**Highlights of The Indian Trade Marks Rules, 2017**

The Trade Marks Rules, 2002, has been replaced by The Trade Marks Rules, 2017. On 6 March 2017, new Trade Marks Rules came in effect. The Trade Marks Rules, 2002 are substantially amended and can certainly have an impact on the trade mark filing and prosecution strategy, among other things.

Some of the salient features of new Rules are highlighted below:

1. **To simplify the procedure, number of forms has been reduced from seventy four to eight.**

   **New Forms:**

   - **Form TM A:** Application for registration of trade mark
     
     This form is for filing an application for registration of trade mark/collective marks/certification mark/series of trade mark for specification of goods or services in one or more than one classes, with or without priority.

   - **Form TM-O:** Opposition/Application for Rectification of the Register/Counter Statement/Refusal or invalidation of a trade mark under Geographical Indication of Goods (Regulation and Protection) Act, 1999

   - **Form TM-R:** Application for Renewal/Restoration of registration of a trade mark or for payment of surcharge towards the renewal

   - **Form TM-P:** Application for Post registration changes in the trade marks

   - **Form TM-U:** Application for search and certificate under Section 45(1) of the Copyright Act, 1957

   - **Form TM-M:** Application/Request for any miscellaneous function in respect of a trade mark Application/Opposition/Rectification under the Trade Marks Act

2. **With the change in Rules, the applicant is categorized in four types, i.e., individual, startup, small enterprise and fourth type cover all types of applicants who are not covered under the said three types. Certain benefits are being provided to individual, startup and small enterprise in the form of reduced fees.**
For identifying an entity as ‘small enterprise’ and ‘startup’, certain criterions are given.

The definition for ‘small enterprise’ and ‘startup’ has been given under the Rules 2(1)(v) and 2(1)(x).

Certain criterions are given to class

**Rule 2(1)(v):**

‘Small Enterprise’ means:

(i) in case of an enterprise engaged in the manufacture or production of goods, an enterprise where the investment in plant and machinery does not exceed the limit specified for a medium enterprise under clause (a) of sub-section (1) of section 7 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006); and

(ii) In case of an enterprise engaged in providing or rendering of services, an enterprise where the investment in equipment is not more than the limit specified for a medium enterprise under clause (b) of sub-section (1) of section 7 of the Micro, Small and Medium Enterprises Development Act, 2006.

Explanation: “enterprise” means an industrial undertakings or a business concern or any other establishment, by whatever name called, engaged in the manufacture or production of goods in any manner pertain to any industry specified in the first schedule to the Industries (Development and Regulation) Act, 1951 (65 of 1951) or engages in providing or rendering or any services or services in such an industry.

(iii) In case of a foreign enterprise, an enterprise which fulfills the requirements as mentioned in clauses (i) and (ii) above.

Explanation: In calculating the investment in the plant and machinery, reference rates of foreign currency of Reserve Bank of India shall prevail.

**Rules 2(1)(x):**

‘Startup’ means:

(i) an entity in India recognized as a startup by the competent authority under Startup India initiative,
(ii) In case of a foreign entity, an entity fulfilling the criteria for turnover and period of incorporation / registration as per Startup India Initiative and submitting declaration to that effect.

Explanation: In calculating the turnover, reference rates of foreign currency of Reserve Bank of India shall prevail

For claiming the benefit as ‘Small Enterprise’ or ‘Startup’, documentary evidence (i.e., requisite certificate) shall be required to be submitted at the Indian Trade Marks Registry.

3. **Official fee:** Fee has been enhanced significantly for each type of application, almost more than double in most of the cases.

   However, special relief has been given to individual, startup and small enterprise. The official fee for startup even though a legal entity, is the same as the fees charged for individuals and small enterprise. Hence, individuals/small enterprise/start up would pay 50% less government fee compared to the fee that was applicable prior to the amendment.

   However, it is pretty interesting to note that such relief has been given only at the stage of filing of an application.

   Further, to promote the e-filing, a 10% deduction has been given where the documents are filed electronically.

