

# **Inadequate Protection of Trademarks in Pakistan: A Case for Reform**

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## **Abstract**

*This research paper assesses the development and current status of law in regulating Trademarks in Pakistan. This is a qualitative research which draws upon mostly primary sources of law including analysis of landmark case laws and the statutes which deal, directly or indirectly, with Trademarks in Pakistan. The aim of the study is to assess the protection of Trademarks in Pakistan by comparing the UK's Trademark law and its strategies in place to enforce these laws. How the country deals with infringement and counterfeit of trademark will be looked at. The current role of Pakistani agencies like Customs, FIA, DRAP and IPO will be evaluated to analyse their efficiency in dealing with infringement, counterfeits and the registration process of a trademark. The key findings and recommendations of this research paper are that the registration process of a trademark in Pakistan needs reform because the current process of registration of a trademark is highly ineffective. Decision making authorities like Customs, DRAP and FIA should maintain a proper check on customs clearing officers because the import of counterfeit products has increased exponentially and this has the potential of endangering the lives of the masses while causing heavy financial losses to the local manufacturers and the exchequer.*

## Introduction

According to the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) “Any distinctive word (e.g. Nike), a group of words (e.g. Procter & Gamble), a logo (e.g. BMW), a phrase or a slogan (e.g. I’m Lovin’ it!), pictures, or any combination of these signs which uniquely identify a company name or its goods or services from others, are eligible for registration to enable the one who registers them, to be the sole proprietor of the trademark. The prime reason for doing so is to prevent unauthorized use of another’s trademark.<sup>1</sup>

Trademarks afford a mechanism to the traders by which they can effectively protect their commercial reputation or goodwill. It might indeed be true to state that trademarks are the core of competition in a developed market economy. It is the means by which enterprises establish direct contact with the ultimate consumers of their products. Without trademarks, manufacturers may not be encouraged to produce goods of high quality as the consumers may not be adept to distinguish the goods originating from a particular source, which renders the consumers incapable of remunerating a supplier of quality produce for its continued investment. Companies which are well known today are recognized by their trademarks which are exclusively valuable because nowadays consumers tend to pay additional money for the brand itself. For instance the market value of an APPLE iPhone 7 (32GB) is \$649 and its actual manufacturing cost is just \$225.<sup>2</sup> One of the major reasons behind this huge difference is the willingness of consumers to pay higher costs for products bearing the apple trademark. It is therefore in Apple’s interest to protect its trademark, to ensure that any product bearing its logo is of the quality which the company itself considers acceptable and that if any consumer is to pay for a product bearing the Apple logo (its trademark), the profit made is received largely by Apple, alone.

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<sup>1</sup> Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) 1994, art 15(1).

<sup>2</sup> Don Reisinger, ‘Here’s How Much the iPhone 7 Cost to Manufacture’ (*Fortune*, 20 September 2016) < <http://fortune.com/2016/09/20/iphone-7-cost/> > accessed 20 October 2017.

## A. Trade Mark Law in Pakistan

The Trade Marks Act, 1940 was the first statute regulating trademarks in Pakistan. Prior to this protection of trademarks was left to be governed by common law and cases concerning trademarks were decided in the light of section 54 of Specific Relief Act, 1877<sup>3</sup>.

Trade Marks Act, 1940 introduced a mechanism for the registration and statutory protection of trademarks in Pakistan. This Act was viable law for 61 years and was repealed and replaced by the current legislation, The Trade Marks Ordinance, 2001 in conjunction with Trade Marks Rules, 2004. This legislation was compliant with the TRIPs Agreement and contained important provisions enabling trademark owners to combat infringement. The new law also extended the trademarks to cover both goods and services, provided broader protection for well-known marks<sup>4</sup> and recognized the earlier trademark on priority claiming<sup>5</sup>.

