

# Trademark Coexistence Agreement (India)

Agreement allowing two parties with similar marks to operate without challenging each other

## HOW TO USE THIS TEMPLATE

- |    |                                                              |
|----|--------------------------------------------------------------|
| 1. | This document: Trademark Coexistence Agreement (India).      |
| 2. | Fill all bracketed fields before use.                        |
| 3. | Template only — not a substitute for qualified legal advice. |

## 1. PURPOSE AND WHEN TO USE

**What Is Coexistence.** A trademark coexistence agreement is a commercial contract between two parties who each have legitimate rights in similar trademarks, under which they agree to defined commercial boundaries for each party's use of their respective marks without challenging the other.

**When Appropriate.** Coexistence is suitable when: both parties have genuine, independently developed rights in similar marks; the marks are used in different markets, territories, channels, or at different price points; consumer confusion is limited in practice; and the cost of litigation is disproportionate to the commercial risk.

**Resolving Disputes Through Coexistence.** Many trademark oppositions are resolved through coexistence. The opponent withdraws the opposition (Form TM-O withdrawal) in exchange for the applicant's agreement to defined commercial limitations. The Registrar then proceeds to register the mark. Document the withdrawal and the coexistence agreement separately — the withdrawal is a formal procedural step; the coexistence is a contractual agreement.

**Legal Effect.** A coexistence agreement binds only the parties — it does not prevent third parties from opposing either mark. Courts give coexistence agreements evidential weight but are not absolutely bound by them.

## 2. ESSENTIAL TERMS

**Precise Mark Scope.** Define with precision: the exact mark each party may use; the goods or services covered; the territories; the trade channels (retail, online, wholesale, direct); and any visual differentiation requirements (specific colourways, fonts, taglines).

**Restrictions on Future Use.** Each party agrees not to expand into the other's protected zone without consent. Restrictions on: applying for new trademark registrations that overlap with the other party's mark; launching in new territories where the other party has priority; using the mark in new contexts that increase confusion.

**Non-Challenge Clause.** Each party agrees not to oppose, cancel, or challenge the other's trademark registrations for the duration of the agreement. This is the core commercial quid pro quo — each party gains security from challenge in exchange for accepting commercial boundaries.

**Joint Enforcement.** Include a joint enforcement provision: each party notifies the other of third-party use similar to either mark; each party may request the other's assistance against such third parties. Both parties benefit from preventing confusion in the market.

## 3. AMENDMENT, BREACH, AND TERMINATION

**Amendment Procedure.** Brand circumstances evolve. Allow amendment by mutual written consent — to expand or contract each party's permitted use as business realities change. Formalise amendments in a written addendum signed by both parties.

**Breach Consequences.** Cure period for inadvertent breach (30 days). Right to terminate and reinstate all opposition and enforcement rights for material or repeated breaches. Agreed liquidated damages if difficult to quantify.

**Monitoring Compliance.** Each party reviews the other's use periodically. Maintain records of observed uses — both compliant and potentially non-compliant. Address apparent breaches promptly through the dispute resolution mechanism.

**Termination.** The agreement terminates: by mutual written consent; on material breach not cured within the cure period; on acquisition of one party by the other (marks under common ownership no longer require coexistence); or after a specified term (e.g. 10 years) with the option to renew.

#### 4. EXECUTION AND REGISTRY COORDINATION

**Execution Requirements.** Both parties must sign. For Indian companies: authorised signatory (Director or person authorised by Board resolution); company seal if required by constitution. For individuals: personal signature witnessed. Execute two original copies — one for each party.

**Consent Letter to Registrar.** For the Registrar to accept a coexistence arrangement in a pending examination: file a joint consent letter confirming both parties' awareness of each other's marks and consent to registration subject to agreed conditions. The Registrar has discretion to accept or reject the consent letter — a well-drafted coexistence agreement with specific commercial limitations is more likely to be accepted.

**Confidentiality.** The commercial terms of the agreement (territory, field of use, differentiation requirements) are typically confidential between the parties. The fact that a coexistence agreement exists may be disclosed to the Registrar as a consent letter but the full terms need not be filed publicly.

**Governing Law and Dispute Resolution.** Govern by Indian law. For disputes: initial negotiation (30 days); mediation if negotiation fails (60 days); and arbitration or court proceedings if mediation fails. Specify the seat of arbitration and the applicable arbitration rules.

##### IMPORTANT NOTE

Working template for Trademark Coexistence Agreement (India). Verify requirements with a qualified IP advocate.

