



Trademark Infringements in India -Case Study with Reference to Consumer Goods Sector

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ABSTRACT

In a highly competitive business environment of India with many local players and growing number of multinational companies entering India, the space for one's own niche and positioning one's brand as distinct and superior is a concern most supreme for sustainability and future growth. In such a situation infringements of intellectual property becomes a big threat and more so trademarks infringement and protection becomes more common area of focus and attention. In India most widely known intellectual property infringements get highlighted from the Pharmaceutical, Information technology and the Entertainment sectors, however a big amount of trademark infringement concerning brand name and brand positioning happens in the consumer goods sector including both consumer durable and non-durable goods. This paper focuses on case studies of some trademark infringement incidences in India from the consumer goods sector and attempts to have an analysis of the same.

KEYWORDS: Intellectual property, Trademark, infringements, consumer goods, India.

Introduction:

As is known, an organization's success depends on its profitability and the ability to enhance the shareholder's values; the brands play a big role in it. Like many other assets of an organization, brands can also be exploited in many ways than one, hence in India legal protection for trademarks came into practice with Trade Marks Act, 1940, followed by Trade and Merchandise Act, 1958 and finally keeping in pace with the significant developments in the international level, the Trade Marks Act, 1999 came, which prevails now. Trademarks convey an organization's products in having distinctive features, triggering off revenue stream in abundant measure year after year. In short, the life of an organization itself revolves around the trademark of its products and services. Registering a trademark is not compulsory in India although but it depends upon how well known or reputed the brand is and it may not be a registered one to prove its originality. The suffix TM is added to just say that it is a trademark owned by the company, it does not denote a registered one; and may be also used to convey that the mark is in process of registration. Registering a trade mark gives Trademark holder the exclusive right to use his mark for the goods and/or services. If the trademark is registered then the symbol ® is placed next to the trademark. It is an actionable wrong for anyone to use a mark, name, sign, symbol to represent other's goods or business as their own. Such representation is known as passing off - a civil wrong. Although cases of trademark infringement are in thousands, but we have attempted to analyse it here through a few notable case illustrations.

Some trademark infringement cases from consumer goods sector:

J. R. KAPOOR v/s MICRONIX INDIA

Micronix India, the plaintiff in this case, were the original registered proprietors of the trademark MICRONIX and had a distinctive logo comprising of the letters "IM" which was used by them in the course of their business operations involving electrical and electronic products. J.R. Kapoor, the defendant, was a partner of this firm, which was dissolved in 1992. As per the settlement between the parties, the plaintiff retained the rights concerning the mark MICRONIX and the logo "IM". Kapoor, thereafter, started his own business of manufacturing and selling similar products, and adopted as his trademark the word MICRO-TEL and a stylised rendering of the letter "M" as his logo.

This was considered as to be an invasion of the proprietary rights of their mark and logo by MICRONIX and they were successful in obtaining an interim injunction against the defendant before a single judge of the Delhi High Court. The defendant's appeal against the injunction before a division bench of the same court was also dismissed. Kapoor, then appealed to the Supreme Court who found substance in Kapoor's case.

In this particular instance, the court observed, once the word "micro"

was detached from the competing marks, the letters NIX and TEL, the residuals of these marks, possessed sufficient distinguishing elements to prevent confusion among the consumers. The judgment declared: "micro-chip" technology being the base of many products, the word 'micro' has much relevance in describing the products. Further, the word 'micro' being descriptive of the micro technology used for production of many electronic goods which daily come to the market, no one can claim a monopoly over the use of the said word. Anyone producing any product with the use of microchip technology would be justified in using the said word as a prefix to his trade name. Further, those who are familiar with the use of electronic goods know well and are not likely to be misguided or confused merely by the prefix 'micro' in the trade name."

GLUCOVITA v/s GLUVITA

Shangrila food products limited had applied for registration of the mark "Gluvita" for biscuits manufactured by them. Corn products who had been already using their mark "Glucovita" for their glucose with vitamins, opposed the application of Shangrila.

It was observed that, Glucovita had acquired a reputation amongst the buying public, the products concerned were so connected as to create confusion or deception due to similarity of the two trade marks, apart from the syllable "co"; the two marks were identical. Finally, it was concluded that "Gluvita" cannot be registered.

FEVICOL v/s TREVICOL

Fevicol has been in the market since 1960 and the trade mark was registered in that year too. It had huge sales and the company Pidilite had spent a good amount of money on the advertising and publicity for the brand. Pidilite files a suit against the owners of Trevicol, a similar product.