Trade Marks Ordinance, 2001 majorly focused on the procedure for registration of trademark<sup>6</sup>, opposition<sup>7</sup>, infringement proceedings<sup>8</sup>, importation of infringement goods<sup>9</sup>, unfair competition<sup>10</sup>, licensing of trademarks<sup>11</sup>, appeals<sup>12</sup>, general provisions and special provisions for textile goods.<sup>13</sup>

Trade Marks Rules, 2004 is a part of the 2001 ordinance which contains the procedure for actions such as search reports on trademarks<sup>14</sup>,

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<sup>3</sup> Sreenivasulu N.S, 'Law Relating to Intellectual Property' (*Partridge India*, 23 December 2013) 49.

<sup>4</sup> The Trade Marks Ordinance 2001 (Ordinance No. XIX of 2001), s 86.

<sup>5</sup> The Trade Marks Ordinance 2001 (Ordinance No. XIX of 2001), s 18.

<sup>6</sup> The Trade Marks Ordinance 2001 (Ordinance No. XIX of 2001), ch III.

<sup>7</sup> The Trade Marks Ordinance 2001 (Ordinance No. XIX of 2001), s 28.

<sup>8</sup> The Trade Marks Ordinance 2001 (Ordinance No. XIX of 2001), ch V.

<sup>9</sup> The Trade Marks Ordinance 2001 (Ordinance No. XIX of 2001), ch VI.

<sup>10</sup> The Trade Marks Ordinance 2001 (Ordinance No. XIX of 2001), ch VII.

<sup>11</sup> The Trade Marks Ordinance 2001 (Ordinance No. XIX of 2001), ch IX.

<sup>12</sup> The Trade Marks Ordinance 2001 (Ordinance No. XIX of 2001), s 114.

<sup>13</sup> The Trade Marks Ordinance 2001 (Ordinance No. XIX of 2001), ch XI.

<sup>14</sup> Trade Marks Rules 2004, rule 87.

collective marks<sup>15</sup>, certification of trademarks<sup>16</sup>, publication in Journal<sup>17</sup>, opposition proceedings<sup>18</sup>, registration<sup>19</sup>, tabulated forms (60 in number)<sup>20</sup>, schedule for class of goods/services<sup>21</sup> and schedule of textile goods<sup>22</sup>.

## 1. Procedural Requirements for Registration of a Trademark

Chapter III of the 2001 ordinance hosts a very comprehensive system allowing registration of trademarks. Any applicant attempting to register his/her trademark is allowed the option to research pre-existing trademarks or those that are undergoing registration, for a fee.<sup>23</sup> The applicant is then required to file for registration in response to which the registrar will send a preliminary examination report, with or without objections, back to the intended proprietor. Provided that there are no objections, the trademark is sent for publication in the Trade Mark journal. This initiates a period of two months, from the date of publication onwards, allowing any individual to object to the trade mark. If no objection is made within this period the application for registration is accepted and the proprietor is instructed to pay the registration fee<sup>24</sup> to receive the registration certificate. This registration remains valid for ten years and there are no limits to the amount of times it may be renewed.

## 2. Effect of Registration

Chapter IV of the Trade Marks Ordinance, 2001 deals with the effects of registration of trademarks, and under section 43 of the ordinance

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<sup>15</sup> Trade Marks Rules 2004, ch VIII.

<sup>16</sup> Trade Marks Rules 2004, ch VIII.

<sup>17</sup> Trade Marks Rules 2004, ch IV.

<sup>18</sup> Trade Marks Rules 2004, rule 30.

<sup>19</sup> Trade Marks Rules 2004, rule 33.

<sup>20</sup> Trade Marks Rules 2004, sch 2.

<sup>21</sup> Trade Marks Rules 2004, sch 4.

<sup>22</sup> Trade Marks Rules 2004, sch 5.

<sup>23</sup> Intellectual Property Organization of Pakistan, 'Fee and Forms' TM 55 <<http://www.ipso.gov.pk/ipo.php?do=Nzc=>> accessed 20 October 2017.