## DRAFTING CONSIDERATIONS AND COMMON COMMERCIAL STRUCTURES

Coexistence agreements require careful drafting to be commercially sustainable and legally effective. The three most common structural approaches are: (1) Territory-based coexistence — Party A operates in defined territories (e.g. North India) while Party B operates in others (e.g. South India), with defined expansion restrictions. This structure works where both parties have genuinely geographica

lly distinct customer bases. The agreement must address: what happens when one party expands digitally (e-commerce and digital marketing are inherently national); how the boundary is drawn for pan-India distributors; and whether export is covered. (2) Product line coexistence — both parties may use similar marks but only for defined product categories. For example, 'NOVA' for electronics for one p

arty and 'NOVA' for personal care products for the other. This structure requires precise class-level specificity and must be recorded in the Trademark Registry to inform examination of future applications. The Joint consent letter to the Registrar should reference the specific classes and goods covered by each party's use. (3) Visual differentiation coexistence — both parties use similar word mar

ks but are required to maintain visual differentiation through specific colour schemes, font styles, taglines, or logo elements that distinguish the two brands in the marketplace. This is common in fashion, food and beverage, and consumer goods. The agreement must include specific visual guidelines or incorporate the parties' respective brand standards guides by reference. Common pitfalls in coexi

stence agreements: (a) inadequate definition of the permitted scope — what seems clear at drafting becomes ambiguous as businesses evolve; invest in specificity upfront; (b) no provision for digital and social media use — digital channels do not respect territory or channel boundaries; address these explicitly; (c) no monitoring mechanism — without periodic reviews, violations accumulate and the a

greement becomes unenforceable over time.

## ADDITIONAL COMPLIANCE GUIDANCE AND BEST PRACTICES

ADDITIONAL GUIDANCE ON COMPLIANCE AND BEST PRACTICES. Indian IP law continues to evolve rapidly, with the Patent Office, Trade Marks Registry, and Copyright Office all implementing digital transformation initiatives that affect how IP is filed, prosecuted, and enforced. The Patents Amendment Rules 2024 introduced new provisions for startup fee concessions and updated the examination procedure timelines. The Trade Marks Act 1999 has been interpreted by courts in a growing body of decisions that clarify how confusion is assessed, how well-known

marks are recognised, and how bad faith is established. The DPDP Act 2023 has implications for IP-linked customer data and product development processes. For each IP action described in this document, the Company should consult a qualified IP advocate licensed to practice before the Indian Patent Office and Trade Marks Registry. IP advocates combine technical expertise with legal training specific to Indian IP law. When selecting an IP advocate, assess: their specific experience in your technology sector or product category;

their track record at the relevant Patent Office branch or Trade Marks Registry; and their ability to coordinate international filings through their network of foreign associates. The IP Manager should maintain a master calendar tracking all IP filing deadlines, prosecution response deadlines, renewal dates, and opposition window close dates. IP deadlines are typically non-extendable and missing them can result in permanent loss of rights. Use a dedicated IP management tool or a carefully maintained calendar system with triple-reminder alerts. Document

all IP decisions and the reasoning behind them. When the Company decides not to file a patent application for a particular technology, document the decision and reasoning. When a trademark opposition is decided not to pursue, document the decision. This decision trail is important for investor due diligence, management continuity, and defence of subsequent IP disputes. Build a quarterly IP Committee meeting cadence: the IP Manager, CTO or Head of Product, CFO, and CEO should review IP programme status, upcoming

decisions, and strategic IP priorities every quarter. This keeps IP on the leadership agenda and ensures that commercial and technical strategy is aligned with IP investment decisions. The IP Committee meeting should produce a brief written record of decisions taken and actions assigned. International IP coordination requires proactive management of priority deadlines. The Paris Convention priority period of 12 months for patents and 6 months for trademarks and designs starts from the Indian filing date. If international protection is planned,

calendar these priority deadlines immediately on the Indian filing date. The cost of filing internationally increases significantly if priority is not claimed because prior art in the intervening period may destroy novelty. Budget for professional indemnity insurance for the IP function. As IP becomes a larger component of the Company's value and IP decisions involve significant financial stakes, the IP Manager and the Company's IP counsel should be appropriately insured against errors and omissions. Review the IP programme's documentation quality

annually. The best IP strategy is undermined by poor documentation. Every IP right should have a complete file: the registration or application document, all prosecution history, all renewal receipts, and all related agreements. Files should be backed up in at least two locations and access-controlled to prevent inadvertent deletion. Template only. Not legal advice. Consult a qualified IP advocate for all decisions affecting the Company's intellectual property rights.