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# NAVIGATING TRADEMARK PROTECTION IN INDIA: A COMPREHENSIVE OVERVIEW

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## ABSTRACT

The creativity of Human beings leading to inventions and artistic works has proven to be helpful to humankind and could be encouraged by providing protection in the form of Rights and rewarding them with some benefits. This is where the role of Intellectual Property Rights comes into the picture. There are different kinds of IPR; one such form/kind is Trademark, which is governed in India under the Trademark Act, 1999, containing 159 sections, though, it was not the first act for the same. There were several other regulations and laws before this Act came into effect and the study of the same will be done in this project under the heading of the Historical Development of Trade Mark Laws in India. It has been 25 years since the Trademark Act, 1999 came into effect and we are still following the same Act. It is the distinctive features of this Act that make us follow the same, which will be elaborated. The concept of How Trademarks help? will be analysed. From wordmarks to smell and shape marks several kinds of trademarks can be broadly classified as (i) Conventional Marks (ii) Modern Marks and (iii) Other marks and the same will be covered. Though the registration of Trademarks is not compulsory under the Trademarks Act, 1999, it is always advisable to get it registered because registration provides the producer absolute rights over his trademark which cannot be provided in the case of an unregistered trademark, however, the unregistered trademark still has the right against passing off. So, the provisions regarding the Registration of trademarks, the process of registration, and its benefits over an unregistered trademark will be briefly touched upon. All the abovementioned areas will be substantiated with case laws.

**Keywords:** Historical development, Distinctive features of the Trademark Act, 1999, Types of trademarks, Registration of trademarks, Distinctiveness, Trademark Infringement, Recent Judicial Pronouncements.

## INTRODUCTION:

An average Human Being gets approximately 3000 thoughts per hour and 50 thoughts per minute.<sup>1</sup> These thoughts sometimes lead to creative ideas, which could further lead to inventions, artistic works, etc. Human mind and creativity are closely connected, forming a dynamic relationship that fuels innovation and artistic expression. This creativity is subjective and depends on each individual's intellect, requiring protection in a form that makes such a person reap the benefits of his labor (intellectual). Intellectual Property Rights provide this protection; thus, Intellectual Property Rights are the rights that the person has over the creations of his mind. These creations of the Human mind can be in the form of a literary work, music direction, invention of a new product/ good, imagination and the recreation of the brand logo, web designing, etc., hence, Intellectual Property Rights are categorized in the form of Industrial Property (including patents, trademarks, industrial designs, etc.) and Copyrights and related rights.

Trademarks are one of the IPRs that help the seller or the buyer of a product distinguish it from other products of a similar nature. They in a way reveal the connection between the producer and the product. As the term itself shows, they are the marks in logos, letters, or names in a specific style or color used in trading activities. According to Section 2 (zb) of the Trade Marks Act, 1999, “trademark means a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others and may include the shape of goods, their packaging, and combination of colours; and- (i) includes the right of some persons as a proprietor to use the mark, (ii) and includes certification trademark and collective trademarks.”<sup>2</sup> A person can get his trademark registered due to which he receives protection against others using the same mark. Registration of a trademark is not mandatory under this Act, however, if a person gets his trademark registered he receives the protection, and all the legal rights and can reap absolute benefits for 10 years that can later on be extended by the renewal of the same, hence, this indefinite period makes it different from other IPRs. The trend of applications for trademark registration during the years 2022-2023 has been positive. It increased from 447805 in the year 2021-2022 to 466580 out of which 231977 have

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<sup>1</sup>Deepak Chopra, *The 70,000 Thoughts Per Day Myth?*, DISCOVER, (May 19, 2020), <https://www.discovermagazine.com/mind/the-70-000-thoughts-per-day-myth>

<sup>2</sup> The Trade Marks Act, 1999, No. 47, Acts of Parliament, 1999 (India).

been registered during the same period.<sup>3</sup> The idea of trademark registration began with the legislative development of the concept of trademarks.

## **HISTORICAL DEVELOPMENT OF TRADEMARK LAWS IN INDIA:**

The Ancient Indian Traders used to sell their products in foreign countries which the foreign men admired as they were so unique and were tough enough to be replicated, for eg., the then clothes of Dhaka (Bangladesh), hence, those Indian Traders were bothered to have a distinguished identity and brand names for their goods since they were so special and to prevent the circulation of any duplicate copies of such products in the market, however, there was no official trademark law in India till 1940.

It was in the year 1877 when for the first time the Bombay Mills Owners Association made a demand to make provisions for the registration of trademarks on the lines of the English Trademark Registration Act 1875. In the year 1879, a bill was introduced that was referred to a Select Committee where there arose a question as to whether a fresh registration of Trade Mark in India is essential if it is already registered in England, however, it had supported the adoption of scheme for the registration of Indian Trademarks in England. In 1808, the Bombay Mills Owners Association again raised a question demanding legislation for Trade Marks in India. Under the Indian Registration Act, 1908, a statement as to the ownership of Trade Mark was mentioned, however, this protection was not sufficient as the Mark owners faced several other problems like delay and heavy cost in the Trade Mark litigation, and least knowledge regarding the trademarks, for eg., many people used the unregistrable trademarks like Calcutta soap, neem tooth powder, etc., there were several cases regarding the false claims of these types of marks.

In 1927, the Industrial and Commercial Congress passed a resolution suggesting that the Indian Government pass a law, as the lack of one was causing various commercial hardships to Indian merchants and traders.<sup>4</sup> As a result, the Secretary of State for India gave assurance for the same. Hence, in the year 1940, the Indian Trademarks Act, 1940, which was modelled on the English Trade Mark, was passed. The expansion of Trade and business replaced the Indian Trademarks

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<sup>3</sup> Government of India, “Annual Report for 2022-23 on Intellectual Property”, p-60 (2024)

<sup>4</sup> BANSAL ASHVANI KUMAR, LAW OF TRADEMARKS IN INDIA, p-38 (THOMSON REUTERS, 3<sup>rd</sup> ed), (2014).

Act of 1940 with the Trademark and Merchandise Marks Act of 1958, and this Act was repealed and replaced by the new Trademark Act of 1999.<sup>5</sup>

### **DISTINCTIVE FEATURES OF THE TRADE MARKS ACT, 1999**

The 1999 Act was passed to comply with the TRIPS rules.<sup>6</sup> The following are the distinctive features of the Trade Marks Act, of 1999-

1. Registration of service marks.
2. Use of a common trademark for the goods or services that are the undertakings of a single business.
3. Prohibition of the registration of the marks that are merely replicas of a previously registered well-known mark.
4. Inclusion of clauses for new classes of marks like collective marks, certification marks, etc.
5. Increased the term for the renewal of a registered trademark from 7 years to 10 years.