<sup>24</sup> Intellectual Property Organization of Pakistan, 'Fee and Forms' TM 11 <<http://www.ipso.gov.pk/ipo.php?do=Nzc=>> accessed 20 October 2017.

a certificate of a registered trademark is a prima facie evidence of exclusive proprietorship. Since infringement proceedings can only be initiated in respect of registered trademark<sup>25</sup>, registration allows the owner to get temporary injunction against infringement, from a court in Pakistan. Registered trademarks protect the brand by preventing another from using similar signs and riding off the back of one's business, avoids likelihood of confusion among the general public and allows businesses to build their own reputation and expand themselves by it.<sup>26</sup>

## **B. Legal framework of Trademark Law**

In Pakistan the Intellectual Property Tribunal has the exclusive jurisdiction for intellectual property rights cases. For civil jurisdiction it has all the powers vested in a civil court under the Code of Civil Procedure, 1908<sup>27</sup> and for criminal jurisdiction it has the same powers as are vested in a court of sessions under the Code of Criminal Procedure, 1898<sup>28</sup> allowing it to convict and punish for infringement of trademark law.

### **1. Civil Proceedings**

A civil suit can be initiated either under the laws of passing off or for infringement under the Trade Marks Ordinance, 2001 depending on whether the trademark is registered, pending registration or unregistered.

Section 39 and 40 of the ordinance detail all the instances where the infringement of the registered trademarks might occur and Section 46 provides civil reliefs by way of declaration, temporary and permanent injunction, damages and rendition of account. Even if a trademark is not registered its reputation and goodwill in a trademark can be protected by the principle of passing off<sup>29</sup>. This allows an individual to invoke a common

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<sup>25</sup> *Messrs Akhtar Muhammad and Brothers v Haji Muhammad Nabi and Brothers*, 2011 CLD 1730.

<sup>26</sup> *Cable News Network Lp, Lllp (CNN) v Cam News Network Limited*, 2008 (36) PTC 255 Del.

<sup>27</sup> Intellectual Property Organization of Pakistan Act 2012, s 17 (1)(a).

<sup>28</sup> Intellectual Property Organization of Pakistan Act 2012, s 17 (1)(b).

<sup>29</sup> The Trade Marks Ordinance 2001 (Ordinance No. XIX of 2001), s 17(4)(a).

law remedy for an unregistered trademark based on the fact of its prior adoption and use by him/her. This is permissible even against a registered proprietor<sup>30</sup>.

Passing off in Pakistan is a tort actionable under common law and mainly used to protect the goodwill attached with the unregistered trademarks. The damages claimed for in an action for passing off are “unliquidated damages.

In order to make out a case for passing off, strong evidence is required which shows that the plaintiff has established a goodwill or reputation in connection with a business among the general public, prior to the first use of the defendant and the defendant activities or proposed activities amount to a misrepresentation which caused actual or potential damage to his business or goodwill.<sup>31</sup>

## 2. Criminal Proceedings

### a. Pakistan Penal Code, 1860

A complaint can be filed before the Magistrate 1st Class to seeking an order for police to investigate, carry out raids, seizure of the infringing material and penalize the culprit under section 478 to 489 of Pakistan Penal Code, 1860. Schedule II of Code of Criminal Procedure, 1898 has enlisted all offence as bailable and non-cognizable with maximum of 3 years imprisonment, or fine, or both.

The table below broadly outlines the offences under the Pakistan Penal Code, 1860 and punishment for the offences:

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<sup>30</sup> *Messrs Master Textile Mills Ltd. v Master Fabrics*, 2007 CLD 991.

<sup>31</sup> n 25.

Offences	Punishment
Section 482: Using a false trade or property mark with intent to deceive or injure any person.	Imprisonment of either description for 1 year, or fine, or both.
Section 483: Counterfeiting a trade or property mark used by another, with intent to cause damage or injury.	Imprisonment of either description for 2 years, or fine, or both.
Section 484: Counterfeiting a property mark used by a public servant, or any mark used by him to denote the manufacture, quality, etc, of any property.	Imprisonment of either description for 3 years, and fine.
Section 485: Fraudulently making or having possession of any die, plate or other instrument for counterfeiting any public or private property or trade-mark.	Imprisonment of either description for 3 years, or fine, or both.
Section 486: Knowingly selling goods marked with a counterfeit property or trademark.	Imprisonment of either description for 1 year or fine, or both.
Section 487: Fraudulently making a false mark upon any package or receptacle containing goods, with intent to cause it to be believed that it contains goods which it does not contain, etc.	Imprisonment of either description for 3 years, or fine, or both.
Section 488: Making use of any such false mark.	Imprisonment of either description for 3 years, or fine, or both.
Section 489: Removing, destroying or defacing any property-mark with intent to cause injury.	Imprisonment of either description for 1 year, or fine, or both.



