

Issue challenges in dealing with criminal cases trademark act

Presented by:
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Introduction

Definition of Trademark:

- ***(zb) “trade mark” 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 colours; and—***
 - (i) in relation to Chapter XII (other than section 107), a registered trade mark or a mark used in relation to goods or services for the purpose of indicating or so as to indicate a connection in the course of trade between the goods or services, as the case may be, and some person having the right as proprietor to use the mark;***
and (contd.)

Introduction

Definition of Trademark:

- *(ii) in relation to other provisions of this Act, a mark used or proposed to be used in relation to goods or services for the purpose of indicating or so as to indicate a connection in the course of trade between the goods or services, as the case may be, and some person having the right, either as proprietor or by way of permitted user, to use the mark whether with or without any indication of the identity of that person, and includes a certification trade mark or collective mark;*

Infringement of Trademarks

27. No action for infringement of unregistered trade mark.

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(1) No person shall be entitled to institute any proceeding to prevent, or to recover damages for, the infringement of an unregistered trade mark.

(2) Nothing in this Act shall be deemed to affect rights of action against any person for passing off goods or services as the goods of another person or as services provided by another person, or the remedies in respect thereof.

Infringement of Trademarks

29. Infringement of registered trade marks.—

(1) A registered trade mark is infringed by a person who, not being a registered proprietor or a person using by way of permitted use, uses in the course of trade, a mark which is identical with, or deceptively similar to, the trade mark in relation to goods or services in respect of which the trade mark is registered and in such manner as to render the use of the mark likely to be taken as being used as a trade mark.

(2) A registered trade mark is infringed by a person who, not being a registered proprietor or a person using by way of permitted use, uses in the course of trade, a mark which because of— (a) its identity with the registered trade mark and the similarity of the goods or services covered by such registered trade mark; or (b) its similarity to the registered trade mark and the identity or similarity of the goods or services covered by such registered trade mark; or (c) its identity with the registered trade mark and the identity of the goods or services covered by such registered trade mark, is likely to cause confusion on the part of the public, or which is likely to have an association with the registered trade mark.

Infringement of Trademarks

(3) In any case falling under clause (c) of sub-section (2), the court shall presume that it is likely to cause confusion on the part of the public.

(4) A registered trade mark is infringed by a person who, not being a registered proprietor or a person using by way of permitted use, uses in the course of trade, a mark which— (a) is identical with or similar to the registered trade mark; and 19 (b) is used in relation to goods or services which are not similar to those for which the trade mark is registered; and (c) the registered trade mark has a reputation in India and the use of the mark without due cause takes unfair advantage of or is detrimental to, the distinctive character or repute of the registered trade mark.

(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.

Infringement of Trademarks

(6) For the purposes of this section, a person uses a registered mark, if, in particular, he— (a) affixes it to goods or the packaging thereof; (b) offers or exposes goods for sale, puts them on the market, or stocks them for those purposes under the registered trade mark, or offers or supplies services under the registered trade mark; (c) imports or exports goods under the mark; or (d) uses the registered trade mark on business papers or in advertising.

(7) A registered trade mark is infringed by a person who applies such registered trade mark to a material intended to be used for labeling or packaging goods, as a business paper, or for advertising goods or services, provided such person, when he applied the mark, knew or had reason to believe that the application of the mark was not duly authorised by the proprietor or a licensee.

Infringement of Trademarks

(8) A registered trade mark is infringed by any advertising of that trade mark if such advertising— (a) takes unfair advantage of and is contrary to honest practices in industrial or commercial matters; or (b) is detrimental to its distinctive character; or (c) is against the reputation of the trade mark.

(9) Where the distinctive elements of a registered trade mark consist of or include words, the trade mark may be infringed by the spoken use of those words as well as by their visual representation and reference in this section to the use of a mark shall be construed accordingly.

Offences, Penalties and Procedure

103. Penalty for applying false trade marks, trade descriptions, etc.—Any person who—

- (a) falsifies any trade mark; or
- (b) falsely applies to goods or services any trade mark; or
- (c) makes, disposes of, or has in his possession, any die, block, machine, plate or other instrument for the purpose of falsifying or of being used for falsifying, a trade mark; or
- (d) applies any false trade description to goods or services; or
- (e) applies to any goods to which an indication of the country or place in which they were made or produced or the name and address of the manufacturer or person for whom the goods are manufactured is required to be applied under section 139, a false indication of such country, place, name or address; or

Offences, Penalties and Procedure

(f) tampers with, alters or effaces an indication of origin which has been applied to any goods to which it is required to be applied under section 139; or

(g) causes any of the things above mentioned in this section to be done, shall, unless he proves that he acted, without intent to defraud,

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: Provided that the court may, for adequate and special reasons to be mentioned in the judgment, impose a sentence of imprisonment for a term of less than six months or a fine of less than fifty thousand rupees.