### **OBJECTIVE OF THE TRADE MARKS ACT, 1999**

India agreed to consolidate and amend the municipal laws regarding the trade-related aspects under the Trade-Related Aspects of Intellectual Property Rights (TRIPS) Agreement, 1994. Apart from this, India also wanted to safeguard the rights of local traders by providing them better protection in matters of trademarks and prohibiting any unfair use of such trademarks by creating hindrances through any fraudulent marks in the smooth-flowing trade of goods/services of genuine traders. The Trademarks Act of 1999 helps to fulfil the abovementioned objectives.

### **HOW TRADEMARKS HELP?**

In a Perfectly Competitive market where businesses sell identical goods, what matters for a consumer is the quality, durability, resourcefulness, suitability, etc., of a product. Any product that fits the qualities mentioned earlier attracts the consumer as it distinguishes such a product

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<sup>5</sup> Ms Gulafroz Jan, *Emerging Dimensions of Trademark laws in India: An Analytical Study*, Ph. D. dissertation, SCHOOL OF LEGAL STUDIES CENTRAL UNIVERSITY OF KASHMIR, Tulamulla, Ganderball- 191131, (2023).

<sup>6</sup> Tushar Singh Samota, *The Trade Marks Act, 1999*, IPLEADERS, (November 30, 2022), <https://blog.ipleaders.in/the-trade-marks-act-1999/>.

from other identical products. Trademarks are one of the means that help the consumer, easily distinguish between such products and choose according to their suitability. Trademarks also help determine the goods/services as they are sometimes self-explanatory regarding the kind of goods that are provided and the services that are rendered, for eg., the arrow mark in Amazon that points from A to Z in the spelling of Amazon determines that Amazon is an A to Z service provider, this way they help the consumers.

On the other hand, trademarks also help the producers of those products in the smooth flow of their businesses, who sincerely put their efforts into making a product that could satisfy the consumer's needs. A trader has a right to property over his trademark, which he uses in connection with his business, irrespective of the size and the extent of the same. A trademark establishes customers' trust, thereby enhancing the goodwill of the trader's business.

### **KINDS OF MARKS:**

Types of Trademarks can be roughly divided into three categories, i.e., Conventional marks, Non-Traditional/Modern marks, and Other marks.

#### **1. Conventional Marks:**

Under S. 2(1)(m) of the Trade Marks Act, 1999, Mark is defined as to include “a device, brand, heading, label, ticket, name, signature, word, letter, numeral, shape of goods, packaging or combination of colours or any combination thereof.”<sup>7</sup>

- (a) Device Marks- These are a brand's pictorial or artistic representations, e.g.- half bitten apple for Apple products, bluebird for Twitter, etc.
- (b) Brand- These are the symbols /signs that are branded/marked on the goods, e.g.- Monkey brand fabric.
- (c) Label- A label is a composite mark including both the words and devices and is in such a way that can be attached/pasted to the goods.
- (d) Ticket- A ticket is a tag with a printing thereon attached to the goods.

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<sup>7</sup> The Trade Marks Act, 1999, No. 47, Acts of Parliament, 1999 (India).

- (e) Name- A trademark can also be the name of the trader or the surname of the trader, e.g.- Ramraj cotton, Haldiram's, or it can also be an abbreviation of a name, e.g. MDH.
- (f) Signature- This includes the signature of the trader or the proprietor of the business.
- (g) Word, letter, numeral- A mark can be a combination of words, letters, and numerals.
- (h) Shape of goods- Shape of goods was not a mark in the definition of mark under the Trade and Merchandise Marks Act, 1958. The Trade Marks Act, 1999 makes the shape of goods registrable as a mark under the Act,<sup>8</sup> e.g.- Toblerone.
- (i) Package- Under S. 2(1)(q), Package includes 'any case, box, container, covering, folder, receptacle, vessel, casket, bottle, wrapper, label, brand, ticket, reel, frame, capsule, cap, lid, stopper and cork.'<sup>9</sup>
- (j) Combination of Colours- Combination of colours has been inserted within the definition of the mark under the Trade Marks Act, 1999. A combination of colours applied to goods.
- (k) Any combination of different marks- Any combination of two or more marks is also a mark within the definition of mark.<sup>10</sup> Eg.- Cadbury chocolates, wherein there is a named logo of Cadbury and a purple colour wrap.

## 2. Modern Marks:

- (a) Smell Marks- The human brain feeds smell into its memory; therefore, it could be one of the intelligent ideas to add a fragrance to a product, thereby attracting a decent number of customers. The producer can register this smell attached to the product to distinguish it from other products, under smell marks. There are some of the smell marks that have been successfully registered, e.g., Dutch Company's Tennis balls with the scent of newly mown grass.
- (b) Sound Marks- As the name itself reveals, the sound mark is a sound attached to the product and the same can be registered as a trademark, e.g., the mark was registered

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<sup>8</sup> Dr. VK AHUJA, LAW RELATING TO INTELLECTUAL PROPERTY RIGHTS, 264, (Lexis Nexis, 3<sup>rd</sup> ed. 2017).

<sup>9</sup> The Trade Marks Act, 1999, No. 47, Acts of Parliament, 1999 (India).

<sup>10</sup> Dr. VK AHUJA, LAW RELATING TO INTELLECTUAL PROPERTY RIGHTS, 264, (Lexis Nexis, 3<sup>rd</sup> ed. 2017).

in favour of California-based Internet firm Yahoo Inc. for its three-note Yahoo yodel and MGM lion roar.

- (c) Taste Marks- Taste mark is a recognized trademark by the WIPO Standing Committee on the Law of Trademarks, however, the test of distinctiveness is harder. In *Re NV Organon*, an attempt to register orange flavour for pharmaceuticals was rejected.
- (d) Three-Dimensional Trademarks- Product's shape and packaging can also be registered as a trade-mark under the category of 3-D marks. In *Nestle Waters France v. European Union Intellectual Property Office*<sup>11</sup>, the European Court of first instance considered the transparent bottle used by Contrex® for its mineral water as a valid trademark. Its overall aesthetic look was deemed appealing, and consumers easily distinguished its shape from other similar goods, thus making it truly specific.

### 3. Other Marks:

- (a) Certification Trade Mark- A certification trademark means those marks indication that the products or the services have met the standardised quality, origin, material, manufacture of goods or performance of services, accuracy, etc., and are further detailed under Chapter IX of the Act.<sup>12</sup> E.g., ISI is a Certification mark that stands for the Indian Statistical Institution, whose main function includes research and training programs and the development of theoretical statistics. FSSAI (Food Safety and Standards Authority of India), which establishes standards to ensure Food Safety, is also a certification trademark.
- (b) Collective Mark- According to S. 2(1) (g), a collective mark means “a trademark distinguishing the goods or services of members of an association of persons not being a partnership with the proprietor of the mark from those of others.”<sup>13</sup> E.g., CA used by the members of the Institute of Chartered Accountants of India (ICAI)
- (c) Well-Known Trade Mark- It is defined under S. 2 (1) (zg) of the Trade Mark Act, 1999. A Well-known trademark refers to a mark that is popularly known by a

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<sup>11</sup> Nestle Waters France v. European Union Intellectual Property Office, Case No. T- 305/02

<sup>12</sup> S. 2(1) (e), The Trade Marks Act, 1999, No. 47, Acts of Parliament, 1999 (India).