b. Customs Act, 1969 & Customs Rules, 2001

Under section 15 (c) and 16 of the Customs Act, 1969 prohibits to import and export of goods that infringe copyright or bear a counterfeit trademark or false trade description and Section 17 of the Customs Act, 1969 empowers the customs examiner to detain, seize and confiscate the goods imported into or exported out of Pakistan and under section 156 of this act customs examiner can impose penalty of two times of the value of the goods in the violation of the Section 15 of clause (c) and Section 16 of the Customs Act, 1969.

Under Rule 680 of the Customs Rules, 2001 empower the owner of the original trademark to file the complaint to the Director Intellectual Property Rights (Enforcement) to take direct action against the import of counterfeit trademark goods in Pakistan.

c. The Drugs Act, 1976

The Drugs Act, 1976 prohibits the sale of spurious or counterfeit drugs. The import, export, manufacture or sale of such drugs or a drug under a name other than its registered name is punishable under section 27 of this act by imprisonment for a term which shall not be less than five years or more than ten years and with fine which may extend to five lakh rupees.

### **C. Loopholes in Trademark Protection**

Pakistan's legal system is primarily a legacy of the British colonial regime. The majority of the laws were continued after Pakistan gained independence with only slight modifications, likewise The Trade Marks Act, 1940 and The Trade Marks Ordinance, 2001 are made for the registration and protection of trademark in Pakistan, which are almost congruent to that of the UK Trade Marks Act, 1994 but the enforcement of trademark protection law is facing great challenges in Pakistan as it has failed to provide any relief or remedy to the real victim against the infringement. This article highlights several issues which consistently arise in trademark registration and infringement cases which are often proven critical.

## 1. Online Trademark Search

Search of pre-existing trademarks, to inquire for similarities with a new trademark is done manually. There is no online search portal available for an applicant to use while inquiring for the availability for its trademark. The current process requires the applicant to file a TM 55 form and pay Rs. 1,000/- per class<sup>32</sup> (of which there are 45 classes) manually to check for the availability of his/her proposed trademark, this process takes from 15 to 30 days which adds to the time required for a fairly long process.

Online portals are easier to search on and require less time and lesser money. Trade mark search in the UK is done via a search engine available on the website of the Intellectual Property Organization. This reduces the entire search process to a matter of minutes and involves no fees, making the entire process time and cost effective. The search provides the proprietor with complete records of the owner of a registered trademark, its logo and the address of the company. Not only does this provide a definitive answer as to if there is another similar trademark up for registration or has previously been registered, but also acts as a database allowing potential proprietors access to larger pools of information which enables them to know what similar products and services are using for trademarks. This helps narrow down proposals for trademarks and allows individuals to further distinguish their trademarks from other competitors, diversifying the trademark pool, which aids not only businesses but also consumers, allowing for easier identification which prevents confusion between similar products and services.<sup>33</sup>

## 2. Unnecessary Delay

If an opposition is filed on the basis of similar or identical trademark which is already registered, unregistered or pending registration, within the period of two months of the publication, then it is the responsibility of the registrar to send a notice of opposition to the applicant to enable it to file a counter-statement asserting that evidence or an accusation is false.<sup>34</sup> If an opposition is filed within the period two months of publication, common

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<sup>32</sup> Nice Classification 9<sup>th</sup> Edition classes 1 to 45.

<sup>33</sup> Intellectual Property Office, 'Search for a trade mark'

<<https://trademarks.ipso.gov.uk/ipo-tmtext/>> accessed 9 August 2017.

