

Appellate Board provides a shield against genericide attack

India's IP Appellate Board waded through tens of volumes of evidence when a petitioner sought to have the XEROX marks declared generic. The ruling provides a number of strategic lessons for trademark counsel

'Genericide' of a trademark refers to large-scale generic use by consumers and members of the trade, leading to the loss of its exclusivity. It occurs in either of two circumstances:

- when users do not realise that the term is a trademark instead of a generic placeholder and misuse it widely; and/or
- due to a lack of alternative generic terms for the class of products (eg, 'aspirin' or 'escalator').

Genericide is often exacerbated by trademark owners themselves when they:

- passively permit (or in some cases actively promote) the use of their mark as a generic term by not enforcing their rights against third parties; or
- fail to reinforce the mark or use it as a trademark for a period of time, allowing it to become generic.

There is a clear distinction between words that were trademarks, but have now fallen into the generic domain and hence are legally non-exclusive as far as their owners are concerned, and words that remain valid trademarks while being used as generic placeholders in casual conversation not linked to purchasing decisions. In the latter category while the words in question may become widely used/misused/recognised, there is no doubt that they continue to be valid trademarks and enforceable as such.

Indeed, the only circumstance in which a trademark can be properly used as a generic term is where its registration is cancelled on account of it being accepted as generic. While there is no provision in India equivalent to, for instance, the Lanham Act 15 USC §1064, Section 36(2) of the Trademarks Act 1999 sets out an interesting proposition – one that, curiously does not seem to have been analysed in any reported judicial decision. Under Section 36, a registered trademark "shall not be deemed to have become invalid by reason only of any use after the date of the registration of any word or words which the trademark contains or of which it consists as the name or description of an article or substance or service", provided that the article was not manufactured under a patent and, two years after the expiry of this the patent name, has become the "only practicable name or description of the article" (Section 36(2)). Thus, it appears that in order for a mark to be declared generic in India, *prima facie* it is sufficient to demonstrate that there is no other name by which the products to which the mark is applied may be called.

The IPAB and the Xerox challenge

When the Indian IP Appellate Board (IPAB) was faced with seven

rectification petitions seeking the removal of the XEROX trademarks on the grounds that they were generic, the judicial enquiry focused primarily on two questions:

- whether alternative terms are conveniently available to describe the class of products in question; and
- whether Xerox Corporation itself had succeeded in contesting the widespread use of the trademark by consumers and competitors.

The first of these questions involved considering the public perception of the term and, particularly, whether the (genuine) generic term is known by the public. In the case of 'aspirin', for instance, it was easy for the US District Court to establish that the genuine generic term – 'acetyl salicylic acid' – was not known to the public or, at the very least, owing to its scientific name, its infiltration into common parlance was so specific and so restricted that it would have been farcical to expect the public to use it consistently as a generic term. However, it was clear that the same standard could not be applied in the case of Xerox as it was evident that the genuine generic terms 'copy', 'photocopy' or 'duplicate' were well known to the public. Apart from the evidence adduced by Xerox Corporation, the IPAB also relied on *McCarthy on Trademarks*, which sets out specific references to the Xerox trademark for observations on this point.

The second question requires a consideration of the trademark owner's behaviour, which can be gleaned from a variety of factors, including:

- the length and manner of use of the mark by the owner; and
- proactive measures taken by the owner, including:
 - educating consumers about incorrect generic use through advertising campaigns;
 - using the trademark in combination with the genuine generic name to accentuate it; and
 - enforcing trademark rights against infringers.

Historically, courts have come down hard on trademark owners that have permitted their trademarks to become generic through inaction ('aspirin', 'cellophane', 'thermos' are popular examples). Equally, courts have recognised that trademark law is designed to protect mark owners' investment and have sought to protect zealously the rights of owners that have used their marks carefully and responsibly and have consistently fought generic use (eg, 'Teflon'). This approach gives due recognition to the fact that the strength of a trademark must be considered in its commercial context and must involve a consideration of the owner's proactive efforts to protect the mark's distinctiveness/exclusivity. Xerox Corporation, by virtue of a methodical global trademark enforcement and anti-genericisation strategy, was able to discharge the evidentiary threshold of trademark vigilance adequately. The IPAB remarked: "We find that at least from 2003, the respondent had begun to aggressively protect its mark by campaigning with advertisements like 'If you use Xerox the way you use Zipper, our Trade mark could be left wide open' and "If you use Xerox the way you use Aspirin, we get a headache."

It also noted the arguments of the respondent's senior counsel, Sanjay Jain, on the point that: "when there was only one player in the market it is not unusual for the mark to be used as a synonym for the goods but if all along the origin of the mark is not forgotten then the mark will not become generic. Since its initial registration the mark has been constantly renewed and this shows the conscious assertion of trademark rights by the respondent."

Putting India's trademark jurisprudence on the map

The petitions under discussion were filed against Xerox Corporation in 2009 and were accompanied by several volumes of evidence of various third parties, government agencies, courts and individuals using Xerox as a verb form in myriad contexts. The petitioner filed over 25 volumes of evidence and, in a short period of time (between December 2011 and September 2012), counsel for Xerox filed reply evidence, analysed the petitioner's evidence and set out full-length arguments. The speed with which this matter was heard and decided involved dogged determination on the part of the bench not to be overwhelmed by the sheer volume of records and to conclude the proceedings in a time-efficient manner – a move that will not go unnoticed in a country where trademark proceedings have traditionally been plagued by delays and backlogs.