<sup>13</sup> The Trade Marks Act, 1999, No. 47, Acts of Parliament, 1999 (India).

segment of people in society who use it and trust the same. The producer who uses such a trademark has earned goodwill. The incorporation of a Well-Known Trademark under the Trademark Act, 1999 was done to protect not only such a trademark that was used in connection with some goods or services but also to protect the same from being used for some other goods or services.

For instance, In *Carrefour v. Subburaman*, the appellant was the producer of a variety of goods/products under the trademark of CARREFOUR except furniture and he has also got his trademark registered since 1995. The respondent, in this case, started to start selling furniture under the trademark of CARREFOUR. The court observed that the applicants were successful in explaining the reason for adopting their trademark, on the other hand, the respondents failed to explain the reason for using CARREFOUR as their trademark. The court held that the use of CARREFOUR as their trademark by the respondents had caused grievance to the appellants as the segment of people who trusted the products of the appellant might have been misled by the respondents in a way that the furniture sold was the one produced by the appellants.

- (d) Literary Title- The protection of titles of books, newspapers, songs, movies, web series, etc. is provided under the trademarks and not under the copyrights. E.g.- The Hindu newspaper, Harry Potter, etc.

## REGISTRATION OF TRADEMARKS:

Registration of a trademark helps the trader to achieve the right to property over their trademark. The registration of a trademark is not compulsory under the Trademarks Act, 1999, however, one should get their trademark registered. Though one has the right of passing off, but registration gives the trader exclusive right to use such trademark, and proving passing off becomes a bit difficult.

The Trademark registration in India happens on a 'first-come, first-served basis.' Therefore, it is important to apply for registration as soon as possible. Getting a trademark registered takes 2-3 years if a third party does not oppose it.<sup>14</sup>

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<sup>14</sup> Haridya Iyengar, *What is a procedure to register a Trademark in India*, IPLEADERS, (February 1, 2016), <https://blog.ipleaders.in/registration-of-trademarks/>



Any person who wants to get their trademark registered must first do a Public Search to check any already existing and registered similar/ identical trademarks to that of his/ her intended Trademark. After doing so, the person shall file a written application to the registrar having jurisdiction for the same. S. 18 deals with the application for the registration of a trademark.

### **Application for Registration (S.18)**

- (1) Any person who desires to be the trademark owner shall make an application in writing in a prescribed manner to the Registrar.
- (2) A single application can be for different goods and services; however, a respective fee must be paid for each such class of goods and services.
- (3) The application shall be made to the Trademark Registry where the applicant's place of business is established, and in the case of a joint application, the place of business of the applicant whose name is first mentioned in the application.
- (4) After receiving the application, the Registrar may accept it absolutely, or under some modifications or amendments may accept it, or may refuse such application.
- (5) In case of refusal or acceptance of the application under modification or amendments, the registrar shall mention the grounds and reasons for arriving at such a decision.<sup>15</sup>

For registration of trademarks, S. 7 of the Act empowers the Registrar to make the classification of goods and services according to the International Classification of Goods and Services. In case of doubts regarding the same, the decision of the registrar shall be final.

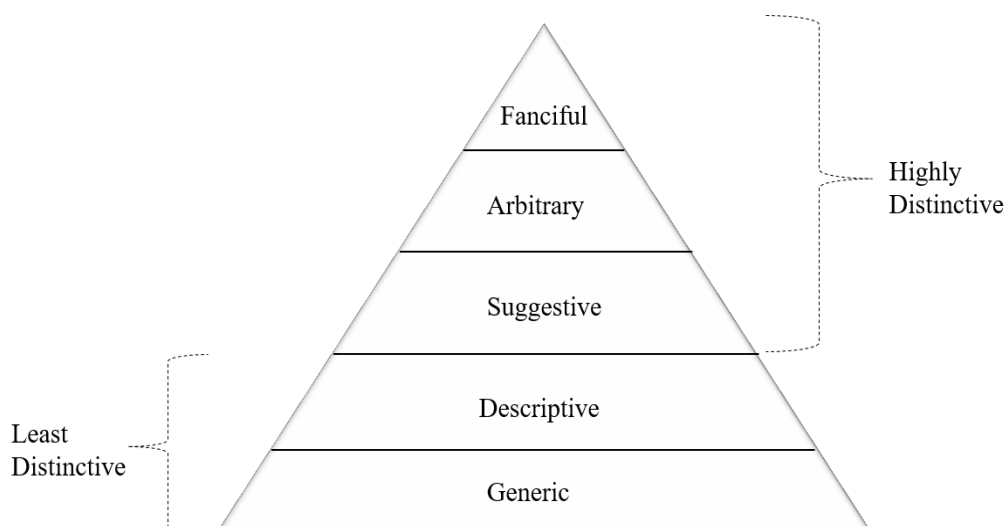
### **DISTINCTIVENESS:**

The distinctiveness of a mark is the hallmark of the law of trademark.<sup>16</sup> The distinctiveness feature plays a crucial role during the registration of a trademark. The registration of a trademark may be refused on the ground of non-distinctiveness. The following 'distinctiveness spectrum' will help one understand- what kind of marks can be considered highly distinctive and what can be considered the least distinctive.

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<sup>15</sup> The Trade Marks Act, 1999, No. 47, Acts of Parliament, 1999 (India).

<sup>16</sup> Dr. B.L. WADEHRA, LAW RELATING TO INTELLECTUAL PROPERTY, 147, (Universal Law Publishing Co., 5<sup>th</sup> ed. 2014).



1. Fanciful- Those trademarks that do not have any literary meaning. These marks can easily obtain a trademark as they serve as the highest distinctive marks. Eg.- Kodak, Google, etc.
2. Arbitrary- These are the marks that do have a meaning in general, but have nothing to do with the product being sold under that mark. Eg.- Camel, Apple, etc.
3. Suggestive- Those trademarks that specify the quality of the products being sold or the services being rendered under such mark. Eg.- Burger King, Netflix, etc.
4. Descriptive- Marks that describe the character of the goods sold or the services rendered. Eg.- Super Glue, Cold cream, etc.
5. Generic- Using commonly used terms as trademarks. Eg.- Potato chips, water bottle, etc. There are very negligible chances of getting them registered as trademarks.<sup>17</sup>

*Eastern Photographic Materials Co. Ltd. V. Controller General of Patents, Designs, and Trademarks*<sup>18</sup>. The case is popularly known as the “SOLIO” case, where the appellant's application regarding the registration of the word “SOLIO” as their trademark was refused by the registrar on the ground that the word had reference to the character of the goods, as the word “S.O.L” in Latin meant Sun which had direct reference to the goods produced by the appellant, i.e., the photographic papers which are operative by the sunlight. And on the ground that the word is not an invented word.

