

# Indic Legal Law Journal

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## INFRINGEMENT OF TRADEMARK AND COPYRIGHT

### **Introduction:**

A substantial amount of recognition will be given to any genuine and original product of a brand to protect the commercial value of any product. Trademark and Copyright are significant Intellectual Property Rights. Counterfeit products are sold in the market by taking advantage of the superior value of the genuine product. The Copyright Act, 1957, and the Trademark Act, 1999 provide remedies and actions against the infringement.

### **Copyright:**

When there is a use or production of a material that is already copyrighted without the permission of the copyright holder, it is called infringement of copyright. This infringement occurs when the exclusive rights are afforded to the copyright holder and it is breached by a third party. The exclusive rights include the right to reproduce, display, or perform the secured work. Mostly, the copyright holder may be the creator of the work or the unit to which the copyright has been assigned. The important usage of copyright is that the right of the producer over the creation is protected and therefore the creativity is rewarded and this helps to strike a balance between the right of the owner and the society. The registration of copyright is not mandatory because copyright comes into effect as soon as the work is created. But the registration serves as better protection as proof in case of disputes.

### **Types of copyright infringement:**

When there is any usage of a copyrighted work without the permission of the right holder, then amounts to an infringement. Usually, copyright infringement is classified into two categories, primary and secondary infringement.

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- The primary infringement is the actual act of copying the work. In this case, the knowledge of infringement may or may not be present. For example, photocopying a work and selling it for commercial purposes.
- The secondary infringement refers to infringing the copyrighted work without actually copying it. For example, distributing, selling, importing the infringing copies i.e., unauthorized businesses. In this type, the infringer knows of infringement.

## **Rights of the copyright holder:**

Under the Copyright Act, 1957, certain rights are given to the copyright holder.

1. Right to reproduction – this right allows the holder of the copyright to reproduce his work in any form and the holder can bring legal action against any person who reproduces his work for any commercial purposes without the permission of the former.
2. Right to make derivative works – this right allows the copyright holder to create derivative works. For instance, if a movie has to be taken based on a particular novel, then the author of the novel can grant rights to the creators of such derivative work.
3. Right to paternity – this right is based on the claim of ownership of the work created. For example, if a movie is taken based on a novel and if the due credit is not given to the author, legal action can be taken against the makers by the author.
4. Right to distribute - this right of the copyright holder enables him to distribute his work in any manner he deems to fit along with the ability to transfer some of his rights.

## **Actions against infringement:**

When it is found that the original work is infringed, the first thing to be done is sending a copyright infringement legal notice to the person who infringed the work and in case of online infringement, a takedown notice will be sent to the person. The key requirements for taking legal action against the infringement are:

- Proof of deceptive similarity between the original copy and the infringed copy.
- Proof of the copyright holding
- Copying amounts to improper appropriation.

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## **Civil action:**

In civil actions, under Section 55 of the Copyright Act, 1957, the court grants the following reliefs:

1. Interlocutory Injunction – this important relief prevents the infringer from doing anything further which may amount to copyright infringement.
2. Anton Pillar Order – this order allows the owner to enter and search the infringer's premises and take the goods into custody. And, the infringer is supposed to disclose the names of the customers and suppliers of the infringed goods.
3. Financial relief – the owner can claim three remedies under Sections 55 and 58 of the Copyright Act, profits obtained by the unlawful act can be claimed by the owner, compensatory damages can be collected and conversion damages according to the value of the infringing article can be obtained by the owner.
4. Mareva Injunction - The court gets temporary custody of infringed goods under this order to prevent the disposal of the same,.

## **Criminal action:**

Under Section 63 of the Copyright Act, the person who is found to be guilty would be liable for a punishment of imprisonment for not less than 6 months to 3 years or a minimum fine amount of Rs. 50,000 to Rs. 3 lakhs.

In the case of **State Government of NCT of Delhi v. Naresh Kumar Garg<sup>1</sup>**, the court decided that copyright infringement as a Cognizable offense.

## **Trademark:**

This is a type of infringement that involves unauthorized usage of a registered trademark. To prevent this infringement, the Trademark Act, 1999 was enacted. Section 29 of the said Act deals with the infringement of the trademark. This act deals with registration and protection against the trademark infringement along with the remedy against the action. Trademark is a concept that exists both nationally and internationally. Trademark infringement occurs when the infringer uses a deceptively similar trademark owned by another party.

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<sup>1</sup> 52011 (46) PTC114 (Del)

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## **Types of trademark infringement:**

There are two types of infringement. Direct and indirect trademark infringement.

### **Direct infringement:**

Under Section 29 of the Trademark Act, there are a few factors that determine the direct breach.

1. Identical or deceptively similar – the trademark used by the unauthorized person should be identical or deceptively similar to the registered trademark. The word deceptively here means that the common man ‘may’ be confused between the original and counterfeit marks.
2. Registered trademark – this act only extends protection to trademarks that are registered in the registry of India. The common law of passing off is used to settle disputes in case of infringement of an unregistered mark.
3. Unauthorized person’s usage – the violation of a trademark happens only when the mark is used by a person who is not authorized by the registered trademark holder.
4. Class of goods and services – the unauthorized use of the marks should be for the goods or services that fall under the same class to be considered as the infringement of the trademark.

### **Indirect infringement:**

There is no provision in the act that deals with indirect infringement but the universal law principle is applicable. There are two types.

- Vicarious liability – as per Section 114 of the Trademark Act, not only the principle infringer but the whole company will be liable for the offense of infringement.
- Contributory infringement – the basic elements of this infringement include knowledge about the infringement, material contribution to the direct infringement and inducement by a person to have another person infringe the rights of the trademark owner.

### **Actions against infringement:**

The trademark infringement being a cognizable offense, both criminal and civil charges can be filed against the infringer.

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## **Civil proceeding:**

1. Injunction – this order restrains the person from using the registered mark. Through a temporary or permanent injunction, the court protects the trademark.
2. Infringing materials' custody – the order to destruct all the trademark infringed goods will be given to the authorities.
3. Damages – this is the recovery of the financial loss incurred due to such infringement. The damage amount will be granted after clarifying the actual and anticipated loss of the owner.

## **Criminal proceedings:**

Sections 103 and 104 specify the imprisonment period not less than 6 months, which may extend up to 3 years and a fine amount of Rs. 50,000 up to 2 lakh rupees.

## **Conclusion:**

In India, the awareness regarding this infringement is now increasing. However, the commission of the offense has not been decreased. These infringements occur even at the internal level in an organization. This disturbs the brand value and original creativity of the business owner or the creator. Thus, the copyright and trademark help to protect the original works along with the rights of the owner and provide economic benefit for creativity and originality.