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Prerequisites for 'Well-Known' Mark Status in India

SANJITA MITTAL¹

ABSTRACT

This short note sheds light on the various factors which essentially act as prerequisites for a trademark to obtain a 'well-known' mark status in India. It traces the incongruence between the legislative provisions pertaining to well-known marks in the Trademarks Act, 1999 and its judicial application in the wake of evolving mutations of corporate structures and media in recent times. It explores the judicial treatment of evidence led by claimants of trademark and examines what exactly constitutes 'well-known' by analysing relevant case laws.

Keywords: *Well-known marks, Trademarks Marks Act, 1999, transborder reputation.*

The term 'well-known' essentially pertains to the 'recall' or 'associative' value of a product/service which can be traced back to its origin. The prerequisite for a mark to attain the elite status of 'well-known', is to withstand a rather elaborate test of distinctiveness which sets it apart from its 'lesser-known' counterparts in the market. Its imprint on the relevant segment of the market should be so undeniable that the product/service in question is weighed on its acquired goodwill and reputation whether acquired nationally, internationally, or as a result of spillover effects contributing to trans-border reputation. The very status of a well-known mark (hereinafter referred to as WKM) puts it under an elevated risk of passing off to capitalise on its coveted reputation. So whether it is 'Burger Singh' attempting to deceive a consumer into confusing it for 'Burger King' or a brash attempt by 'Sardarbuksh' to dilute the reputation of 'Starbucks', it all boils down to the intent of a defendant in court. This reputation itself calls for a long arm statute to comprehensively curb colourable imitations of such marks.

Indian judicial treatment of 'household names', prior to the prevalent TRIPS compliant Trademarks Act, 1999, was extended by way of common law remedies as exemplified by the *Daimler Benz's*² and *Whirlpool*³ cases which thwarted the indiscriminate adoption of reputed marks. Presently, the Trade Marks Act, 1999, encompasses robust statutory standards for WKM protection⁴ specifically, the sheer breadth of which indicates its elevated status. These

¹ Advocate, Promod Verma and Associates, Tis Hazari, New Delhi.

² *Daimler Benz Aktiengesellschaft v Hybo Hindustan* 1994 (14)PTC 290 (Del).

³ *Whirlpool Co & Anr v N R Dongre* (1996) PTC 415 (Del).

⁴ Section 2(1)(zg) and Section 11 in particular of the Trademarks Act, 1999.

stringent standards of protection are extended to the mark so identified, whether used in isolation or in conjunction with another mark or device.⁵ The Act allows the proprietor to wield the dual-edged sword to oppose identical/similar marks at the stage of registration itself and protect a WKM from dilution regardless of its registration status or its presence in India.

The prerequisites to attain WKM status, however, have seen a rather ambiguous judicial journey. The colossal protective ambit afforded to WKMs is put to a commensurately strict evidentiary burden to validate its 'recognizability' in the Courts. The judicial treatment of WKMs transcends the legislative language beyond considerations which includes actual and potential customers *en masse*, channels of distribution, and business circles associated with the mark in question.⁶ The scattergun approach of the Courts has been all-embracing of the evolving mutations of corporate structures and media. The legislative checklist of WKMs has essentially only aided a case to case factual inquiry rather than binding it. The Court is primarily concerned with the question of likelihood of confusion/deception leading to dilution of the mark that is put to an objective test of how a man of average intelligence and imperfect recollection approaches a product/service apropos a brand.

To gauge different ways of acquiring a WKM, one has to delve into the eclectic set of judicial considerations that has paved its way for its determination. The *Rolex S A v Alex Jewellery Pvt Ltd*⁷ case essentially focused on the class and strata of people associated with a brand and how they form connections to the source of the brand, however remote. Similarly, the peculiar *Hari Puttar Case*⁸ took into account the educational background of the people consuming cinematographic content and deduced that there is no remote possibility of the viewers to form a connection with 'Harry Potter' however deceptively similar the trade names might be. The cases provide a window to the judicial mind in contemplating the demographic profile of the 'relevant' segment of the target market.

Presently, the promotional extent of a brand, which determines its reach, trumps the former requirement of a physical place of business or subsisting commercial agreements with Indian parties.⁹ The court has repeatedly given due credence to the volume of advertising as seen in *Duracell Ultra*¹⁰, *Whirlpool*¹¹ and *Marico Ltd v Madhu Gupta*¹² cases. The proprietor,

⁵ RBS Group v Sharekhan 2015 (61) PTC 573 (Del).