<sup>17</sup> Poorvika Chandanam, *Spectrum of Trademark Distinctiveness*, IP MATTERS, (Aug 14, 2020), <https://www.theipmatters.com/post/types-of-marks-protectability>

<sup>18</sup> *Eastern Photographic Materials Co. Ltd. V. Controller General of Patents, Designs, and Trademarks*, 1898 AC 571.

The House of Lords observed that the novelty of the word alone is not sufficient to make it an invented word. A word in a foreign language may be considered as an invented word for the purpose of registration as a trademark. The court held that SOLIO is not SOL and SOL is not SOLIO. SOLIO may pass for an invented word, as the word must be taken as a whole. SOLIO in Italian means a throne or a royal seat and it certainly has no reference to the character or quality of photographic paper.

Hence, no distinctiveness can act as a reason for the refusal of the registration of trademark among others. The absolute ground for the refusal of the registration of a trademark is provided under S. 9 of the Act which includes, any mark comprising of the scandalous and obscene material, or a mark which is likely to hurt the religious sensitivity, etc. The relative grounds for the refusal of the registration of trademarks is provided under S. 11 and include any mark which is deceptively similar, or has violated the law of passing off, etc.

### **TRADEMARK LICENSING-**

The term 'Trademark License' is nowhere used in the Trademark Act, 1999. In general, a Trademark License refers to a contract between two parties wherein the Trademark Owner (Licensor) agrees to Transfer certain rights associated with that trademark to another person (Licensee). However, in any situation, the exclusive right of ownership will remain with the Licensor. In place of terms like License, Licensor and Licensee, the Act used the terms like 'Permitted Use' under S. 2(r), 'Registered Proprietor' under S. 2(v), and 'Registered User' under S. 2(x), respectively.

The Registered user is any person other than the Registered proprietor who has been granted the right to permitted use subject to his/her registration of such a right u/s 49.

### **TYPES-**

1. **Exclusive License-** The Licensee himself gets the exclusive right to use the Trademark, and the Licensor holds no further right, but he retains the exclusive right to ownership over it.
2. **Non-exclusive License-** Licensee gets the right to use it, and the licensor still retains the right to use it, further license it, and also the exclusive right to ownership over it.

3. **Sole License-** Licensee gets the right to use it, and the licensor still retains the right to use it, and also the exclusive right to ownership over it, but does not have the right to further License it.
4. **Sub License-** In this type of License, the Licensee gets the right to use it, along with the right to further license it to another party, and the licensor still retains the right to use it, further license it, and also the exclusive right to ownership over it.<sup>19</sup>.

### **TRADEMARK INFRINGEMENT:**

When an unauthorised person (not being a registered proprietor) uses an identical or a similar registered trademark, so as to render such use as his/ her trademark, then the person could be said to have committed trademark infringement, the same is mentioned under S. 29 of the Act.

According to S.134, a suit for infringement of a trademark must be filed in a court not subordinate to the District Court.

### **Domain name infringement-**

Due to the widespread of the internet nowadays, the trade of many goods and services is also carried on through the same under their respective domain names. For eg., amazon.com. ICANN [Internet Corporation for Assigned Names and Numbers] is one such organization that registers these domain names as trademarks/ service marks. If such a domain name fulfils all the conditions necessary for getting a mark registered as a trademark, then the same can be registered as a trademark or a service mark under the terms of the Trademark Act, 1999.

In *Satyam Infoway v. Sifynet Solutions*,<sup>20</sup> the Supreme Court held that “domain names are business identifiers, serving to identify and distinguish the business itself or its goods and services and to specify its corresponding online location.” The court also observed that domain name has all the characteristics of a trademark and an action of Passing off can be found where domain names are involved.

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<sup>19</sup> Setindiabiz Team, *Trademark Licensing in India- Types, Procedure, Benefits*, SETINDIABIZ, (June 17, 2024), <https://www.setindiabiz.com/learning/licensing-of-trademark>.

<sup>20</sup> *Satyam Infoway Ltd. v. Sifynet Solutions Pvt. Ltd.* 2004 (3) AWC 2366 SC

**Passing off-**

If a person sells his goods as the goods of another then the trademark owner can take action as this becomes a case of passing off. Passing off is a concept used to protect the goodwill of an unregistered trademark. For a registered Trade Mark a suit for infringement can be instituted, for a non-registered trademark a suit for passing off can be instituted.

**Defences available to the Trademark Infringer-**

1. Honest and Concurrent Use (S.12)- It is when both the users have identical/similar mark or similar/non-similar goods, and when the latter user is a bonafide user without knowing the earlier registered trademark.
2. Delay & Acquiescence- when there has been a lot of delay in filing the suit against the defendant, then the defendant may contend that this delay has resulted in the acquiescence (acceptance) by the Plaintiff concerning the defendant's use of such mark.
3. Prior Use- Defendant can prove that he has been using such a mark even before the Plaintiff got it registered.
4. Parody, Non-use by Registered owner, Fair & Generic use.

**Remedies available to the injured party after infringement-****1. CIVIL REMEDIES-**

- (i) Injunction
- (ii) Account of Profits- Damage caused to the Plaintiff is immaterial, actual profit made by the defendant out of the sale of the infringing goods must be assessed while giving it to the Plaintiff.
- (iii) Destruction of goods using infringing mark
- (iv) Cost of Legal Proceeding

**2. CRIMINAL REMEDIES-**

- (i) **According to S. 103**, if any person falsifies any Trademark or falsely applies to Goods/Services any Trademark, then he shall be punished with the imprisonment of a term which shall not be less than six months and which may extend up to 3 years and with fine which shall not be less than Rs. 50,000 but which may extend to Rs. 2,00,000.

- (ii) **According to Section 104**, if any person who helped the accused by selling, providing or hiring services of such good, possessing such goods for sale or any other possible way will be punished with imprisonment for a term which shall not be less than 6 months but which may extend to 6 years and with fine which shall not be less than Rs 50,000 but which may extend to Rs. 2,00,000.
- (iii) **According to Section 105**, if a person commits any of the offence provided in section 103 or 104, he shall be punishable for the second and for every subsequent offence, with imprisonment for a term which shall not be less than 1 year but which may extend to 3 years and with fine which shall not be less than Rs. 1,00,000 but which may extend to Rs. 2,00,000.

