

# Trademark - A Lucrative Avenue for Practising Company Secretaries

“Change is the only Constant” and “Evolve or expire” are the two quite relevant sayings be it for corporate or professionals. It is important that we, Company Secretaries keep evolving and embracing newer areas of practice rather than sticking to traditional areas of compliance. This is also important for survival of ever-increasing number of practicing company secretaries. The authors through this article endeavor to motivate the readers to explore the dynamic field of Intellectual Property Rights (“IPR”) wherein Practising Company secretaries can offer a broad spectrum of services. Though IPR per se protects various Intangible property rights, the authors have more specifically provided a bird’s eye view on the practice of Trademark which is more closely associated and relevant to the area of Company secretaries’ practice.



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## INTRODUCTION

**T**oday the Intellectual Property Rights (IPR) is a buzzword and there is a growing awareness in general about the importance and the need for protection of IPR. Intellectual Property (IP) as the name connotes is something produced using human intellect, which has commercial value and which is intangible in nature. It may be noted that IPR is a right vested in asset and not the asset in itself. E.g. an idea / invention is IP, a patent registration is an IPR. Similarly, a brand or trade name is IP and trade mark registration is an IPR.

Post Globalization, the world market is thrown open to everyone and has become boundary less. Given the unique nature of Intellectual Property Rights which is both affected by Domestic and International Laws the importance of IPR in the global village need not be over emphasized. There are several areas of specialization in IPR Practice such as Trademark, Copyright, Geographical Indication, Patent, Industrial Designs, etc. IPR practice is one of the lucrative avenues for Practising Company Secretaries He can be a specialist doing only IPR practice or he can be a generalist looking after IPR along with his other areas of practice. It may not be out of place to state that practice of IPR is complex and fulfilling at the same time as it encompasses within its scope advisory services, search and litigation, filing and representation services.

In subsequent coverage, we will deal with only Trade Mark practice in detail, which is one of the most challenging and attractive practice areas for Company secretaries in practice.

The Trademark Rules of 2017 which replaced the erstwhile Trademark Rules 2002 gave recognition to the member of the Institute of Company Secretaries of India to be registered as Trademark Agents. The primary objective of trade mark law in any country is to provide better protection to the creator/ inventor of trademarks: such as symbol, word, logo, slogan, design, domain name, etc. that uniquely distinguishes the goods or services of a business. The ultimate object is to prevent unfair competition by protecting the use of such registered trademarks. As has been rightly mentioned in the IP India Annual Report-2018-19<sup>1</sup>- ‘The purpose of the trademark legislation is to provide registration and better protection of trade marks for goods and services and in turn prevent use of fraudulent marks on merchandise in the country. Trade Mark confers certain statutory rights on the Registered Proprietor, which enables him to take legal action for infringement of the trade mark in case of unauthorized use of trademark and this is in addition to the right under common law to sue for passing off.’

A Practising Company Secretary can act as a Trade Mark Agent/Advisor and offer services such as making application for registration, renewal, amendment, etc. of Trade Marks, drafting and filing of replies to trade mark office objections, appearing before Trade Mark Registrar on behalf of clients in the matter of office objection, public opposition, etc.

## GROWTH IN TRADE MARK REGISTRATION - A SIGNAL OF GROWING COMMERCE

The table given below is self-explanatory of the remarkable growth in various activities handled by trade mark Registry. <sup>2</sup>The filing trend of applications indicates that the number of applications filed during the year 2018-19 increased from 272,974 to 323,798 and registration of trademark has also shown more than 5% increase from 300,913 to 316,798 compared to the previous year 2017-18. The increase in number of applications filed buttresses the fact that more and more business entities are now willing to get their trade names registered. The increase in trademark renewals from 58,160 cases in 2015-16 to 62,497 cases in 2018-19 demonstrates the growing confidence of the business entities in trade mark registrations. It need not be emphasized that the automation of various activities of trade mark registry also played a major role in achievement of this remarkable growth. This itself is sufficient to show that the trade mark practice is in great demand and very lucrative avenue of practice for Company Secretaries.