Offences, Penalties and Procedure

104. Penalty for selling goods or providing services to which false trade mark or false trade description is applied.—

Any person who sells, lets for hire or exposes for sale, or hires or has in his possession for sale, goods or things, or provides or hires services, to which any false trade mark or false trade description is applied or which, being required under section 139 to have applied to them an indication of the country or place in which they were made or produced or the name and address of the manufacturer, or person for whom the goods are manufactured or services provided, as the case may be, are without the indications so required, shall, unless he proves,—

(a) that, having taken all reasonable precautions against committing an offence against this section, he had at the time of commission of the alleged offence no reason to suspect the genuineness 38 of the trade mark or trade description or that any offence had been committed in respect of the goods or services; or

Offences, Penalties and Procedure

(b) that, on demand by or on behalf of the prosecutor, he gave all the information in his power with respect to the person from whom he obtained such goods or things or services; or

(c) that otherwise he had acted innocently,

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: Provided that the court may, for adequate and special reasons to be mentioned in the judgment, impose a sentence of imprisonment for a term of less than six months or a fine of less than fifty thousand rupees.

Offences, Penalties and Procedure

105. Enhanced penalty on second or subsequent conviction.—

Whoever having already been convicted of an offence under section 103 or section 104 is again convicted of any such offence shall be punishable for the second and for every subsequent offence, with imprisonment for a term which shall not be less than one year but which may extend to three years and with fine which shall not be less than one lakh rupees but which may extend to two lakh rupees: Provided that the court may, for adequate and special reason to be mentioned in the judgement, impose a sentence of imprisonment for a term of less than one year or a fine of less than one lakh rupees: Provided further that for the purposes of this section, no cognizance shall be taken of any conviction made before the commencement of this Act.

Offences, Penalties and Procedure

107. Penalty for falsely representing a trade mark as registered.—

(1) No person shall make any representation—

- (a) with respect to a mark, not being a registered trade mark, to the effect that it is a registered trade mark; or
- (b) with respect to a part of a registered trade mark, not being a part separately registered as a trade mark, to the effect that it is separately registered as a trade mark; or
- (c) to the effect that a registered trade mark is registered in respect of any goods or services in respect of which it is not in fact registered; or
- (d) to the effect that registration of a trade mark gives an exclusive right to the use thereof in any circumstances in which, having regard to limitation entered on the register, the registration does not in fact give that right.

(2) If any person contravenes any of the provisions of sub-section (1), he shall be punishable with imprisonment for a term which may extend to three years, or with fine, or with both.

Offences, Penalties and Procedure

(3) For the purposes of this section, the use in India in relation to a trade mark of the word “registered”, or of any other expression, symbol or sign referring whether expressly or impliedly to registration, shall be deemed to import a reference to registration in the register, except—

(a) where that word or other expression, symbol or sign is used in direct association with other words delineated in characters at least as large as those in which that word or other expression, symbol or sign is delineated and indicating that the reference is to registration as a trade mark under the law of a country outside India being a country under the law of which the registration referred to is in fact in force; or

(b) where that other expression, symbol or sign is of itself such as to indicate that the reference is to such registration as is mentioned in clause (a); or

(c) where that word is used in relation to a mark registered as a trade mark under the law of a country outside India and in relation solely to goods to be exported to that country or in relation to services for use in that country.

Offences, Penalties and Procedure

108. Penalty for improperly describing a place of business as connected with the Trade Marks Office.—If any person uses on his place of business, or on any document issued by him, or otherwise, words which would reasonably lead to the belief that his place of business is, or is officially connected with, the Trade Marks Office, he shall be punishable with imprisonment for a term which may extend to two years, or with fine, or with both.

Offences, Penalties and Procedure

109. Penalty for falsification of entries in the register.—If any person makes, or causes to be made, a false entry in the register, or a writing falsely purporting to be a copy of an entry in the register, or produces or tenders or causes to be produced or tendered, in evidence any such writing, knowing the entry or writing to be false, he shall be punishable with imprisonment for a term which may extend to two years, or with fine, or with both.

Exception

110. No offence in certain cases.—

The provisions of sections 102, 103, 104 and 105 shall, in relation to a registered trade mark or proprietor of such mark, be subject to the rights created or recognised by this Act and no act or omission shall be deemed to be an offence under the aforesaid sections if,—

(a) the alleged offence relates to a registered trade mark and the act or omission is permitted under this Act; and

(b) the alleged offence relates to a registered or an unregistered trade mark and the act or omission is permitted under any other law for the time being in force.

Issues/challenges

1. Abuse of legal proceedings

Lawyers of defense side try to delay the proceedings by questioning the FIR filled and the raid conducted by the investigating officer. They claim remedy provided under Section 482 of Code of Criminal Procedure, stating that the FIR was fake and no police action/seizure ever took place or by invoking that the proceeding is illegal and fraudulent against the principles of natural justice or by challenging the jurisdiction of the Court. However according to the procedure mentioned in the law, there shouldn't be more than three adjournments of proceedings of court but in general, this principle is completely ignored..

