prevent consumers from being deceived about the source of products or services and to prevent unfair competition among businesses. For instance, when a company attempts to trademark the name “Micra” for electronics, it might face a denial if there is already a registered trademark “Micro” for comparable items, as it can cause confusion among consumers.<sup>46</sup> In addition, famous brands are given greater security through this clause. If a famous brand is not registered in a certain category, a similar brand in that category can still be rejected if it leverages the reputation of the well-known brand. For example, trying to trademark “Coca-Cola” for clothing would probably be denied, despite the brand's strong association with drinks. This protection maintains the unique nature of well-known trademarks, safeguarding them from being diluted or misused. Moreover, trademarks may also be rejected based on relative grounds if they clash with prior unregistered rights or violate existing intellectual property like copyrights or personality



rights. This guarantees that trademark registration does not infringe on the existing legal rights of others, promoting equity in the utilization and safeguarding of intellectual property. Essentially, the relative grounds for refusal protect the rights of trademark owners who applied for their marks earlier.<sup>47</sup>

Section 11(1) of the Trade Marks Act, 1999<sup>48</sup> deals with the possibility of confusion as a reason for rejecting trademark registration. A trademark will not be accepted if it is the same or confusingly similar to a previously registered mark, and if it applies to the same or similar products. The main issue at hand is if the resemblance between the two marks could potentially cause confusion or deceive the public regarding the origin of the goods or services. There may be confusion if consumers think the products or services under the new trademark are from the same company or linked to the earlier registered trademark. This may involve parallels in the visual aspect, sound, significance, or general impact of the marks. For example, a recently-created logo or name that resembles one already in use within the same field could confuse buyers into believing the two companies have a connection. The aim of Section 11(1) is to safeguard consumers from deceit and enable businesses to uphold the uniqueness of their trademarks without encountering unjust competition from confusingly similar marks.

Section 11(2) of the Trade Marks Act, 1999 grants special protection to well-known trademarks. It allows for the refusal of a new trademark application if it is identical or similar to a well-known mark, even if the latter is not registered for

specific goods or services. This provision aims to prevent others from unfairly benefiting from the reputation or distinctiveness of the well-known mark and to safeguard it from potential harm. For example, a globally recognized brand like “Apple” would be protected under Section 11(2) even if someone tried to register “Apple” for unrelated goods like clothing. The law prevents registration if it would dilute the distinctive character of the well-known mark or harm its reputation. This provision ensures that famous brands maintain their exclusive rights and are not exploited by others, even in unrelated sectors.<sup>49</sup>

Section 11(3) of the Trade Marks Act, 1999, trademarks that have the potential to mislead the public cannot be registered. A deceptive mark is one that leads consumers astray regarding the goods or services' nature, quality, or place of origin. For instance, a brand indicating a product is “Produced in Italy” when it is not, or one indicating specific attributes (such as being natural or environmentally friendly) without proof, would be denied. This provision aims to shield consumers from deceptive statements and maintain that trademarks correctly reflect the products or services they are linked to. Misleading trademarks can erode consumer confidence, and this provision serves as a protection against such abuse.

Section 11(4) of the Trade Marks Act, 1999 addresses conflicts related to rights that were not registered before, highlighting the protection of earlier unregistered trademarks and other intellectual property rights. This section guarantees that a newly registered trademark does not infringe upon the rights of existing marks, even those not

formally registered but still holding recognized rights or reputation. As per Section 11(4), a trademark application may be turned down if it conflicts with existing unregistered rights. This applies to unregistered trademarks that are widely used in commerce and have developed a reputation or recognition. If a company has been utilizing a trademark for an extended period of time without formal registration and has established recognition and consumer connection, the introduction of a similar new trademark could be denied in order to avoid competition or damaging the reputation of the original mark. Additionally, this section deals with disagreements related to other types of intellectual property rights such as copyrights, geographical indications, or rights concerning personal names or images. If a new trademark infringes on a copyright or closely resembles a famous person's name or likeness, it may be rejected to protect existing rights.<sup>50</sup> Section 11(4) seeks to ensure fairness in the market by hindering new trademark registrations from violating the established rights of others, regardless of their registration status. This provision upholds the integrity of intellectual property rights and ensures trademarks do not violate existing unregistered rights or create ambiguity regarding their ownership and use.

## **6. Conclusion**

Trademarks are vital assets in intellectual property and play a key role in fostering consumer trust. However, certain group practices can lead to the denial of trademark registration. Recent discussions have highlighted issues under Section 9(2) of the Trade Marks Act, 1999, which

addresses discriminatory marks. For instance, the beauty product 'Fair & Lovely' has been criticized for promoting discriminatory ideals and is considered unregistrable as it conflicts with fundamental rights safeguarded by Article 15 of the Indian Constitution. Having a specific skin tone or color preference can lead to discrimination in India. Similar problems were brought up in numerous other countries. Courts in the foreign country ruled that those words could not be registered as trademarks for the products. The name of the product was altered from 'Fair & lovely' to 'Glow & Lovely' because of the concerns that were raised. Trademarks play a crucial role in the field of intellectual property, safeguarding the distinct identity of companies and building trust among consumers in the market. They act as signals of where something comes from, how good it is, and the standing it has, all necessary for building confidence between companies and their clientele. Nevertheless, there are obstacles in the trademark registration process, especially when it pertains to group practices or discriminatory connotations.

