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**TRADEMARK INFRINGEMENT RIGHTS-ANALYSIS THROUGH
JUDICIAL PRECEDENCES**

Introduction

Brand name encroachment is the unapproved utilization of a brand name or a help mark that is indistinguishable or misleadingly like an enrolled brand name.

The term deceptively similar means that when a consumer looks at the mark, it is likely to cause confusion, deception or mistake to the consumer of the origin of the product where he may think the plaintiff's product belongs to the defendant.

Overview

Before 1940 there was no law on brand names in India. Various issues of encroachment of enrolled and unregistered brand name emerged which were settled under Section 54 of the exact Relief Act, 1877 and enlistment was mediated under the Indian Registration Act,1908. The Indian Trademark law was brought in 1940 to resolve these issues. After the implementation of the brand name law, interest for front of brand names expanded as there was significant development in exchange and trade.

The Trademark and Merchandise Act, 1958 gives better confirmation of brand name and hinders misuse of engravings on stock. It gives enrollment of the brand name all together that the proprietor of the brand name might get an appropriate for its restrictive use.

This past Act got replaced with the Trademark Act, 1999 by the Government of India by consenting it with TRIPS (Trade-related parts of property rights) commitment suggested by the World Trade Organization. The point of the Trademark Act is to concede insurance to the clients of brand name and direct the conditions on the property and furthermore give lawful solutions for the execution of brand name rights.

The Trademark Act, 1999 gives the power to the police to capture in instances of encroachment of the brand name. The Act gives a whole definition for the term encroachment which is generally utilized. In Trademark Act, it gives disciplines and punishments to the guilty parties. It additionally expands the time term of registration and furthermore enlistment of a non-conventional brand name.

When can an individual be considered as infringing a trademark?

A registered trademark is claimed to be infringed just in case of the subsequent situation:

- If the mark at issue is identical with or deceptively almost like the registered trademark and is in reference to an equivalent or similar goods or services.¹
- If the identical or similar mark can cause confusion within the minds of general public to possess an association with the registered trademark.
- If the registered trademark is employed as a neighbourhood of brand name or business for goods and services in respect of which the trademark is registered.
- In the event that the brand name is publicized and subsequently it exploits or is in opposition to the fair practices or is impeding to the particular person and notoriety.
- If the registered trademark is employed within the material meant for packaging or labelling of other goods or as a business paper without due authorization of the registered user.

When can an individual be considered as not infringing a trademark?

Section 30 of the Trademarks Act, 1999 sets out the specific conditions wherein a brand name can't be said to have been encroached. Such conditions are often employed by the alleged infringer as defences in suits for infringement of trademark and hence escape his liability. These conditions include:

¹ Available at <https://blog.ipleaders.in/what-is-infringement-of-trademark/amp/> (accessed on 29th July 2021)

- When an individual utilizes a brand name as per legitimate practices in modern or business matters
- At the point when such use isn't in quest for exploiting or ends up being negative to the unmistakable person or notoriety of the brand name.
- Use of a mark for the indication- Whenever any trademark is employed so as to point the type, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services or the other characteristics of products or services.
- Use of mark which is outside the scope of registration- When trademarks are registered, there are certain cases where they're subjected to certain conditions and limitations. Whenever the alleged infringement is under the ambit of these limitations, then it doesn't constitute to be a case of infringement of trademarks.
- Implied consent – Whenever the infringed use of a trademark is within the continuance of the permitted use by the first proprietor who has subsequently not removed or obliterated it, in such cases the utilization can't be said to be an infringement.
- Use of trademark in reference to parts and accessories
- Use of trademarks identical or almost like one another

Uses of Trademark

- Trademark identifies the owner of the merchandise. Under any authorized agreement of product, a trademark are often used, an example of trademarks goods names is iPod and an enormous mac.
- The usage of the trademark by unauthorized means or illegal means by producing it in trading is understood as trademark piracy. If there's an infringement of trademark, the owner of the registered trademark can take action and for an unregistered trademark, the sole option is passing off. The most purpose of a trademark is to assist people recognize the source of a specific good or service. The source, in turn, helps people determine the standard. This is often why a trademark is of utmost importance within the economy. For the buyer, a trademark reflects the source and quality of the products or services

Types of trademark infringements in India

1) Direct Infringement

It is mentioned under Section 29 of the Trademarks Act 1999. The elements which constitute direct infringement are as follows:

* Unauthorized person– this suggests an individual who isn't the owner or the licensee of the registered trademark.