<sup>34</sup> The Trade Marks Ordinance 2001 (Ordinance No. XIX of 2001), s 28(4).

practice follows the registrar not sending a notice to the applicant within a reasonable period of time and once the proceedings starts before the registrar then it takes years to solve the disputes<sup>35</sup> which further adds to the unnecessary delays impeding the process of registration in Pakistan. This delay can be largely accredited to the lack of checks on the trademark registrar, who can usually get away with such delays, without any formal reprimand.

Systems with tighter controls and serious consequences for not fulfilling official duties do not seem to suffer from such delays. The law<sup>36</sup> in the UK dictates similar practice, where the registrar is bound to notify the applicant of any opposition made by any third party, within a reasonable period of time and once the proceedings starts before the registrar it takes a maximum of two years to solve the dispute<sup>37</sup> which limits any delays caused in the registration of trademarks by this system.

### 3. Import of Counterfeited Trademark Goods

Lord Nicholls explained the counterfeit trademark goods,

*“Counterfeiting is generally used to include unauthorised sale, under a well-known trademark, of goods not made or authorized by the proprietor of the trademark.”*<sup>38</sup>

The growing threat of counterfeit products has become a serious problem for consumers and producers globally. The total value of imported fake goods worldwide was USD 461 billion in 2013<sup>39</sup> and law enforcement agencies in Pakistan need to acquire the ability to investigate this white-collar crime, which impedes the protection of trademarks, in Pakistan as well.

Laws do exist in Pakistan to curb this menace. Under section 15 (c) of the Customs Act, 1969 it is a clear crime to import counterfeit trademark

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<sup>35</sup> *Cephalon France v Himont Pharmaceuticals*, 2015 C L D 1400.

<sup>36</sup> The Trade Mark Act 1994, s 38(3).

<sup>37</sup> *Morris And Alexander Limited v CKL Holdings N.V.* Application No. UK00003146477.

<sup>38</sup> *Regina v Johnstone*, [2003] UKHL 28 para 59.

<sup>39</sup> Trade in Counterfeit and Pirated Goods, (OECD)

<<http://www.oecd.org/gov/risk/trade-in-counterfeit-and-pirated-goods-9789264252653-en.htm>> accessed 10 August 2017.

goods in Pakistan. But this law is not enforced by the relevant agencies, who do not pursue claims of counterfeit goods to begin with, and even if they do, they can be easily bribed to turn a blind eye to the import of counterfeit products. Despite many retail businesses in Pakistan, relying heavily on the exchange of counterfeit goods, there has been to date, not a single case lodged against an individual for the trade of counterfeit products pursuant to section 15(c) of the Customs Act 1969. This has resulted in heavy losses to local manufactures and exchequer via tax evasion.

Pakistan needs a more detailed system of censure for counterfeit products. The British system provides such censures under notice 34 of the intellectual property rights<sup>40</sup> which allows the public body by the name of Her Majesty's Revenue & Customs (HMRC) to detain counterfeit goods and inform the right holder of this infringement of his/her rights. In addition to this the rights holder is entitled to inspect the suspect goods and is also allowed to bring an action for infringement of his/her intellectual property rights. The law limits such cases to be decided for within a maximum of 20 days which ensures that no unnecessary delays are faced by the individuals facing the allegation. This dynamic follows a rights based model and puts the principal proprietor at the forefront of the proceedings of infringement. By doing so it affords greater protection to businesses as it makes them the keepers of their own rights. In 2013, HMRC confiscated 4% of the total counterfeit trade in the world<sup>41</sup>. This has proven to be beneficial to the businesses and the system of trademark protection in the UK.

#### 4. Counterfeit Drugs

One of the more serious issues is the increasing trend of manufacturing, selling or import of the counterfeit medicine in Pakistan. A research carried out by CNN in 2015 claimed that almost 45 to 50% of the total medicines sold in Pakistan are either fake or a counterfeit, according to

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<sup>40</sup> HM Revenue and Customs, 'Notice 34: intellectual property rights', (*gov.uk*) <<https://www.gov.uk/government/publications/notice-34-intellectual-property-rights/notice-34-intellectual-property-rights/>> accessed 10 August 2017.