4. **Leaving and serving of documents:**

   Over the past few years the Trade Marks Registry has endeavored to digitalize the trade mark prosecution process. The new rules, categorically mentions that the Registrar may inform the public through putting public notice on official website. Fees can be paid electronically and the documents can also be submitted electronically.

   However, contrary to the Rule 8 of the Trade Marks Rules, 2002, wherein an option was given to the applicant that if any document or fees has been filed in an inappropriate office of the Trade Marks Registry, such document or fees could be returned and the period for which such document or fees is retained by the inappropriate office could be excluded for computing the period of limitation. In case of fees, it was deemed to be paid at the appropriate office.

   Moreover, before declining any such request, the Registrar was bound to give an opportunity of being heard to the applicant.
No such relaxation has been given to an applicant in new Trade Mark Rules.

5. **Recognition of Email as a Mode of Service:**

New Trade Marks Rules, 2017, specifically mentions the Email as mode of service for every kind of service. A close comparison of the old as well as new set of Rules seems to suggest that the newer statute allows for the sending in of a lot more documents through the emails.

*Rule 14* of the Trade Marks Rules, 2017 reads as follows:

“(1) All applications, .... may be delivered by hand or sent through the post by a prepaid letter or may be delivered by hand or sent through the post by a prepaid letter or may be submitted electronically in the manner as laid down by the Registrar.

... 

(5) The Registrar after informing the public in the Journal may accept applications..., or other documents online through the gateway provided for this purpose, or in case of documents not requiring the payment of a fee, through e-mail to a designated email address for the purpose.”

6. **Address for service:**

According to new Trade Marks Rules, an address for service should comprise postal address, a valid email address and mobile number of a trade mark agent.

New Trade Marks Rules categorically gives an opportunity to an applicant/opponent to provide an address for service, in cases where the agent withdraws from the proceedings or from doing any act for which he has been authorized or in case where the applicant/opponent himself withdraws the revocation of authorization.

In case of failure to provide the address for service within two months from the date of withdrawal or revocation, the application/opposition shall be deemed to have been abandoned.

7. Contrary to the Trade Marks Rules, 2002, the new Rules do not restrict the specification of goods or services to 500 characters per class. No excess space fee has been prescribed in the new Trade Marks Rules.
Further, in cases where the Registrar determines that the goods or services applied for fall in class or classes in addition to those applied for, either the applicant shall be able to restrict the specification of goods or services to the class or classes already applied for OR contrary to Trade Marks Rules, 2002, a request for amendment of the existing application can be filed by the applicant to add additional class or classes rather than filing a divisional application.

Furthermore, new Trade Marks Rules, 2017 categorically provides that if all the goods or services fall in a class other than the class specified, the Registrar may permit the correction of class which was not provided under the old Trade Marks Rules.

8. **Statement of user:**

As per the new Trade Marks Rules, besides giving a statement of the period (if the mark has been used) in the format [DD/MM/YYYY], it is mandatory to file an affidavit testifying to the use of mark in India, along with supporting documents where the use of the trade mark is claimed prior to the date of application.

9. **Representation of SOUND MARK:**

Requirement for representation of sound mark has been specified in Trade Marks Rules, 2017 which was not available under Trade Marks Rules, 2002.

Relevant part of rule 26 (2017) reads as follows:

“(5) Where an application for the registration of a trademark consists of a sound as a trademark, the reproduction of the same shall be submitted in the MP3 format not exceeding thirty seconds’ length recorded on a medium which allows for easy and clearly audible replaying accompanied with a graphical representation of its notations.”

10. **Examination, Objection to acceptance, hearing:**

The Trade Marks Rules, 2017 categorically states that while examining a trade mark application, a search shall be conducted amongst the earlier trade marks registered or applied for registration. Further, the Registrar may cause the re-examination of the application including re-search of earlier trade marks at any time before the acceptance of the application. However, Registrar shall not be bound to do so.

