

World Trademark Review *Daily*

**Use of mark in Indian market necessary to establish prior rights
India - Ranjan Narula Associates**

**Cancellation
National procedures**

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In a recent cancellation action, the [Intellectual Property Appellate Board](#) (IPAB) has ruled categorically that trademark law is not extra-territorial and that, therefore, use of a mark in the Indian market is necessary to establish prior rights (April 5 2013, Rectification No ORA/56/2005/TM/MUM).

The facts of the case were as follows:

1. [Mandom Corporation](#), Japan, filed a petition to cancel [Fem Care Pharma Ltd's](#) registration of the mark GATSBY in Class 3 of the Nice Classification.
2. Mandom claimed prior adoption of the mark GATSBY on the international market since 1978, and first registration of the mark in 1979.
3. Mandom claimed to have used the mark GATSBY in India since 1998.
4. Fem had registered the mark GATSBY in India in August 1994. No opposition was filed by Mandom or any other party at the time.
5. Fem claimed to have test-marketed products under the GATSBY mark in 1994-1995. Further, in 2003 it revived its use by seeking permission from the Food & Drug Authority to manufacture cosmetic products under the mark GATSBY.

Mandom contended as follows:

1. Fem's adoption of an identical GATSBY mark, 15 years after its adoption of the mark, for Class 3 goods was in bad faith.
2. A market survey in Mumbai revealed no use of the GATSBY mark. Thus, Fem's claim of alleged use since 1994 was false.
3. An internet search for the mark GATSBY would bring up Mandom's products. Thus, the mark was exclusively associated with Mandom. It had also acquired the status of a well-known mark.

Fem contended as follows:

1. It had conceived and adopted the mark GATSBY in 1994 based on the novel "The Great Gatsby", authored by F Scott Fitzgerald published in 1925.
2. It had registered GATSBY in India before Mandom commenced its alleged use.
3. Mandom has made contradictory claims of use and had not disclosed its first application for GATSBY, filed in India in December 1998.
4. Mandom could not avail itself of the non-use provisions, as the five-year non-use period had to be calculated as of the date on which the mark was entered in the register.

The IPAB ruled in favour of Fem and dismissed Mandom's cancellation petition, holding that the latter had not been able to establish prior use of the GATSBY mark in India. Further, it found that the reasons put forward by Fem for its adoption of the GATSBY mark seemed credible. The IPAB was of the view that there was no evidence placed on the record by Mandom to show that Fem had prior knowledge of the GATSBY mark. The IPAB nevertheless noted that Mandom was the first to adopt the mark on the international market (a good 15 years before Fem).

The IPAB thus showed its unease with the trademark registry's current practice of accepting proprietorship claims at face value, and only "looking at the register of trademark which, in the long run, sullies the image of the trademark registry". Interestingly, the IPAB criticised the current examination practice, but did not cancel Fem's registration by exercising its appellate powers. On the one hand, the IPAB noted that trademark law has no extra-territorial application, but at the same time, it advocated that internet searches should be carried out by the examiner at the examination stage to have a 'global perspective' and not limit him/herself to searching the register.

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