### RECENT JUDICIAL PRONOUNCEMENTS:

#### *Industria De Diseno Textile Sa v. Oriental Cuisines Pvt. Ltd. And Ors.*:<sup>21</sup>

##### **Facts-**

The plaintiff, in this case, is an Internationally reputed Company dealing with the manufacturing and sale of fashion and lifestyle-related goods and services under the trademark of 'ZARA', since 1975, and the first shop was established in A Coruna, Spain. 'ZARA' was doing business in India through a joint venture with Trent Ltd. of the well-known 'TATA Group Co.'. Since 1986-87 the use of 'ZARA' products has been extensive in India and with the opening of commercial outlets in 2010 'ZARA' has gained a tremendous reputation in India. The plaintiffs registered the domain name zara.com on 29<sup>th</sup> May 1997. Defendants on the other hand run a Cuisine business and in 2003 they named one among them as 'ZARA TAPAS BAR'.

The plaintiffs filed this case seeking ad interim injunction under Order XXXIX Rules 1 and 2 read with Section 151 of the Code of Civil Procedure, 1908 (CPC) against the defendants' use of 'ZARA TAPAS BAR' as their brand name/ trademark on the ground that plaintiff's trademark i.e. 'ZARA' is a well-known trademark within the meaning of S. 2(zg) of the Trademarks Act, 1999, therefore, the plaintiffs are entitled to protect it against any other confusingly similar marks even in cases where the goods/services provided by other such mark user are of different classes.

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<sup>21</sup> Industria De Diseno Textile Sa v. Oriental Cuisines Pvt. Ltd. And Ors, 2015(63) PTC 153(Del)

**Issues-**

1. Whether there is any deceptive similarity between Plaintiff's mark 'ZARA' and Defendant's 'ZARA TAPAS BAR'?
2. Whether the adoption of the mark 'ZARA TAPAS BAR' was dishonest or fraudulent or it is an honest adoption and Defendant is entitled to the concurrent user of the mark?
3. Whether the mark 'ZARA' is used by many entities and has become publici juris?
4. Whether there is a great delay in filing the suit and whether it amount to acquiescence on the part of the Plaintiff?
5. Whether there is suppression/concealment of material facts to disentitle the Plaintiff to the discretionary relief of injunction? and
6. Whether the Plaintiff's mark 'ZARA' is a well-known trademark and has a trans-border reputation or in the alternative the Defendants are entitled to use the mark 'ZARA TAPAS BAR'?

**Whether there is any deceptive similarity between Plaintiff's mark 'ZARA' and Defendant's 'ZARA TAPAS BAR'?****Plaintiffs' Contention-**

Plaintiffs argued that the defendants used the mark 'ZARA' per se and also 'ZARA TAPAS BAR', however, the term 'ZARA' was of much more prominence which was likely to deceive the consumers. Plaintiffs herein have provided screenshots from the Facebook account of the defendants where they tried to advertise their goods and services under the name of 'ZARA'. In most of the screenshots the mark 'ZARA' alone was used and even where the mark 'ZARA TAPAS BAR' was used the word 'ZARA' was ten times bigger than the word 'TAPAS BAR'.

Plaintiffs have contended that the defendants have fraudulently and dishonestly adopted their mark in 2003. Plaintiffs argued that they adopted the mark ZARA in 1975 and got the domain name 'zara.com' registered on 29<sup>th</sup> May 1997. By 2003, when the defendants claimed to have opened the first 'ZARA TAPAS BAR' the plaintiffs had already opened their stores in nearly 44 countries and had annual turnover of 3 billion Euros by that time.

The Plaintiffs presented a long list of cases where the Plaintiffs' mark 'ZARA' was protected in Japan, Czech Republic, Portugal, Hungary, Uruguay, Spain, Colombia, Turkey, and European Union.

Plaintiffs have provided several documents before the court in a proof that their mark is a well-known trademark and has a cross-border reputation, wherein the court has taken into consideration only the ones relating before 2003. One among them is an article published by CNN.com Business/ Europe with the title “ZARA, a Spanish success story”, etc.

### **Defendants’ Contention-**

Defendants argued that they are not using the mark ‘ZARA’ alone, they are either using the mark ‘ZARA TAPAS BAR’ or ‘ZARA, the Tapas Bar and Restaurant’. These marks are used by them concerning the goods and services completely different from those of the plaintiffs’, therefore, there is no similarity between the marks used by the plaintiffs and the defendants.

Defendants contended the adoption of their trademark to be honest, which has within a short period gained a tremendous distinctiveness and that they have been using the trademark for over a decade (till the date of filing of the case). Defendants further contended that ‘ZARA’ is a commonly used dictionary word and has several meanings in different languages, especially in Hindi, Arabic, Urdu and Hebrew to name a few.

Defendants contended that the mark ‘ZARA’ has become publici juris as it has been used by many other businesses. Defendants presented a list of third-party registrations consisting of the word ‘ZARA’, a few examples out of which are, HAZARA KEWDA, LOZAR-A, ZARASA, BANZARA, and ZARAL, etc.

Defendants contended that they got their Bar licensed under the mark of ‘ZARA TAPAS BAR’ in 2002. They have been advertising their business since 2003. There has been a long and unreasonable delay by the plaintiffs to file the suit which has resulted in acquiescence on the plaintiff's part. When the defendants applied for the trademark registration in 2011, the plaintiffs had filed an opposition, which is the plaintiffs’ acknowledgment regarding the defendants' use of their mark. However, the plaintiffs have failed to file the case on the same within these 3 years resulting in acquiescence.

It was argued by the defendants that there is a part of concealment and non-disclosure of material facts on the part of the plaintiffs as their knowledge regarding the defendants' business was not obtained in 2011 but in January 2008 itself, hence, it would disentitle the plaintiffs from seeking the discretionary relief of interim/ permanent injunction.

Defendants argued that the plaintiffs’ reputation at the time of filing of the suit would be irrelevant, they would have to prove their goodwill and reputation at the time of Defendants'



adoption of their mark, i.e., in the year 2003. While presenting this argument they relied on the case named *Smithkline Beecham Consumer Healthcare GMBH & Ors. v. G. D. Rathore & Ors. (2002) 25 PTC 243 (Delhi)*, where it was held that in the absence of any goodwill or reputation, it cannot be presumed that there is any cross-border reputation.

### **Court's Observation-**

Issue 1- It was held that relying on the screenshots presented by the Plaintiffs as pieces of evidence, it becomes clear that wherever the defendants have used their mark as 'ZARA TAPAS BAR' or 'ZARA, the Tapas Bar and Restaurant', the word 'ZARA' was more prominently used and the other terms i.e., the 'TAPAS BAR' or 'the Tapas Bar and Restaurant' were hardly readable and in many a place the defendants have merely used the word 'ZARA'. Thus, there exists a deceptive similarity between the marks used by the plaintiffs and the defendants on the ground of how that mark has been used by the defendants.

Issue 2- It was held that it is too much to say that 'ZARA' is a dictionary word. 'ZARA' is neither a generic nor a dictionary word as far as Spain is concerned. Defendants were unable to give any sound reason for the adoption of their mark. If the defendants did not want to ride on the plaintiffs' reputation they would have not used the word 'ZARA' ten times bigger than 'TAPAS BAR' or the 'Tapas Bar and Restaurant'.