⁶ Section 11 (7) of the Trademarks Act, 1999.

⁷ Rolex S A v Alex Jewellery 2009 (41) PTC 284 (Del).

⁸ Warner Bros Entertainment Inc and Anr v Harvinder Kohli and Ors, 2008 (38) PTC 185 (Del).

⁹ Carrefour v V Subburaman 2007 (35) PTC 227 (Mad).

¹⁰ Indian Shaving Products Ltd v Gift Pack (1998) PTC 698 (Del).

¹¹ *Supra* note 2.

¹² I A Nos 15565 and 16243/2009 in CS 90S) No 2275/2009, High court of Delhi dated 7th April 2010).

however, is not entirely precluded from taking into account its total absence of any physical connection with India.¹³ Here, the considerations pertaining to honest concurrent use and prior use under good-faith¹⁴ step in to permit fair use. The Court has subjected the defendants to territorial restrictions (*Vranjilal Manilal & Co. v Bansal Tobacco Co case*¹⁵ and *AB Textile case*.¹⁶) or to provide additional disclaimers (*Goenka Institute of Education and Research v Anjani Kumar Goenka & Anr*¹⁷) to prevent the general public into thinking that the marks originate from the same source. It points to a negotiable approach of the Courts which rules out the likelihood of deception while accepting the well-known status of the mark.

Moreover, the Court favours an invented/coined word for a trademark which pushes the independence of the source of mark to the forefront as compared to a descriptive mark. The likes of *Rainforest Cafe Inc, McCain International Ltd*¹⁸ and *Sardarbuksh*¹⁹ cases exemplify how the Court collectively views the overall uniqueness of a business venture along with its trade name to ultimately prohibit the defendants from using an identical/similar theme or name to that of the plaintiff. However, descriptive marks may also be eligible for WKM status if the duration of use and customer identification with the origin can be established. The intent of the defendant plays a major role to gauge an overtly evident and deliberate attempt to cause confusion, in case a unique trademark is emulated.

Another set of precedents highlight a rather liberal grant of WKM status linking the reputation acquired by a trademark to newer nuances of media and corporate structures. A WKM protection is extended to the umbrella organisation even if the actual use is dissipated across several subsidiaries or individual member organisations. The name with associative value is given precedence rather than the entire corporate entity. The growing complexities of corporate structures and ownership were underpinned in *Castrol v Thakur Dassochani*²⁰, *VIT University v Bagaria Education*²¹ etc. finding its genesis in *Hyundai Corporation v Rajmal Ganna*²² case. The *Hyundai* justification was taken further in *Tata Sons v Manoj Dodia*²³ case which took note of the role of expanding jurisdiction and modes of media taking novel routes in the dissipation of promotional and marketing efforts. Additionally, this case consolidated the

¹³ Clinique Laboratories v Gufic 2009 (41) PTC 41 (Del).

¹⁴ Section 11(4) of Trademarks Act, 1999.

¹⁵ Vranjilal Manilal & Co v Bansal Tobacco Co (2002) PTC 99 (Del).

¹⁶ AB Textiles v Sony Corporation, 2007 (35) 288 (Reg).

¹⁷ Goenka Institute of Education and Research v Anjani Kumar Goenka & Anr, 2009 (40) PTC 393 (Del).

¹⁸ Rainforest Cafe Inc v rainforest & Ors (2001) PTC 353.

¹⁹ Starbucks Corporation v. Sardarbuksh Coffee & Co. & Ors., CS (COMM) 1007/2018

²⁰ Castrol v Thakur Dassochani, 2012 (52) PTC 580.

²¹ VIT University v Bagaria Education, MIPR 2015 (2) 0095.

²² Hyundai Corporation v Rajmal Ganna, 2007 (35) PTC 652 (Del).

²³ Tata Sons v Manoj Dodia & Ors., 2011 (46) PTC 244 (Del).

extension of WKM protection in relation to dissimilar products and services which was erstwhile oddly restricted.

Conclusively, the elite WKM status is conferred post a rather balanced permutation and combination of factors weighing the likelihood of confusion/deception leading to dilution. The point of view of a man of average intelligence and imperfect recollection infiltrates a judicial inquiry in the form of a objective test to scrutinize the factors that are likely to create confusion which ranges from the nature of market, the class of customers, the extent of reputation, the trade channels, the existence of any connection in the course of trade and others.