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Sl. No.	Activities	2015-16	2016-17	2017-18	2018-19
1	No. of Applications filed for Registration	283060	278170	272974	323798
2	No. of Applications advertised in the Trade Marks Journal	117408	333673	423030	396063
3	No. of Trade Marks Registered	65045	250070	300913	316798
4	No. of post examined applications disposed otherwise than registration (by refusal, abandonment and withdrawal)	51122	40374	254864	202387
5	No of marks in respect of which registration was renewed	58160	56270	64661	62497
6	No of requests for recordal of post registration changes in registered trademarks (including assignments) disposed.	11075	13094	73764	47251
7	Certificates issued u/s 45(1) of the Copyright Act of 1957	8185	9169	1605	2760

Source: IP India 2018-19 Annual Report

### GROWING TREND IN APPLICATIONS FILED:

Year	Indian Applicants	Foreign Applicants	Total
2013-14	184140	15865	200005
2014-15	202654	7847	210501
2015-16	267390	15670	283060
2016-17	266730	11440	278170
2017-18	247734	25240	272974
2018-19	310116	13682	323798

Source: IP India 2018-19 Annual Report

### WHY IPR-TRADEMARK PRACTISE IS FIT FOR COMPANY SECRETARIES IN PRACTISE

It is generally believed that Company secretaries have vast knowledge of various laws such as commercial, corporate, labour and economic laws. Whereas accountancy professionals such as CA/CMA are generally considered good in Finance, Accounts and Taxation matters, Legal & Secretarial professionals such as Advocates and Company Secretaries are generally considered good at legal/drafting/litigation matters. Moreover, the syllabus of Company Secretary Examination includes exhaustive and rich coverage

of IPR Laws. This knowledge makes IPR practice very apt for Company secretaries in practice.

It is also worth noting that most of the PCSs are already familiar with Ministry of Corporate Affairs online document filing process. Since trade mark filing also can be optionally done online, a PCS who is interested to commence IPR (trade mark) practice, will not take much time to understand the end-to-end process.

Our (Indian) IPR website '<https://ipindia.gov.in/>' is very user friendly and one of the best websites world over. In today's tech-savvy world, human intervention is least preferred, therefore, automating the procedures with regard to trademarks has been of great support and convenience to the practitioners and users. The various trademark office initiatives such as SMS alerts for examination reports, e-verification of signatures, developing of Mobile App services for provision of information, etc. are also very helpful for practitioners and users.

Some of the well-known local trademarks are Reliance, TATA, Bata, etc., while India has also afforded protection to cross border trademarks like Apple, Whirlpool, Volvo etc., which just goes to highlight the importance of IPR and the required domestic and international knowledge in the practice of IPR.



## PRACTICAL STEPS IN TRADE MARK REGISTRATION:

A Company Secretary need not appear for any written examination for qualifying to become a trade mark agent and all he has to do is to apply in prescribed form, pay relevant fees and attach a Character certificate which can be given by any gazetted officer in his area. Once he gets official communication from Trade Mark Office, he can commence his practice as a Trade Mark Agent.

As it is easier to file trade mark applications online, the first step he can take is by registering his class 3 (only signing) DSC on the Trade Mark Website <https://ipindia.gov.in/>

There are in all 45 Classes under which you can register trademarks out of which first 34 classes are for goods and remaining 11 classes are for services. When a client approaches you for trade mark registration, the first step is to check if it's for a good or services and the classes under which it falls. The fees charged for registration of TM is on per class basis and if the business of your client falls in multiple class, the government fees payable to TM office will also get multiplied and accordingly the professional also has the liberty to charge on per class basis.

If your client is a proprietor, the government fees is Rs 5000 per class. You get 10% discount when you file applications online. So effectively, the per class government fees will be Rs 4500/-. For other clients, the fees is Rs 10,000 but if your client is under Start up category or if your client is registered under Aadhaar Udyog (MSME), the fees is Rs 5000 only

(50% discount) and when you file online, there is further 10% discount and the effective government fees is RS 4500 per class in such cases also.

For filing fresh TM applications, use prescribed Form TM-A<sup>3</sup> which can be filed online. Care should be taken that all relevant documents such as MSME Certificate, Power of Attorney duly executed on non-judicial stamp paper in your favour from client, affidavits, if any, etc, to be attached with the application before uploading on the website.

Before filing any trade mark, one need to check if the subject trade name/mark/logo is similar or descriptively similar to any existing trade name/mark/logo which may either be registered or subject matter of any prior application.

While filing TM applications, select the nature of application from the list provided: Standard trademark/Collective Mark/Certification Mark/Series Marks, Choose the category of applicant from the given list: (Individual/start-up/Small Enterprise/others). The fees payable depends on this information provided. You need to attach relevant proof along with the application.

Mention the name, address, email id and mobile number of the applicant client. When we file online, a proprietor code is generated on its own and allotted to the client. In physical applications, this code needs to be generated by trade mark agent separately by visiting trade mark website online section.