The key observations made in this context were as below:

Use of Trevicol trademark started in 1985. This suit was filed in 1987. The suffix "vicol" was common in the two marks. Only prefix varied - "fe" and "tre". However while pronouncing the two as a whole, they sounded quite similar. The company names - Pidilite and Mitees, were put in identical settings. The writing style of the two marks were almost similar, being in blue colour. The Fevicol mark has two elephants pulling apart a sphere, in Trevicol there were two ships in place of the elephants. The purchasers of both these products included a large section of illiterate population like carpenters or civil contractors.

In view of the above, and the provisions, the judgment was concluded as:

The two marks were deceptively similar, both phonetically and visually. The colour scheme and the get-up of the packs were almost identical, and the general public were likely to be deceived. Fevicol won the case

with Trevicol being declared illegal and be discontinued.

N R Dongre & Others. v/s Whirlpool Corporation

The plaintiff respondent, Whirlpool Corporation, USA is the successor of the trademark WHIRLPOOL since 1937. This mark is registered in more than 65 countries and was registered in India in classes 7, 9 and 11 but was not renewed in 1977 and thereafter due to import restrictions of the Indian government. The defendant appellants, NR Dongre and others, operating through Usha International Limited and Usha-Shriram India were manufacturing washing machines -class 11 under trademarks USHA, USHA-SHRIRAM and USHA-LEXUS. Their application for registration of trademark WHIRLPOOL was granted following dismissal of Whirlpool Corp.'s opposition. Whirlpool Corp. filed a suit alleging passing off of its trademark WHIRLPOOL in the Delhi High Court. The learned single Judge recognising trans-border reputation of the mark granted temporary injunction restraining NR Dongre and others from the use of the trademark WHIRLPOOL on their goods. Dismissing a further appeal by NR Dongre, the order was upheld by the Division Bench. The defendant appellant, NR Dongre, by special leave filed appeal in the Supreme Court and submitted that the plaintiff respondent was guilty of culpable delay, acquiescence, laches and asserted their right as registered proprietors of the mark in India. The plaintiff respondent laid store by the trans-border reputation and goodwill of their mark, special circumstances for non-renewal of their registration for the WHIRLPOOL trademark in India and the extensive advertising of the mark in the absence of goods.

The Supreme Court stated: Adoption of the WHIRLPOOL mark by the appellants was prima facie dishonest, Non-renewal of mark does not prove abandonment, Court declined to interfere with the High Court ruling -Appeal dismissed

Conclusion:

Today with the advent of globalization, there has been a major increase in trade between countries. However, the drawback is an increase in unfair trade competition between companies and between countries. The major increase in this unfair trade has been through infringement of trademarks and thereby misleading the customers. As evident from these cases, if companies today believe they have a registered trademark and no one can use their mark for any purpose without permission, that's not true. Where there is a law protecting the trademark, there are methods to get ways and means to infringe the trademark as well. We feel the four main reasons as to why a trademark is usually infringed are:

- To deceive consumers by creating confusion in their minds.
- To tarnish the image, reputation of the competitor or the trademark owner

- To promote one's business by using someone else's reputation and earn quick revenue
- To circulate spurious, cheap quality goods in the market in the name and trademark of an already existing quality in the market, for easy earnings.

Earlier the concept of passing off was restricted to the misrepresentation of goods. However, it now applies to many forms of unfair trading and unfair competition and is generally defined as occurring where the activities of one person/company cause damage or injury to the goodwill associated with the activities of another person/company. A cause of action for passing off and a cause of action for infringement, both are a form of intellectual property enforcement against the unauthorized use of a mark which is considered to be similar to another person's trade mark. However, the scope of investigation in an action for infringement of a registered trademark varies from the one for passing off. An action for passing off is a common law remedy, being in substance an action for deceit that is passing off by a person of his own goods as those of another. On the other hand, an action for infringement is a statutory remedy conferred on the registered proprietor of a registered trade mark for the vindication of the exclusive right to the use of the trade mark in relation to those goods.

Passing off is not defined in the Trade Marks Act, 1999; but certain sections of the Act mention of passing off. Section 27(2) of the Act states that the rights of action against any person for passing off goods or services as the goods of another person or services provided by another person, or the remedies in respect thereof are unaffected by the provisions of the Act. Section 134(1)(c) of the Act states that "no suit for passing off arising out of the use by the defendant of any trade mark which is identical with or deceptively similar to the plaintiff's trade mark, whether registered or unregistered, shall be instituted in any court inferior to a District Court having jurisdiction to try the suit". Section 135 specifies the remedies available in respect of passing off arising from the use of a trade mark. In a passing off action, the plaintiff must prove that there is a similarity in the trade names or marks and that the defendant is passing off his goods as those of the plaintiff's. The "Classical trinity" of passing off as the three elements of the tort of passing off are: goodwill, misrepresentation and damage. Remedies could include injunction or damages or both.

Disclaimer:

The cases mentioned in this paper are referred purely for academic purpose and does not violate or infringe intellectual property rights of any law firm/website/organization.

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