<sup>41</sup> n 38.

the Pakistani Pharmacist Association, there are approximately 4,000 licensed pharmacies operating in Pakistan, but also as many as 100,000 other illegal merchants selling counterfeit medications in the country. In 2012, in one incident alone 120 people died after taking counterfeit heart medication at Punjab Institute of Cardiology Lahore<sup>42</sup>.

Section 27 of the Drugs Act, 1976, section 17 of the Customs Act, 1969 and section 483 of the Penal Code of the Pakistan, 1860 penalized culprits for manufacturing, selling or import of the counterfeit medicine in Pakistan. The Drug Regulatory Authority of Pakistan claim, without any statistical evidence, that they sealed off hundreds of medicine sales outlets, illegal and non-compliant medicine manufacturing units, arrested many people, with over 1000 FIRs being registered, hundreds of impressments and fines levied of over Rs-100 million from all over Pakistan till August 2017<sup>43</sup>, but there is no evidence of any custom agent confiscating any counterfeit drugs being imported to Pakistan. It will take extraordinarily efficient and alert drug control agencies to confiscate counterfeit drugs and penalize the culprits, thereby ridding Pakistan of this problem, which unfortunately, the current agencies do not purport to be.

An agency fulfilling such a role in the UK is the Medicines and Healthcare products Regulatory Agency (MHRA), which is an executive agency of the Department of Health in the United Kingdom, responsible for authorising the marketing of medicines and medical devices and ensuring that these medicines and medical devices work and are acceptably safe<sup>44</sup>. In 2013, MHRA seized worth almost £12.2 million counterfeit medicines<sup>45</sup> and

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<sup>42</sup> Gena Somra, 'Patients fooled by fake drugs made with poison and brick dust' (*CNN*, 30 August 2015) <<http://edition.cnn.com/2015/08/30/asia/pakistan-fake-drugs/index.html>> accessed 9 August 2017.

<sup>43</sup> Hamid Khan Wazir, 'DRAP, NHSRC to launch campaign against fake drugs', (*Pakistan Today*, 13 August 2017) <[http://www.dra.gov.pk/userfiles1/file/campaign\\_against\\_fake\\_drugs.pdf](http://www.dra.gov.pk/userfiles1/file/campaign_against_fake_drugs.pdf)> accessed 11 August 2017.

<sup>44</sup> Medicines & Healthcare products Regulatory Agency, (*GOV.UK*) <<https://www.gov.uk/government/organisations/medicines-and-healthcare-products-regulatory-agency/>> accessed 11 August 2017.

<sup>45</sup> News team, '£12m worth of counterfeit medicines seized in the UK', (*Pharmaceutical-journal*, 27 June 2013) <<http://www.pharmaceutical-journal.com/news-and-analysis/12m-worth-of-counterfeit-medicines-seized-in-the-uk/11122812.article/>> accessed 11 August 2017.

in 2015, they seized counterfeit medicines worth almost £16 million and a total of 339 websites selling unlicensed or counterfeit pills and tablets in the country, were shut down<sup>46</sup>.

### 5. Online Shopping Trend of Counterfeit Goods in Pakistan

The trend of online shopping of counterfeit trademark goods has also increased in Pakistan<sup>47</sup>. This paves the way for the crime of selling counterfeit trademark goods under section 483 of the Pakistan Penal Code, 1860 which carries an imprisonment of 2 years. Any authority in Pakistan has yet take any action against online stores. In addition to this the original proprietors of the trademarks being appropriated illegally have also not filed any cases against such public infringement of their trademark.

For instance, you can easily order online a low-quality Maria B. replica Lawn suit in just Rs. 2,299/-<sup>48</sup> which eventually accrues financial loss to the original owner of the brand who has set the price of the suit to be Rs. 7790/-<sup>49</sup>. Given the difference in prices, majority of the consumers prefer the cheaper version of the product as they are willing to forgo concerns of quality. In addition to inactivity by the courts, the relevant authorities and the owners of trademarks, the term of imprisonment and the fines imposed for the sale counterfeit products in Pakistan is not sufficient. Stricter control and higher penalties are required to combat the trade of counterfeit goods.