11. **Expedited Examination:**
Contrary to the Trade Marks Rules, 2002, now the Applicant is not required to give a declaration stating the reason for request for expedited processing of application. Further, the requirement of payment of fees, five times the application fee has been restricted to INR 20,000 (for individual/Startup/Small Enterprise) and INR 40,000 (in all other cases). Further, a request for expedited examination can be filed via e-module only, physical filing is not allowed in this respect.

Furthermore, as per the new Trade Marks Rules, the proceedings such as viz. the consideration of response to the examination report, scheduling of show cause hearing, if required, the publication of the application and the opposition thereto, if any, till final disposal of the application shall also be dealt with expeditiously subject to such guidelines as may be published in this regard by the Registrar in the Trade Marks Journal.

12. Opposition to Registration:

Definition of “**Opposition**” has undergone a change.

The Trade Marks Rules, 2017, defines ‘opposition’ as:

“**(o)** “opposition” means an opposition to the registration of a trade mark or a collective trademark or a certification trade mark, as the case may be and includes an opposition to grant of protection to an international registration designating India and opposition to alteration of registered trade mark;”

Now, the definition of opposition covers international registration designating India as well as alteration of registered trade mark. Thus, including a larger area.

Further, as per the new Trade Marks Rules, 2017, **no extension of time for filing evidence** in opposition proceedings is allowed.

Relevant portion of Rule 45 of Trade Marks Rules, 2017 reads as follows:

**(2)** If an opponent takes no action under sub-rule (1) within the time mentioned therein, he shall be deemed to have abandoned his opposition.”

Further, with regard to filing of translation of documents, contrary to the Trade Marks Rules, 2002, now despite of filing an attested translation of documents in duplicate to the Registrar, an attested translation of documents has to be submitted before the Registrar and a copy thereof has to be provided to the opposite party.

13. Hearing:

Hearings may now be held through video conferencing or audio-visual communication.
Adjournment of hearing may be requested three days before the date of hearing by applicant along with the payment of prescribed fee. Also, such adjournment cannot be sought more than twice and each adjournment shall not be for more than thirty days.

14. Associated trade marks:

Contrary to the Trade Marks Rules, 2002, no fee for association has been specified in the Trade Marks Rules, 2017 that helps us arrive at the conclusion that, now no association fee is required to be submitted at the Indian Trade Marks Registry.

15. Renewal of registration:

As per the Trade Marks Rules, 2017, now, a request for renewal can be filed not more than one year before the expiration of the last registration of the trade mark rather than six months as specified under old Trade Marks Rules, 2002.

16. Assignment and transmission:

As per the Trade Marks Rules, 2017, requirement of fee for recordal of title of a person according to the time period from the date of execution of instrument has been removed.

17. Certified copies of documents:

As per the new Trade Marks Rules, 2017, the Registrar may provide Expedited Certified copy of documents as early as within seven working days. Certified copy of any record available digitally with Registrar shall be a duly certified copy of that record.

18. Well-Known Trade Marks (Rule 124)

As per Rule 124 of the Trade Marks Rules, 2017, any person may file a request for determination of a trade mark as well-known along with an official fee of INR 1,00,000. Such request can be filed via e-module only.

Further, the said request shall be accompanied by a statement of case along with all the evidence and documents relied by the applicant in his claim. The Registrar may call further such documents as he thinks fit for the determination of well-known mark.
Moreover, before determining a trade mark as well-known, the Registrar may invite objections from the general public to be filed within thirty days from the date of invitation of such objection.

Nonetheless, the Registrar may, at any time remove the trade mark from the list of well known marks after giving an opportunity of hearing to the concerned party if it is found that a trade mark has been erroneously or inadvertently included in the said list.

19. Costs in uncontested cases:–

In new amended Rules, the amount of costs to be awarded by the Registrar in any opposition proceedings has been specified and such costs can be imposed on Opponent also.

Rule 116:– In cases, where reasonable notice has been given to an applicant by the opponent before filing the notice of opposition and the applicant fails to contest the notice of opposition, the Registrar can impose a cost of Rs. 10,000 on the applicant.

In new amended Rules, cost of Rs. 10,000 can be imposed by the Registrar on opponent also, if the opponent fails to contest the proceedings after the applicant has filed counter statement.

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