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Mention the category of the mark followed by description of the mark in brief.

*[The applicant must choose either of the following categories-*

1.  **Word Mark** (if includes one or more words, letters, numerals or anything written in standard character),
2.  **Device mark** (it includes any label, sticker, monogram, logo or any geometrical figure other than word mark),
3.  **Colour** (when the distinctiveness is claimed in the combination of colours with or without device),
4.  **Three dimensional trademark** (it includes shape or packaging of goods),
5.  **Sound**

Mention the Class of Goods or service. Also mention the key words of your business for which the trade mark is applied for. Eg: Class 9 Description of goods: Gas sensors; Electro chemical gas sensors; Combustion gas detectors; Combustible gas concentration detectors

Make a statement as to use of mark by choosing from the following options:

- ✓ Proposed to be used.
- ✓ The mark is used by the applicant or its predecessor in title Since ..... in respect of all the goods and/or service mentioned in the application.

It may be noted that in case the use of the Trade Mark is claimed prior to the date of application, the applicant shall file an affidavit testifying to such use along with supporting documents

Specify if there is priority claim, if any and priority claimed since when. Priority claim is based on application filled in the Convention Country or organization which needs to be specified.

Specify any other important information or statement

Following verification statement is to be given by the applicant or if the application is filed by the agent, it must be given by the agent.

“I hereby verify that above mentioned facts are true and correct to best of my knowledge and belief.”

The signed application, complete in all respect along with the proper attachments, to be uploaded on the trade mark website and prescribed fees to be paid for which challan will be generated and will also be emailed to the email id of the Agent.

This completes the filing of the Trade Mark. The applicant is allowed to use the words “TM” in circle along with Logo/trade name which is applied for. TM indicates that the application is in process.

Once the application is filed you can check the status online from time to time. Since the entire process is automated, there is no need to pay visits to trade mark office. On an average it takes over a month's time for trade mark office to complete the examination process. After completion of examination process, if the trade mark office finds the application proper in all respect, it will be accepted and advertised in the TM journal for members of public to file oppositions, if any. If there are no oppositions from the members of public, the trade mark application is accepted and the client can use the word R in circle along with his logo.

If in the examination process, the trade mark office reports any objection on any ground, then in that case, applicant/agent must file a reply to the objection either online or physically within 30 days of receipt of communication from trade mark office. The objection from trade mark office is communicated to the client/agent via email and can also be checked online from the TM website.

The role of company secretaries has evolved over a period of time transcending smoothly from the boundaries of Company law to newer areas of Corporate Restructuring, Taxation services, labour and industrial laws, intellectual property laws, arbitration etc. The present-day progressive changes in the IPRs are expanding the gateway of opportunities for the professionals to guide, advice and appear in the matters related to Intellectual Property Rights.


If the trade mark office is satisfied with the response submitted, it will proceed to accept the trade mark. If it is not satisfied, the applicant/agent will be given opportunity to appear before the Trade Mark Registrar. During this hearing, the applicant/his agent get an opportunity to explain why his trade name is different and why it should be registered.

If in the course of personal hearing, the TM Registrar is satisfied with the explanation, he will proceed to accept the trade mark but if he is not satisfied, the trade mark applied for is rejected and application is disposed off accordingly.

## CONCLUSION

The role of company secretaries has evolved over a period of time transcending smoothly from the boundaries of Company law to newer areas of Corporate Restructuring, Taxation services, labour and industrial laws, intellectual property laws, arbitration etc. The present-day progressive changes in the IPRs are expanding the gateway of opportunities for the professionals to guide, advice and appear in the matters related to Intellectual Property Rights.

The start-up ecosystem has also given a big boost to the IPR practice with every start-up wanting to distinguish their goods and services as being unique and innovative as compared to competitors. In fact, the Government of India has launched a unique scheme in 2016 known Start-ups Intellectual Property Protection (SIPP) which has been further extended for a period of three years from 01-04-2020 to 31-03-2023 to facilitate IPR protection to start-ups by enabling the empanelment of facilitators for filing and processing of their applications for patents, designs and trademarks.

Hearty greetings of the World Intellectual Property Day (26<sup>th</sup> April 2021) to all the readers. 

## REFERENCES:

- 1 IP India Annual Report -2018-19 available on website : <https://ipindia.gov.in/>
- 2 IP India Annual Report -2018-19 available on website : <https://ipindia.gov.in/>
- 3 Form TM-A contents discussed in this part as per Form TM-A available on the website: <https://ipindia.gov.in/>