Procedural expedience aside, this decision is a shot in the arm for trademark regulation in India. Brand owners can take heart from the fact that despite the apparently overwhelming nature of the petitioner's evidence, the respondent won the challenge on the following key grounds, among others:

- the mark's long continuous existence on the register (with appropriate renewals) and the public acceptance of the respondent's trademark rights;
- the fact that the respondent's competitors knew of the existence of the trademark and the fact that none of them claimed to be hampered in their business by its continued presence on the register;
- the uniform acknowledgement of all those who had used the XEROX mark that their use of it was inadvertent and that they would refrain from doing anything to violate the respondent's trademark rights, which constituted evidence that the public was aware of the ownership of the trademark; and
- availability of the word 'photocopier' not only for commercial use, but also for non-commercial use. The public is familiar with that word.

Indeed, in terms of fair competition and equity alone, it stands to reason that trademark owners which invest significant time and expense to develop goodwill and instantly recognisable brand names (eg, Google, which is often used as a generic placeholder for 'search engines' much to the consternation of its owner, but is in reality well understood by the public as a proprietary name for a search engine) should not become victims of their own success insofar as they should be entitled to reap the full benefits of their investment, even if the meaning associated with the trademark perhaps emphasises the product more than the producer. When the third-party use is not innocent and is calculated to deceive, it stands to reason that merely the fact that there is a large volume of misuse cannot weigh against the mark owner's legitimate rights when the misuse is neither authorised nor endorsed. In India, the threshold of when third-party misuse of a trademark results in the mark becoming a public right is a difficult one: the test is whether the use of the mark by other persons is calculated to deceive the public. As far back as 1969, the Madras High Court ruled in *Andhra Perfumery v Karupakula* that a large volume of piracy not attributable to the trademark owner or a

dominant intention to deceive was not sufficient to strike off a mark on the grounds of being generic. From time to time, courts in India have even held that trademarks that have not been renewed and consequently deemed to be abandoned are also worthy of protection from third-party misuse, if the mark in question is invented. Hence, the petitioner could not successfully contend that an invented mark such as XEROX, which has *bona fide* registrations in India dating back to 1952, should be rectified in order to promote third-party misuse, whether commercial or non-commercial.

The IPAB accepted this argument and observed:

"While a trademark owner may take pride in his mark acquiring a stronghold in the people's minds with relation to the particular goods, if the public stops identifying the mark with the origin, namely, the trademark owner and starts using it as a synonym for the goods or services to which it was originally attached, then the trademark risks the danger of losing its distinctiveness and ends in trademark death... It is seen from the evidence filed before us that when the respondent took objection to the loose use of the word Xerox by Government, public sector undertakings etc., the response came in the form of apologies with assurances to set right the inadvertent error... though the public had been using the word Xerox in a loose manner, clearly knew that the owner of the trademark was the respondent. Perhaps the respondent has acted just in time to save its mark losing its life. Xerox has also been cited in text books as an example of a coined or invented word. Therefore, while there is no ignoring the documents that have been produced by the applicant to show the use of the word Xerox instead of using photocopy the equally voluminous replies filed by the respondents show the public's knowledge of the trademark rights of the respondent."

Noting Xerox Corporation's longstanding presence in India, coupled with the actual evidence of a Xerox photocopier being installed in the Bhabha Atomic Research Centre of the Indian government as far back as 1965, the IPAB held that "after almost 50 years (1963-2009) of continued existence on the register without challenge, proof of almost 44 years' use (1965-2009), ... the mark [does not] deserve to be removed".

While the petitioner's challenge to the XEROX marks had focused almost entirely on the issue of whether they were generic, the IPAB – despite holding squarely in favour of Xerox on that point – still chose to rectify three of the older trademarks on grounds of non-use (such rectification orders do not relate to its registrations for the machines or services under the XEROX mark).

Going forward

Notwithstanding the non-use rectification component of the order, the lessons that this decision offers up to the trademark community as a whole are fairly straightforward. While the dual factors of the absence of a robust vigilance/anti-genericisation strategy on the part of trademark owners and a lack of awareness on the part of consumers (which is compounded by the sheer geographical and linguistic challenges inherent in a country such as India) can send a trademark teetering dangerously close to the brink of genericide, brand owners in India now have a road map to follow. This case will hopefully instil trademark owners with the requisite degree of confidence that their marks, if adequately protected and managed, will be safe from genericide attacks.

The Xerox Corporation's strategy was to classify the petitioner's evidence on the basis of challenge thresholds and to apply various tests of trademark law, creating a matrix to demonstrate to the IPAB that volume alone is insufficient to demonstrate that a mark is generic; it must be self-evident that the so-called widespread use of



Xerox Services in Bangalore, India
(picture courtesy of Xerox)

the mark by third parties was:

- commercial;
- by members of the trade;
- on account of the absence of English language equivalents;
- either actively promoted or ignored by the trademark owner; and
- took place against a background of overall lack of vigilance on the trademark owner's part.

Once this five-point test of generic use had been crafted from the entire spectrum of Indian and foreign jurisprudence, it became patently obvious that the petitioner had failed to meet the requisite threshold of generic use against the XEROX trademarks.

Happy endings notwithstanding, with the world's commercial lens sharply focused on India, acquisition and maintenance of trademark rights on the subcontinent will not be the cakewalks they once were. As such battles become more common in this large geographical melting pot of linguistic, cultural and social disparities, trademark vigilance will be the new catchphrase that brand owners have to learn to master in a manner that cuts across trade practices and consumer behaviour patterns. [WTR](#)

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Fidus Law Chambers acted as counsel for Xerox Corporation in the case discussed.

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