* 'Identical' or 'Deceptively similar'– The test for determining whether marks are identical or not is by determining whether there's an opportunity for a likelihood of confusion among the general public. If the consumers are likely to get confused between the 2 marks, then there's an infringement.²

In *Mohd. Iqbal v. Mohd. Wasim*, it had been held that "it is public information that 'bidis' are getting utilized by people having a place with the more unfortunate and unskilled or semi-literate class. Their level of knowledge is not high. It can't be expected of them that they might comprehend and understand the fine differences between the 2 labels, which can be detected on comparing the 2 labels are common. In view of the above, there appears to be a deceptive similarity between the 2 labels.

* Registered Trademark– The law will apply for the same. For an unregistered Trademark, the common law concept of passing off will apply which is defined under Section 27 of Act that no infringement will lie regarding an unregistered brand name, however perceives the common law privileges of the brand name proprietor to require activity against a individual for passing off products on the grounds that the merchandise of someone else as administrations given by someone else or the remedies thereof.

* Class of Goods/ Services– In order to establish infringement even the goods/ services of the infringer must be identical with or similar to the goods that the registered trademark represents.

2. Indirect infringement

Unlike direct infringement, there is no provision which deals with indirect infringement. It does not mean that there is no liability for indirect infringement. It is a common law principle that holds accountable not only the direct infringer but also anyone that abets, or induces the direct infringers to commit the infringement.

There are two types of indirect infringement:

1) Vicarious liability

Vicarious responsibility typically applies on account of employer-- employee relationships. This finds reference in section 114 of the Trademarks Act which states that if an

²Available at <https://cleartax.in/s/trademark-infringement-India> (accessed on 29th July 2021)

organization submits an offense under the act, then, at that point each individual who is liable for the organization will be at risk aside from the individual who acted.³

The elements of vicarious liability include

- Where a person can control the actions of the direct infringer.
 - When an individual enjoys a monetary benefit with respect to the infringement
 - At the point when an individual knows about the encroachment and contributes thereto

2) **Contributory infringement**

There are two elements which result in contributory infringement:

1. When a person knows of the infringement.
2. At the point when an individual substantially contributes or instigates the direct infringer to commit the encroachment.

Relief granted by Courts in Suits for Infringement and spending off:

- The remedy which a court may typically allow during a suit for encroachment or passing off incorporates injunction, damages, conveyance of the encroaching merchandise for its destruction and cost of the legal actions.⁴
- The order of interim injunction could also be passed ex parte or after notice. The Interim reliefs inside the suit can also incorporate request for arrangement of an area commissioner, for search, seizure and safeguarding of encroaching merchandise, account books and arrangement of stock, and so on.
- Restraining the infringer from removing or handling the assets during a manner which can adversely affect plaintiff's ability to recover damages, costs or other pecuniary remedies which may be finally awarded to the plaintiff.

Offences and Penalties

³ Available at <https://www.intepat.com/blog/trademark/trademark-infringement-india-indirect/> (accessed on 30th July 2021)

⁴ Available at <https://www.mondaq.com/india/trademark/127680/trademarks-law-in-india-everything-you-must-know> (accessed on 30th July 2021)

- Just in case of a criminal action for infringement or passing off, the offence is punishable with imprisonment for a term which shall not be but six months but which may reach three years and fine which shall not be but INR 50,000 but may reach INR 200,000.