The use of the name "Fair & Lovely" has sparked debate because it promotes a bias towards lighter skin tones, which goes against the principles of equality outlined in Article 15 of the Indian constitution. Article 15 bans discrimination based on race, caste religion, sex or the place of birth, while advocating for fairness in defining beauty, which may perpetuate negative stereotypes and prejudices. The Trade Marks Act, 1999's Section 9(2) is important in preventing trademarks from violating societal norms and rights by banning

immoral, deceptive, or offensive marks. India needs to take all necessary steps to safeguard individual businesses and prevent fraudulent transactions and consumer deception in the face of the increasing global evolution of trademarks.

The registration of the trademark is not just a legal necessity for businesses; it is also considered the most effective way to protect business interests. As global trademark law evolves, it is essential for India to adopt stringent measures to protect not only the interests of businesses but also consumers from deceptive practices. The registration of trademarks should align with legal and ethical standards, ensuring that they contribute positively to societal values. Safeguarding against fraudulent transactions and ensuring that trademarks do not perpetuate harmful stereotypes is crucial in maintaining trust and promoting fair competition in the marketplace. Ultimately, the effective registration of trademarks is a key tool in protecting both business interests and consumer welfare.

### Endnotes:

- <sup>1</sup> J. Thomas Mc Carthy, "McCarthy on Trademarks and Unfair Competition" 5<sup>th</sup> edition "McCarthy on Trademarks and Unfair Competition" as any word, name, symbol, or device, or a mix of these, utilized by a producer or seller to differentiate their products from those of others and show where the products come from."
- <sup>2</sup> David Bainbridge "'Intellectual Property" Ninth Edition "a trademark as a symbol that differentiates the products or services of one company from those of others. He stresses the importance of trademarks in branding, as they establish visibility and safeguard the market identity of products and services".
- <sup>3</sup> Ibid.
- <sup>4</sup> Section 2(zb) "means a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others and may include shape of goods, their packaging and combination of colors".
- <sup>5</sup> The trademark act of 1999 a trademark as "a graphical

representation capable of distinguishing the goods or services of one individual from others"

- <sup>6</sup> Trademark act 1999 accessed November 22, 2018
- <sup>7</sup> Introduction to Trade Marks: <https://www.dummett.com/services/trade-marks/introduction-to-trade-marks>
- <sup>8</sup> Trademark In India: A Brief Introduction: <https://legaldesk.com/trademark-in-india-introduction>
- <sup>9</sup> Kaviraj Pandit Durga Dutt Sharma v. Navratna Pharmaceutical Laboratories, AIR 1965 SC 980
- <sup>10</sup> King Henry III's reign in 1266
- <sup>11</sup> Evolution and history of trademark law in India
- <sup>12</sup> Southern v. How case in 1618
- <sup>13</sup> Paris Convention (1883) and Madrid Agreement (1891)
- <sup>14</sup> WIPO
- <sup>15</sup> TRIPS
- <sup>16</sup> Paris convention
- <sup>17</sup> Madrid Agreement 1891
- <sup>18</sup> Madrid protocol 1989
- <sup>19</sup> TRIPS Agreement
- <sup>20</sup> EU Trademark system, 1996
- <sup>21</sup> Singapore Treaty, 2006
- <sup>22</sup> The Trade Marks Act of 1940
- <sup>23</sup> The Madrid Protocol 2013
- <sup>24</sup> The British Trademark Act of 1938
- <sup>25</sup> The Trade and Merchandise Marks act of 1958
- <sup>26</sup> Trade Marks Act of 1999
- <sup>27</sup> The Trade Marks Rules
- <sup>28</sup> Trademark act 1999 <https://lawnotes.co/trademark-act-1999> accessed November 22, 2018
- <sup>29</sup> Grounds for Rejection of a trademark accessed June 14th, 2024
- <sup>30</sup> Likelihood of confusion
- <sup>31</sup> Grounds of trademark refusal <https://www.intepat.com/blog/section-9-11-grounds-refusal-trademark-india/> accessed August 29, 2020
- <sup>32</sup> The refusal of registration of trademarks under the Act
- <sup>33</sup> Imperial Tobacco Co. of India Ltd. v. The Registrar of Trademarks [AIR 1977 Cal. 413]
- <sup>34</sup> M/s Hindustan Development Corporation Ltd v. The Deputy Registrar of Trademarks Air 1955 Cal.519
- <sup>35</sup> Ibid.
- <sup>36</sup> Ibid.
- <sup>37</sup> Britannia Industries Ltd. V. Cremica Agro Foods Ltd. CS (OS) No. 2000/2006
- <sup>38</sup> Concept of distinctiveness under trademark law accessed 4 September 2021
- <sup>39</sup> Cruzoil accessed June 19, 2023
- <sup>40</sup> Durga Dutt Sharma v. Navaratna Pharmaceuticals Laboratories
- <sup>41</sup> J.R. Kapoor v. Micronix India
- <sup>42</sup> Evergreen Sweet House v. Ever Green and ors.
- <sup>43</sup> Trademark Objection under S 9(1) (b) accessed 16 September 2023
- <sup>44</sup> Understanding the Grounds for Refusal of Trademark Registration Understanding the Grounds for Refusal of Trademark Registration ([legalserviceindia.com](https://legalserviceindia.com))
- <sup>45</sup> Trade Marks Act, 1999
- <sup>46</sup> Section 11
- <sup>47</sup> Relative Grounds for Refusal of Registration of Trademark

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> accessed Aug 30, 2022

<sup>48</sup> Trade Marks Act, 1999

<sup>49</sup> Protection of well-known trademark

<sup>50</sup> Understanding the Grounds for Refusal of Trademark  
Registration.