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“Dharma is to protect the Needy”

Research Article on
ROLE OF LEGAL ENFORCEMENT IN PROTECTION AND
DEVELOPMENT OF ECONOMIC GROWTH IN INDIA
(With special reference to contribution of Judiciary in protection of
Trademarks)

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I. INTRODUCTION

EVERY BRAND in the modern era has some reputation and goodwill and such brand recognition shall be considered the foundation for any successful business and it is the most valuable or precious asset for such a corporation or company. The most important thing for any brand is their reputation and they not only deal in providing just the basic function of guaranteeing the origin of product or service but they also hold the aura of attraction because of the reputation they command. Thus, the protection of the country becomes the most important thing for such brands to do business in other countries than its origin country.

In this 21st century, the development of any country cannot take place until all developed and developing countries open their markets for each other. The most important thing any country needs to do before doing any kind of trade or business is the effective protection for their reputed trade mark and preventing misuse of their goodwill by the local traders of such countries. In this era of globalization everything can be done by one click and by much other electronic machinery and there is no compulsion of physical boundaries between the countries and it has become very redundant.¹

In this capitalist era, the drive to sell goods in almost every corner of the world and the competition between the traders to earn maximum profit and the urge to expand the business in various foreign countries raised a new problem before today's judicial system. How to protect the interest of such manufactures on foreign soil?

The Indian judiciary has adopted the liberal approach in protecting the reputation and goodwill of such traders and they has recognized that the influence of companies ought not to be confined to the physical space in which they operate and therefore they need some effective protection and after looking all such considerations Indian court used the liberal approach by which such foreign trade marks and their reputation can be protected and by such approach foreign applicants can prove goodwill of their marks in India and sustain the passing off action by proving their reputation

¹ Nidhi Goyal, "Transborder reputation in India" 10 *JIPR* 125 (2004).

through widespread transmission of information and its goods or products in all other countries. They can also prove by sowing the evidence that Indian residents have knowledge about and they come to know about such brands when they travel abroad.²

II. ROLE OF TRADEMARK REPUTATION IN ECONOMIC DEVELOPMENT

The growth of the economy is the reason for the unparalleled increase in the recognition and registrations of the trademarks. The concept of trademark from ancient times played important role in economic development of the nation and was used as a commercial and marketing tool for the institution of competitiveness to endorse the market competence³. Trademark as an intellectual property is a significant ingredient in the present economic scenario and digital market space. A well-known trademark and brand can be expensive intangible property of a company.⁴

Due to globalization, liberalization of international trade and the expansion of digital technology, the need for brands, and trademarks are rising globally. In many developing and developed countries trademark filings and registration systems have been growing rapidly. Today, brands and trademarks are not only used by business sectors.⁵ It is also preferred and considered by nations and institutions to build a good image and reputation. Trademarks play an important strategic role in business enterprises for the promotion of the sales of product and service in the market. Trademarks help to strengthen the consumer loyalty towards products and services.⁶

A manufacturer and trader in modern times have to give a distinct name or look or get up to their product, so that the consumers do not get confused and rely on its quality, price and other features related to their products, and identify his product as distinguished from the other products of the same description. Every manufacturer makes an attempt to give the goods a different and separate

²Upshot of Fame: “Transborder Reputation in India” available at: http://www.phoenixlegal.in/manage/ArticlesPdf/2271300Oct_2012_-_Phoenix_Legal.pdf (Visited on March 18, 2020).

³ Economic Perspectives of Trademarks, available at: <https://www.nepjol.info/index.php/sj/article/view/20882> (Visited on September 20, 2020).

⁴ Rishi Ram Chapagai, “Economic Perspectives of Trademarks” 9 *The Saptagandaki Journal* 79 (2018).

⁵ D.W. Barnes, “A New Economics of Trademarks” 5(1) *Northwestern Journal of Technology and Intellectual Property* 22 (2006).

⁶ Building Value: The role of Trademarks for Economic Development, available at: <https://ecipe.org/publications/role-of-trademarks-for-economic-development/> (Visited on September 24, 2020).

look, quality and identity. Trademarks give choice to consumers and play a very important role as it gives the buyer an opportunity to connect with certain products.⁷ This process of giving distinct and different identity to products involves the concept of trade marks.