Judicial interpretation

- **PATEL FIELD MARSHAL AGENCIES LTD. V P.M. DIESELS LTD– The Field Marshal Case AIR 2017 SCC 1388**

The situation where the SC was to mediate upon the Sections 46, 56, 107 and 111 of the Trade and Merchandise Marks Act of 1958 for encroachment of the Registered Trademark, “FIELD MARSHAL” owned by P.M. Diesels Ltd represented by the said Act where Section 46 says that if a brand name is enrolled without any good intention of utilizing it and has not been used continuously for five years, it is often faraway from the register and Section 56 empowers the Tribunal to cancel the Registration of the Trademark if it’s proved that that any provisions have been contradicted or any condition left unfulfilled based on which the Registration was allowed.⁵

Section 107 says that the appliance to challenge the Registered Trademark lays to supreme court and to not the Registrar and Section 111 mandates the stay of suit if the application for rectification is pending before the Registrar or supreme court for 3 months before commencement or if commenced, then for 3 months before the Facts are framed by the Court.

On basis of the above-mentioned sections, the Court had to make a decision whether the Rectification proceedings instituted by the Appellant on the Respondents were acceptable or not when the Appellants contended that the rectification rights lies with the aggrieved person and such rights are granted by the court .

The Supreme Court here favoured the Respondents and held that the questions of validity of registration are to be decided by the Tribunal and not the Civil Court also as the decision of the Tribunal are going to be binding on the Civil Court.

It was also held that if the parties don’t approach the Tribunal for rectification after the order of the Civil Court, then the parties relinquish the plea to rectification and therefore the intent of Section 111 was clarified by the Apex Court saying that by enacting such section 111 legislature seeks to deal with the question of invalidity within the first

⁵Available at <https://blog.ipleaders.in/10-landmark-cases-trademark-infringement/amp/> (accessed on 30th July 2021)

occurrence and when the request of amendment has been raised and settled with, the suit will continue.

- **TOYOTA JIDOSHA KABUSHIKI KAISA V. M/S PRIUS AUTO INDUSTRIES LTD. (2017) 236 DLT 343**

The case goes back to 2009 where Toyota, which is a vehicle maker, asserted that Prius Auto Industries that exchanges with car parts and accessories, bore the Plaintiff's enlisted 'Toyota', 'Toyota Innova', 'Toyota Device' and 'Prius' Trade Marks. The plaintiff moved toward the Trade Mark Registry for dropping of enlisted sign of the litigants, and furthermore documented the suit on the ground that the respondent was utilizing their 'notable imprint' without their assent, prompting an uncalled-for benefit of their standing and altruism of the offended party. Notwithstanding, following the decade old practice, 'worldwide standing and earlier client was maintained' by the Trial court and gave the judgment expressing the Defendant at risk for passing off of the Trade characteristics of the Plaintiff, in this way controlling them from utilizing the said exchange stamps and imposing punitive damages of rupees ten lakhs.

The case was fundamentally the one that when again drew out the age- old rule that the brand name rights are regional and not international and where the Supreme Court moreover depicted and clarified the 2 most essential regulation of the Trademark law supportive in deciding the legitimate proprietor of the Trademark "PRIUS" in question- Universality Principle and Territoriality Doctrine. The concentrate from the surprising Judgment by J. Gogoi is as per the following:

"In the event where goodwill has not been established in the specific locale (in India) by the plaintiff, no other issue truly would wish any more extended assessment to work out the degree of within the action of passing off that it had brought against the defendants within the Delhi supreme court. Consequently, albeit we are to afflict the view of the Division Bench of the supreme court in accepting the defendant's version of the origin of the mark 'Prius', the judgement of the Division Bench will, regardless, should be supported. We cannot help but also to watch that within the present case the plaintiff's delayed approach to the Courts has remained unexplained. Such delay can't be allowed to figure to the unfairness of the defendants who had kept on using its registered mark to plug its goods during the inordinately long period of silence maintained by the plaintiff."