Issue 3- The court found it unfortunate that the defendants claimed the words HAZARA KEWDA, LOZAR-A, etc., to be similar to the Plaintiffs' mark 'ZARA'. It held that, firstly the defendants failed to satisfy the court regarding the wide use the plaintiffs' mark by other businesses and even if it was used by any other business, the same will not disentitle the plaintiffs to claim relief against the defendants.

Issue 4- The court on this issue held that the mere filing of opposition in the year 2011 and the non-filing of the suit till 2013 will neither amount to acquiescence nor this delay of three years will disentitle the plaintiffs from filing this case or seeking relief from the defendants. To arrive at this decision the relief on the case named *N.R. Dongre & Ors. v. Whirlpool Corp. & Anr., (1996) 5 SCC 714*, where the court held that Mere delay does not amount to acquiescence. Delay without prejudice is not a good defense.

Issue 5- The court on this issue decided that when an ex-parte ad interim injunction is claimed by the plaintiffs then the full disclosure of the facts is required however when both the parties are present in front of the court and the matter is to be decided on merits then the non-disclosure

of any fact or misstatement of any fact unless malafide, will not disentitle the plaintiff from seeking the relief. The acknowledgment on the part of the defendants regarding the opposition filed by the plaintiffs would be sufficient to not disentitle the plaintiffs from seeking relief.

Issue 6- Court relied on the case of *N.R. Dongre & Ors. v. Whirlpool Corp. & Anr.*, AIR 1995 Delhi 300, where the court held that the knowledge of the goods of trader bearing a trademark doesn't need to be restricted to only those in whose country such goods are available. But there is a way possibility that the knowledge regarding the same may reach to shores of those countries where such goods were not available. By the 21st Century through the dissemination of Information Technology, the information relating to 'ZARA' might have reached to the people of India with the help of internet or television.

### **Final decision of the Court-**

The Hon'ble Delhi High Court ruled in favor of the plaintiffs by holding that the defendants' adoption of the mark 'ZARA TAPAS BAR' was dishonest and fraudulent. The defendants' explanation regarding the adoption of their mark and ZARA as a common dictionary word was not found to be satisfactory or convincing. Plaintiffs' mark was a well-known trademark. Hence, they have a prima facie case entitling them to protect their mark in dissimilar goods/services as well. The court was satisfied that if they are not granted such protection, they may face irreparable loss. Accordingly, the ad-interim injunction was granted.

### ***Shisham Hinduja v. Cloutail India Private Limited.*<sup>22</sup>**

#### **Facts of the Case-**

The Plaintiff commenced her chocolate making business in 2008, under the name of 'Regalar'. She claims that on 02-06-2010, she coined and adopted the term "Happy Belly Bakes" and continued to use it since then without any interruption, in the city of Bengaluru. Gradually, she started making a variety of Products like cakes, cookies, chocolates, cupcakes, deserts, brownies, breads, etc. and started taking catering orders.

She further stated that on 6-09-2009 she started her own website named 'www.happybellybakes.com', and her products were also listed in the food websites like Zomato, swiggy, and other google business platforms. She also claims that in order to seek

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<sup>22</sup> Shisham Hinduja v. Cloutail India Private Limited., VII Additional City Civil Judge at Bengaluru City, OS No. 610/2018

further protection she filed application for the registration of her Trademark on 14-07-2015, and the same was granted in the year 2016.

She claims that during the festive months of November and December, 2017, i.e., during the Christmas and Newyear festival period, she got to receive inquiries from her customers about whether she had the contract of selling her products through the website of 'www.amazon.in'. On the search to this website, the Plaintiff got to know that the Amazon was selling the bakery products under the name of "Happy Belly" through the Company Cloutail India Pvt Ltd. As the Defendants mark i.e., "Happy Belly" is deceptively similar to the Plaintiff's mark i.e., "Happy Belly Bakes" and since same was applied by the Defendants for the registration, the Plaintiff files this case in 2018, in order to protect its goodwill.

### **Issues of the Case-**

- i. Whether the plaintiff prove that it is the registered owner of trademark "HAPPY BELLY BAKES"?
- ii. Does the plaintiff prove that its products are being sold online by the defendants without any authority from the 18 OS.No.610/2018 plaintiff and thereby the defendants have passed off and infringed plaintiff's trademark?
- iii. Whether Amazon proves that it is an intermediary for providing online market services and not liable for the data information or communication hosted by third parties?
- iv. Whether the plaintiff is entitled for the relief of permanent injunction as sought for?
- v. Whether the plaintiff is entitled for the relief of mandatory injunction as sought for?

### **Plaintiff's Contention-**

Apart from the abovementioned claims the Plaintiff in support of herself examined as PW.1 and 1 witness as PW.2 and got marked documents at Ex.P.1 to 392. Plaintiff had also produced various photographs in her favour. The advocate of the Plaintiff had also filed lengthy written arguments in the favour of the Plaintiff.

### **Defendants Contention-**

Defendants contended that the Plaintiff's mark is a Device mark and not the Word mark. The defendant further contended that the Plaintiff's products are sold only in the locality of the Bangalore city, however, the defendant's trademark under the name of "Happy Belly" is used world-wide.

They further claimed that the writing style and pictorial mark of both the Plaintiffs and the Defendants have been different, hence, not deceptively similar.

The specific claim of Amazon was that it is an intermediary dealing with several online businesses and that their act is protected under S. 2(1)(w) and S.79 of the IT Act. Accordingly, they prayed for the dismissal. The defendant further contended that the Plaintiff has no goodwill/reputation. The defendants contended that there is the delay in filing of the suit by the Plaintiff.

### **Court's Decision-**

On the claim of prior use of the mark, the court held that the Plaintiff had submitted the certificates that disclose that the Plaintiff was the first to get his Trademark i.e., "Happy Belly Bakes" registered therefore ruled it in the favour of the Plaintiff.

On the claim that Defendants were using the mark and were selling their products under this mark worldwide, the court held that since Plaintiff was the one who got her Trademark registered in India first, therefore, though the defendants were selling their product worldwide they do not have authority to use the same in India.

On the issue regarding the infringement of the Plaintiff's mark by the defendants, the court ruled that since the defendants were using a similar kind of products as that of the plaintiffs and were using deceptively similar mark, therefore, they were the infringers of the same.

On the claim that the Plaintiff's mark is registered under the Device name and not under the word name authorizes the Defendants to get their Trademark registered, the court ruled that the provisions of the Trademark Act nowhere discloses the necessity to take a separate registration on device or trademark or label and that the proves submitted by the plaintiff that the defendants were also seeking to get their Trademark registered under the device name as they have filed the application for the same, therefore, defendants' won't be accepted.