India as a country over the past two decades has had a perfect transition and the legal system in India has changed a lot and the trademark law also refined and it is continually being refined and providing effective protection to the trade marks. The reputation of every brand has depended upon the usage of a particular goods or service and the protection of reputation is there in the action of the passing off and is as such different from goodwill which is an asset and it should be protected by law itself. Every country should provide protection to such trademarks in their soil.

Indian judiciary has been very liberal and protected such trademarks even if they are not registered in India by the passing off action. In India the concept of reputation is embodied in section 35 of the Trade Mark Act, 1999 and Indian courts have recognized action by foreign plaintiffs on the basis of passing off solely upon the reputation of such goods and services on the foreign soil. An Indian court has acquired and has been set by the Courts for judging a case on the basis of transborder reputation.⁸

The growth of intellectual property rights (IPR) has led nations towards the phase of economic growth.⁹ The significance of intellectual property protection to build up the scientific and technological capacity of developing countries and profit derived from the improved level of growth has also now become a matter of common understanding.¹⁰

Trademarks permit firms to enhance profitability, take action to unfair competition, nurture and keep hold of market share, distinguish products and services, commence new product and service lines, earn income through royalties of licensing and franchising, support partnerships and strategic alliances, and rationalize the financial value of the firms. Most of the global companies such as

⁷ Ashwani Kumar Bansal, *Law and Role of Foreign Trade Mark in India* (1992) (Unpublished Ph.D. dissertation, University of Delhi).

⁸ Nidhi Goyal, "Transborder reputation in India" 10 *JIPR* 125 (2004).

⁹ Kaushik Laik, "Role of IPR in Economic Growth" 10 *JIPR* 465 (2005)

Apple, Burking King, Coca-Cola, and Tata are using franchising business models to use their trademark strategically all over the World.¹¹

The term reputation is one of the confused or most seriously distorted terms in relation to intellectual property rights. It has many meanings and all have different outcomes. In relation to the trademark it's not clear whether the plaintiff trade mark has reputation or not. There has to be some specific provision in every legal system which talks about such kinds of reputed trademarks.¹² Every mark has its own reputation in the market and when such a reputation crosses borders and even international borders it has the same reputation. There are many agreements and conventions which talk about such a transborder reputation. It was even protected by many courts of different jurisdictions and protected businesses of reputed trademarks. Passing off action earlier was only protecting the goods but now it protects the services also and now it also applies to unfair trading and unfair competition where one person damages the reputation of another person.¹³

The Courts in India very efficiently deal with all such kinds of cases where the one person trademark was infringed by another person. If there are any well known marks which are not even registered then also such reputed trade marks can be protected. In recent years, issues related to jurisdiction have been raised in Indian courts to deal with cases of passing off where a reputed trade mark has been infringed which has been started in foreign countries and this extends transborder to India.¹⁴

The reputation of foreign traders has been very well protected in India by the Indian courts. Goods and services which hold reputation outside India and when such goods came to India through commercial publicity and sold in India and such reputation of trade mark is known as transborder reputation. The word reputation can be understood as widespread belief that something has some special characteristics and in the fields of intellectual property laws the term reputation mostly

¹¹Role of Intellectual Property in Economic Growth available at: <http://nopr.niscair.res.in/bitstream/123456789/3698/1/JIPR%2010%286%29%20465-473.pdf> (Visited on March 18, 2020).

¹² J.T. McCarthy, Trademarks and Unfair Competition 57 (The Lawyers Co-Operative Co, 3rd edn., 1994).

¹³ Transborder Reputation in India” available at: http://www.phoenixlegal.in/manage/ArticlesPdf/2271300Oct_2012_-_Phoenix_Legal.pdf (Visited on March 18, 2015).

¹⁴ A. Kur, *Well-Known marks, highly renowned marks and marks having a reputation* 232 (Max Planck Haus Munich, 23rd edn., 1992).

attached with the trade mark law and such depends on the usage of such goods or service by the public at large and the duration in which people usually come to know about such goods.¹⁵ People used to get confused mostly between the reputed trademark and goodwill and such confusion can be removed if there is effective [protection to such reputed marks by the existing trademark law in the country].¹⁶

The protection of well known trademarks in India has been provided from section 11(6) to section 11(10) of the Trade Marks Act, 1999 and all such are read with section 2 (1) (zg) that defines a well known trade mark. A well known trade mark can be both registered and unregistered. Even if a well known mark is not registered in India then also it gets protection in India. As per section 11¹⁷ of trade mark merchandise act 1999 it gives protection against any infringement and passing off action. Therefore, if any other mark which is similar to a well known mark in any form then the registered proprietor is entitled to bring a suit for passing off.