Christian Louboutin v. Pawan Kumar [CS (COMM) 714/2016]

The plaintiff discovered the litigant had been selling ladies' footwear with it's 'RED SOLE' brand name. The 'RED SOLE' brand name has been enrolled in different nations by the offended party and it is a distinctive trademark of their items. The Delhi High Court

held that the plaintiff has been perceived by clients worldwide and the equivalent is valid for India. The 'RED SOLE' was held by the court to be a brand name that was well-known and individuals by and large related the 'RED SOLE' with Christian Louboutin. Damages by the defendant to the plaintiff needed to be paid.⁶

The Coca Cola Co. V. Bisleri International Pvt. Ltd.
(Manu/DE/2698/2009) (Whether one can register their trademark after sale)

Bisleri, which initially possessed the brand name of mango drink MAAZA, offered it to Coca Cola in India. Bisleri later applied for enlistment of MAAZA brand name in Turkey and began to send out the mango drink with the brand name of MAAZA. Coca Cola moved toward the Indian courts requesting an order alongside damages against Bisleri for encroachment of

Its brand name MAAZA just to control Bisleri from disclosing the detailing of the beverage. Coca Cola prevailed in getting an injunction against Bisleri for encroachment of the brand name.

Cadbury India Limited and Ors. V. Neeraj Food Products (2007)

The Plaintiff is a well-known maker and producer of chocolates and sweets and has a brand name 'Jewels' enlisted in its name. The Plaintiff moved toward the court for an order against the Defendant who was purportedly selling an item under the imprint 'JAMES BOND' which looked like the GEMS product of the Plaintiff in bundling and size. The Plaintiff guaranteed that the item sold with sign of 'JAMES BOND' was misleadingly like 'Jewels'. The court held that the items of the Defendant were in fact misleadingly like that of the Plaintiff and allowed an injunction to restrict the defendant from selling the said item.

Yahoo!, Inc. V. Akash Arora & Anr (1999)

The domain names possessed by the Plaintiff and the Defendant, 'Yahoo' and 'Yahoo India!' separately, were nearly indistinguishable and comparative phonetical as well. It was

⁶ Available at <https://blog.ipleaders.in/landmark-infringement-cases/amp/> (accessed on 30th July 2021)

felt by the offended party that this closeness would confound and confuse the clients and make them believe the two names were associated. It was held that the name 'Yahoo!' is unique in itself and is related with the plaintiff by and large. It further held that even a domain name as that of a brand name should be conceded similar status and protection.

Difference between passing off and infringement

- The actions for passing off is unique in relation to that of infringement. The claim for infringement may be a lawful remedy whereas the claim for passing off may be a common law remedy. Therefore, so as to determine infringement with reference to a registered trademark, it's only required to prove that the infringing mark is same or deceptively almost like the certified mark and no more proof is required. within the case of a passing off claim, proving that the marks are same or deceptively similar only isn't sufficient.
- During a passing off claim it's necessary to verify that the utilization of the trademark by the defendant is predicted to cause injury or damage to the plaintiff's goodwill, whereas, in an infringement suit, the utilization of the mark by the defendant must not cause any injury to the plaintiff. But, when a trademark is registered, registration is given only with reference to a specific category of products. Protection is, therefore, provided only to those goods. during a passing off action, the defendant's goods must not be the same; it's going to vary.

Conclusion

Trademark Infringement has drawn in with it the laws related not exclusively to Intellectual Property yet additionally Tech Laws, Media Laws, Sports Laws, Marketing Laws etc. With each case, the extent of trademark Infringement being broadened and further explained by the Indian courts. As an ever-increasing number of organizations go worldwide, it is natural that the trademark laws continue to develop.

The situation in India is likewise overflowing with new companies, driving various large organizations to practice their brand name rights against misleadingly comparable items and brands. New issues with international organisations are coming up consistently and the need of great importance is a global lawful system that is equipped for being authorized generally to address and fix trademark Infringements around the world.