On the claim that the plaintiff has no goodwill and reputation, the court stated that the same cannot be accepted because the Plaintiff is running the business since 2008, and as the suit was filed in 2018, these 10 years would be sufficient for one to gain goodwill.

On the specific claim by Amazon that it is merely an intermediary, the court ruled that the same must be considered but it ordered that Amazon should not entertain Cloutail India Pvt. Ltd.'s tradename "Happy Belly" in its online platform.

The issues regarding the Plaintiff's entitlement for the permanent and mandatory injunction, the court ruled that the Plaintiff is entitled for the same.

Hence, the court ruled in favor of the Plaintiff by stating that the defendant's mark i.e., "Happy Belly" due to its similarity in phonetic and visual representation is deceptively similar to the Plaintiff's mark, i.e., "Happy Belly Bakes". It also directed Amazon to remove the products deceptively similar to the Plaintiff's trademark in its online platform.

***Mondelez India Foods Private Limited (formerly Cadbury India Ltd.) v. Neeraj Food products*<sup>23</sup>**

**Facts of the case-**

The Plaintiff began its business operations in 1947 and is stated to be a market leader in chocolate products worldwide including India. The leading brands of Plaintiff are 'CADBURY DAIRY MILK', CADBURY GEMS', 'CADBURY 5 STAR', 'CADBURY PERK', etc. It found that the Defendants launched a chocolate product under the mark of 'JAMES BOND' with an identical colour scheme, layout, and arrangement as that of the Plaintiffs' 'CADBURY GEMS/ GEMS' products, therefore, Plaintiffs filed this suit against the defendants in August, 2005.

The Plaintiffs through this suit sought a mandatory injunction thereby directing the Defendants and their representatives to handover to the Plaintiffs all the packaging and promotional material and any other material whatsoever bearing the trademark 'JAMES BOND'.

Initially, the Defendant appeared before the court but thereafter stopped appearing and on order dated 24<sup>th</sup> April, 2006, an ex-parte proceeded against the Defendant. The Defendant however moved an application for setting aside the ex-parte proceeding on the ground that the non-appearance was not intentional and the same was allowed on 25<sup>th</sup> July 2006.

**Issues of the case-**

- i. Whether the plaintiffs are entitled to the relief of permanent injunction?
- ii. Whether the plaintiffs are entitled to the relief of mandatory injunction?
- iii. Whether the plaintiffs are entitled to damages? If yes, to what extent?
- iv. Whether the plaintiffs' are the registered proprietor of the trademarks in India?

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<sup>23</sup> Mondelez India Foods Private Limited (formerly Cadbury India Ltd.) v. Neeraj Food products, 2022(92) PTC 255(Del)

- v. Whether the plaintiffs are the copyright owners of the artistic work with respect to a character known as "GEMS BOND"?
- vi. Whether the acts of the defendant constitute infringement of the registered trademarks of the plaintiffs?
- vii. Whether the acts of the defendant constitute passing off its goods as and for the goods of the plaintiffs?

**Plaintiff's Contention-**

The Plaintiffs tried to prove their arguments through various witnesses and by exhibitions of various documentary evidence, wherein one such evidence reveals that two of their marks i.e., 'CADBURY'S MILK CHOCOLATE GEMS' was registered on 20<sup>th</sup> May 1968 and 'CADBURY GEMS' got registered on 14<sup>th</sup> October 1992. Schweppes Overseas Limited, permitted the use of the mark 'GEMS' by Cadbury India Limited for exclusive use in the territory of India, Nepal, and Bangladesh.

Plaintiff further contended that they have been using 'GEMS BOND' a character portrayed in a western suit carrying a gun along with 'GEMS' chocolate products for packaging and other promotional materials. They also stated that the Plaintiff's GEMS product is one of the most popular and well-recognized chocolate products in India. Almost everyone's childhood is associated with the consumption of the Plaintiff's 'CADBURY GEMS'/'GEMS'.

Plaintiff further contended that the Defendants has also copied the uneven scripting pattern of the of 'GEMS' on the Pillow Pack as Defendants has also placed 'JAMES BOND' in an uneven script. The Defendant has also placed half chocolate-tablets showing the chocolate centre in the exact same manner as the Plaintiffs. The Plaintiffs have written the trade mark 'GEMS' in the colour white, and the Defendant has used an identical white for inscribing 'JAMES BOND'.

**Defendant's Contention-**

The Defendants contended that their mark/ label are not identical or deceptively similar. They further contended that Defendant's products are different from Plaintiff's products as Plaintiff only produces chocolate-related products, however, the Defendants had filed the Trademark Application in August 2002 under Class 30 for all kinds of food products from confectionary to Churan Goli, etc. Defendant further claimed that Plaintiff's mark does not find a mention in the search report, and therefore, the said Defendant's Trademark cannot be said to be identical/ Deceptively Similar to Plaintiff's Trademark.

## Court's Decision-

The court to arrive at its decisions has relied on the no. of Judicial Pronouncements. To test the deceptive similarity of competing marks it relied on the SC Judgement, *Corn Products Refining Co. v. Shangrila Food Products Ltd.*, (1960) 1 SCR 968, wherein the court held that the said question of deceptive similarity must be approached from the point of view of a man of average intelligence and of imperfect recollection.

In *Harry Reynolds v. Lafferty's Ltd. (Aquamatic case)*, it was held that the test of commonness of idea between two marks was applied in deciding the question of similarity between them. In *Parle Products (P) Ltd. v. J.P. & Co., Mysore* [AIR 1972 SC 1359], it was held that the Court has to see similarities and not dissimilarities.

The court stated that it would be too much to expect that the consumers of Trademarked goods should be able to remember the exact details of the marks. Marks are remembered rather by general impressions or by some significant detail than by any photographic recollection of the whole. Moreover, variations in detail might well be supposed by customers to have been made by the owners of the trade mark they are already acquainted with for reasons of their own.

Hence, it is clear that to decide whether a mark is deceptively similar or not, the broad features of both the marks are to be considered. It would be enough if the impugned mark bears an overall similarity to the original mark and is likely to confuse/ mislead the regular customers of the original Trademark.

On Issue no. 1 and 2 i.e., whether the Plaintiff is entitled to the permanent and mandatory injunction, the court ruled in the favour of Plaintiff.

On issue no. 3, i.e., whether the Plaintiffs are entitled to damages, the court held that in view of the conduct of defendants in infringing the well-known mark of the Plaintiffs, the Plaintiffs would be entitled to the award of damages.

On Issue no. 4, i.e., Whether the Plaintiffs are the registered proprietor of the trademarks, relying on the evidence and the certified copies of the certificates relating to the Plaintiffs registration of their mark in respect to 'GEMS' the court ruled in favor of Plaintiffs. Issue no. 6 and 7, i.e., whether the acts of the defendant constitute infringement and passing off of the registered trademarks of the plaintiffs, were also ruled in favour of the Plaintiff on the basis of arguments and evidences submitted by both the parties.