An example of higher penalties and a much more efficient system at work is found in the British model, under Section 92 (1) (2) and (3) of the

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<sup>46</sup> ‘Counterfeit medicines seizures stress need for patient safety legislation’, (*Manufacturing Chemist Pharma*, 24 June 2015) <[https://www.manufacturingchemist.com/news/article\\_page/Counterfeit\\_medicines\\_seizures\\_stress\\_need\\_for\\_patient\\_safety\\_legislation/109587/](https://www.manufacturingchemist.com/news/article_page/Counterfeit_medicines_seizures_stress_need_for_patient_safety_legislation/109587/)> accessed 11 August 2017.

<sup>47</sup> ‘Trade in Counterfeit and Pirated Goods: Mapping the Economic Impact’, (*OECD*, 18 April 2016) <<http://www.oecd.org/gov/risk/trade-in-counterfeit-and-pirated-goods-9789264252653-en.htm/>> accessed 12 August 2017.

<sup>48</sup> ‘Maria B. Replica Lawn 2017 3Pcs Suit Design#706MB’, (*Lawn Lady*) <<https://www.lawnlady.pk/shop/designer-replica-clothing/maria-b/706mb/>> accessed 12 August 2017.

<sup>49</sup> ‘Unstitched Lawn D-403-Sea Green’, (*Maria B.*) <<http://www.mariab.pk/d-403-sea-green.html/>> accessed 13 August 2017.

Trademarks Act, 1994 which provides protection through criminal penalties aimed at deliberate counterfeit use of trademarks. The penalties on accusation include imprisonment for 6 months up to 10 years and £5,000 fine or both, and the courts have demonstrated a willingness to impose custodial sentences on those convicted, as can be seen in the decision of *R v Singh (Harpreet)*<sup>50</sup> where the convict was sentenced to six months imprisonment, suspended for two years for possessing and offering for sale counterfeit clothing. Similar precedents have been set by the European Court of Justice in the case of *L'Oréal v eBay*<sup>51</sup> where eBay was held liable to the account for infringing activity taking place on its online store, after L'Oréal brought proceedings against eBay and a number of its users for trade mark infringement for the sale of infringing and counterfeit products on eBay's online auction site.

## Conclusion

The Trade Marks Act, 1940 and The Trade Marks Ordinance, 2001 are made for the registration and protection of registered trademark in Pakistan against the infringement and counterfeit, which are similar to the injunctions under the UK Trade Marks Act, 1994,

The laws of both countries are the same but the UK's fighting approach against infringement of trademark and counterfeit trademark goods is ideal as Pakistan, despite having similar laws, is struggling with the enforcement of these laws against the infringement of trademark and counterfeit trademark goods within its own jurisdiction.

The provisions contained in Customs Act, 1969 related to import of counterfeit trademark goods should be edited to penalize the enforcement agencies and their agents for any negligence on their part, for import of counterfeit goods. Provisions contained in Pakistan Penal Code, 1860 and Code of Criminal Procedure, 1898 relevant to trademarks, should be made cognizable in the case of a general purchaser if the deceptive passing off of

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<sup>50</sup> [2012] EWCA Crim 1885.

<sup>51</sup> C-324/09, July 2011.

goods has accrued. The punishment and fine should also be increased against those convicted.

The general public in Pakistan shows a low level of knowledge regarding counterfeit trademark goods, which is reflected in their purchasing preferences. Decision making authorities in Pakistan must consider this issue seriously and should engage in public discourse which educates Pakistanis on the subject. A serious crackdown on all online shopping websites selling counterfeit goods is also required to ensure compliance with the current law.

The current law, in the results it has produced and the procedures it has followed, has evidenced itself to be plagued with holes, and incapable of dealing with the need for trademark protection within the country. While majority of the problem does seem to lie in the lack of enforcement of the current laws and the ignorance of the Pakistani public in the device of trademark, an equal share seems to lie with the lack of a legal device fulfilling its role. The problems discussed above evidence the current law on trademarks within Pakistan to be insufficient and redundant. Therefore, in its own failure to achieve results, lies the evidence, which calls for the reform of the laws regulating trademarks within Pakistan.



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