2- Investigation by the Police

It is the duty of Police officer under competent authority to conduct raids at the place where the sale of counterfeit products is taking place. Police many a times fails to prove the findings of the raid conducted due to half-baked Investigation conducted by them. The name of witnesses mentioned in the charge sheet filed either go missing or turn hostile due to a pro-long stretch of criminal cases in the court. The investigating officer also lacks adequate knowledge regarding the components of IPR infringements and proceedings to be followed for quick action.

Issues/challenges

3. Obstacles by Manufacturers and Police

People who are involved in manufacturing and sale of counterfeit products have strong political connections as they are part of large domestic markets. Most of these people have strong unity in the market and they use their connections to pressurize Police officer to not to conduct any investigation or seizure proceedings. The police officer also makes excuses like the offense of the Infringement is not cognizable, they don't have time; there is no cause of action; the offender's premises are beyond their jurisdiction or no action can be taken as the trademark is unregistered.

4. Long Time period between initiation of criminal complaint till the conclusion of the trial-

In the matter where the Complainant is the company and if the power of attorney holder leaves the company, the matter is not represented then it stands dismissed due to non-attendance of the original Complainant and the counterfeiters are discharged. The biggest concern for the complainant is due to this, the counterfeiters are discharged and the duplicate material also comes back in the market for sale.

Conclusion

Trademarks are very important aspects of Intellectual Property so, the protection of the trademark has become essential in the present day because, every generator of a good or service will want his mark to be different, eye-catching and it should be easily distinguishable from others.

115. कतिपय अपराधों का संज्ञान और पुलिस अधिकारी की तलाशी लेने और अभिग्रहण करने की शक्तियां-(1) कोई भी न्यायालय धारा 107, धारा 108 या धारा 109 के अधीन अपराध का संज्ञान रजिस्ट्रार या उसके द्वारा लिखित रूप से प्राधिकृत किसी अधिकारी द्वारा लिखित परिवाद के बिना नहीं करेगा:

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- परन्तु न्यायालय धारा 107 की उपधारा (1) के खंड (ग) के संबंध में किसी अपराध का संज्ञान रजिस्ट्रार द्वारा जारी किए गए इस आशय के प्रमाणपत्र के आधार पर करेगा कि कोई रजिस्ट्रीकृत व्यापार चिह्न ऐसे किसी माल या सेवाओं की बाबत रजिस्ट्रीकृत है जिसके संबंध में वास्तव में वह रजिस्ट्रीकृत नहीं है ।
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- (2) महानगर मजिस्ट्रेट या प्रथम वर्ग न्यायिक मजिस्ट्रेट से अवर कोई न्यायालय इस अधिनियम के अधीन किसी अपराध का विचारण नहीं करेगा ।
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- (3) धारा 103 या धारा 104 या धारा 105 के अधीन अपराध संज्ञेय होंगे ।
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- (4) यदि किसी पुलिस अधिकारी का, जो पुलिस उप अधीक्षक या समतुल्य की पंक्ति से नीचे का नहीं है, यह समाधान हो जाता है कि उपधारा (3) में निर्दिष्ट अपराधों में से कोई अपराध किया गया है, किया जा रहा है या किए जाने की संभावना है तो वह अपराध किए जाने में अन्तर्वलित माल, ड्राई, ब्लाक, मशीन, प्लेट, अन्य उपकरण या वस्तुओं की, जहां कहीं भी वे पाई जाएं, बिना वारंट तलाशी ले सकेगा और उन्हें अभिगृहीत कर सकेगा और इस प्रकार अभिगृहीत सभी वस्तुएं यथाशक्य शीघ्र, यथास्थिति, प्रथम वर्ग न्यायिक मजिस्ट्रेट या महानगर मजिस्ट्रेट के समक्ष पेश की जाएंगी :
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- परन्तु पुलिस अधिकारी, कोई तलाशी लेने या अभिग्रहण करने से पूर्व व्यापार चिह्न से संबंधित अपराध में अन्तर्ग्रस्त तथ्यों के बारे में रजिस्ट्रार की राय अभिप्राप्त करेगा और इस प्रकार अभिप्राप्त राय का पालन करेगा ।
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- (5) उपधारा (4) के अधीन अभिगृहीत वस्तुओं में कोई हित रखने वाला व्यक्ति, ऐसे अभिग्रहण के पंद्रह दिन के भीतर, उसे ऐसी वस्तुएं वापस दिलाए जाने के लिए, यथास्थिति, प्रथम वर्ग न्यायिक मजिस्ट्रेट या महानगर मजिस्ट्रेट को आवेदन करेगा और मजिस्ट्रेट आवेदक और अभियोजन की सुनवाई के पश्चात् आवेदन पर ऐसा आदेश पारित करेगा, जो वह ठीक समझे ।
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Thank You