***Nandhini Deluxe v. Karnataka Co-Operative Milk Producers Federation Ltd.***<sup>24</sup>**Facts of the case-**

In this case, the respondents adopted the mark NANDINI (in Kannada) in 1985 for milk products. The appellants in this case were running a restaurant and selling various foodstuffs of their restaurants and have adopted the mark NANDHINI in the year 1989 and have applied for the registration of the trademark 'NANDHINI DELUXE WITH LOGO (Kannada) in respect of preserved, dried and cooked fruits and vegetables, jellies, jams, eggs, milk and milk products, meat, fish, poultry, meat extracts, edible oils and fats, salad dressings, preserves and all other goods being included in Class 29. The respondent had filed an opposition and his objections (filed u/s 9 and 11 of the Trademarks Act, 1999) were rejected by the Deputy Registrar, who allowed the registration of the said mark by the appellants on 13<sup>th</sup> August, 2007.

The Respondent herein, had approached IPAB with a prayer to cancel the registration of the Appellant's trademark, and the IPAB in an order dated 4<sup>th</sup> October, 2011 had ruled in the favour of the respondent. The High Court of Karnataka, in the writ petition filed by the Appellant in this case, has on 2<sup>nd</sup> December 2014 ruled in favor of the Respondent herein. Therefore, to seek relief the appellant approached the Supreme Court in 2018.

**Issues of the case-**

- (i) Whether the IPAB and the Karnataka High Court have wrongly interpreted S.11?
- (ii) Whether the mark adopted by the Appellants was deceptively similar to that of the respondents?

**Appellant's Contention-**

The Appellant contended that the trademark obtained by them was a bonafide adoption and that the same has received the registration of copyright under the Copyright Act, 1957. They further argued that the style, getup, design, or the artistic work that has been adopted by the Appellants was completely different, hence, there could be no question of deception or confusion.

It was further argued that the goods and the services rendered by the Appellant's restaurant were different from those of the respondent's milk products, and IPAB was mistaken by stating

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<sup>24</sup> Nandhini Deluxe v. Karnataka Co-Operative Milk Producers Federation Ltd., AIR 2018 SUPREME COURT 3516



that as the products of both the parties fall under the class 29 and 30 therefore, the mark adopted by the Appellants was Deceptively Similar. The Appellants stated that the Respondents were only dealing with Milk and Milk Products and they had no intention to expand the same, hence, their case could only be for the same. They further contended that the IPAB and the Karnataka High Court have wrongly interpreted S. 11 with respect to their case.

### **Respondent's Contention-**

Respondent contended that both parties' products were not popular beyond Bangalore, therefore, as Respondent was the 1<sup>st</sup> to use such a mark so he should have an exclusive right to use the same in Bangalore city. It was further contended that they have been using the mark for a long period, hence, their mark has acquired a distinctive character, therefore, the Appellant's use of their mark is likely to deceive the public. Respondents argued that the mark used by the appellant was different from that of the Respondent's mark only in one letter i.e., H and there was no phonetic dissimilarity.

Respondents argued that the IPAB's and Karnataka High Court's consideration of their mark as a well-known Trademark and their consideration regarding the same with that of S. 11(2) and S. (8) were also correct. It was further contended that the evidence placed before the court by the appellants was contrary to their statement of them (Appellants) being honest and concurrent users.

### **Court's Decision-**

The SC held that the products and the Trademark of both parties were dissimilar and even the nature of their trade was also unlike which is unlikely to cause any confusion in the minds of the consumers. It also stated that the Respondent's trademark is generic and no monopoly can be created on the same. The SC to arrive at its decision has relied on the no. of cases and one such case is *Vishnudas v. Vazir Sultan Tobacco Ltd.*, wherein it was held that if the Trademark owner does not have an intention to expand his business then the same cannot be monopolized over the complete set of goods in a broad classification (i.e Class 29 and 30).

Hence, the SC ruled in favor of the appellant, by allowing the registration of their mark with an attached condition that the Appellants cannot use their Trademark in respect to any milk products.

**Starbucks Corporation v. Sardarbaksh Coffee & Co.<sup>25</sup>****Facts of the Case-**

Starbucks Corporation which is a world-famous coffee corporation got its trademark with a logo of “a crowned maiden with long hair in a circle” registered in India in 2001. Defendant Sardarbaksh Coffee & Co. with a logo of a “Turbaned Commander’s Face with Wavy lines in a Black Circle” started their business in 2015. As a result in 2017, the Plaintiff sent a letter to the defendants through which they sought the defendants to change their logo. However, the Defendants in response merely changed the color of the logo to black and yellow. As a result, the Plaintiffs filed the case against the Defendants in the Hon’ble High Court of Delhi in 2018.

**Issues of the Case-**

Whether the Defendant’s trademark is deceptively similar, can be regarded as the main issue of this case.

**Plaintiff’s Contention-**

Plaintiffs contended that their trademark is a well-recognized mark and that the customers are likely to associate their products (coffee) with their trademark (Starbucks). It was further proved that they were the 1<sup>st</sup> ones to use and get their Trademark registered. Plaintiffs further contended that products and the class of the goods that were produced by the parties were identical and despite the letter issued by the Plaintiffs asking the defendants to change their logo (which is a sort of amicable settlement), the defendants were ignorant towards the same.

**Court’s Decision-**

The court ruled in favor of the Plaintiff. In its judgment, the court cited a case named *National Sewing Thread Co. Ltd. vs. James Chadwick and Bros AIR 1953 SC 357*, wherein the court held that for determining the deceptive similarity/ a misleading resemblance, the court has to step into the shoes of the man of ordinary prudence, and a mark can be said to be deceptively similar if such a man of ordinary prudence is facing trouble in telling the two apart.

The court ordered the Defendant to change the Trademark from “Sardarbaksh Coffee & Co.” to “Sardarji- Baksh Coffee & Co.”, however, the court allowed the defendants to use their Trademark (Saradrbaksh Coffee & Co.) for two already open locations.

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<sup>25</sup> Starbucks Corporation v. Sardarbaksh Coffee & Co., CS (COMM) 1007/2018

**CONCLUSION:**

Today where businesses make a good contribution to the country's GDP, the protection of such businesses from any unfair competition also becomes important, hence, Trademark is one such area that grants such protection. They act as a powerful tool as business identifiers. The legal framework of the trademark i.e., the Trademark Act, 1999 ensures the protection against the infringement of these Trademarks. However, there is still a need to bridge the gap of awareness regarding the same, as there are several SMEs that do not have much knowledge regarding the importance of getting the Trademark registered and the protection provided for the same. Another reason for their non-registration could be the costs the registration and the litigation fee in case of opposition which could be non-bearable by the smaller enterprises. Apart from these challenges trademarks mostly have proven to be useful for both the businessman and the consumers.