Marks are “distinctive signs and whose purpose is not to protect an invention but to make products distinguish for consumers and competitors” protected by industrial property law. Article 15.1 of TRIPS¹⁸ gives a definition of the trade mark: “Any sign, or any combination of signs, capable of distinguishing the goods or services of one undertaking from those of other undertakings, shall be capable of constituting a trade mark”. A trademark provides a trademark proprietor an exclusive right to distinguish their products and services, or to authorize another entity to use it, usually but not always in return for payment. The length of the protection varies approximately ten years, but a trade mark can be renewed indefinitely by means of additional taxes. To be considered as a lawful trade mark, a chosen sign must be, inter alia: Distinctive: the sign must distinguish goods

¹⁵ Section 27 of the Trade Marks Act, 1999, reads as,

“No person shall be entitled to institute any proceeding to prevent, or to recover damages for, the infringement of an unregistered trade mark.”

¹⁶ Soumya Banerjee, “Transborder Reputation” 11 JIPR 274 (2006).

¹⁷ Section 11 of The Trade Marks Act, 1999, reads as, “*Relative grounds for refusal of registration.*”

¹⁸ Article 15.1 of TRIPS agreement, reads as

“Any sign, or any combination of signs, capable of distinguishing the goods or services of one undertaking from those of other undertakings, shall be capable of constituting a trade mark”.

and services from other goods and services in the same category; Non-deceptive: the sign must not be of a nature that can generate confusion among consumers, including confusion as to origin.¹⁹

Section (2) (zg) of TMA, 1999 give statutory recognition to well known trademarks and reads as: “A trademark which is to be registered for goods or services which are not similar to those for which the earlier trademark is registered for goods or services which are not similar to those for which the earlier trademark is registered in the name of a different proprietor shall not be registered if or to the extent the earlier trademark is a well known trademark in India and the use of the later mark without due cause takes unfair advantage of or detrimental to distinctive character or repute of the earlier trademark”.²⁰

A mark which is very known to a large number of public and which has a reputation and goodwill in the market and also known to a large part of those involved in the production or trade or use of the goods concerned and is clearly associated with such goods as coming from a particular source. To decide whether a mark is a well known mark or not it is to take into consideration the fact that the mark is known in the domestic and international market or not.²¹

There is both domestic as well as international protection available to well known trademarks. The Paris convention for the protection of industrial property, 1883 says that member's countries have to give special protection to well known marks.²² But there are many countries which are not members of these conventions and they are not bound to it. As India was not a party to this convention but after signing of the TRIPS agreement India is also obliged to protect well known marks. As per Article 2 (1)²³ The TRIPS agreement provides that members shall comply with Article 1-12 and 19 of the Paris Convention.

¹⁹ Jacob and Robin, *Kerly's Law of Trademarks and Trade names* 88 (Sweet & Maxwell. London, 12th edn., 1986).

²⁰ Section 2 (zg) of The Trade Mark Act, 1999, reads as,

“ in relation to any goods or services, means a mark which has become so to the substantial segment of the public which uses such goods or receives such services that the use of such mark in relation to other goods or services would be likely to be taken as indicating a connection in the course of trade or rendering of services between those goods or services and a person using the mark in relation to the first-mentioned goods or services.”

²¹ Carlos M. Correa, *Trade related aspects of Intellectual Property Rights* 108 (Oxford University Press, New York, 1st edn., 2007).

²² Paris Convention for the protection of Industrial Property 1883, amended on September 28, 1979.

²³ Article 2 (1) of TRIPS agreement 1995, reads as,

“In respect of Parts II, III and IV of this Agreement, Members shall comply with Articles 1 through 12, and Article 19, of the Paris Convention (1967).

Article 16 (2) & (3)²⁴ The TRIPS require member countries to extend the protection of Article 6 *bis* to services and goods or services, which are not similar as well known marks. Thus, every member of the TRIPS has to protect the well known trade mark even if they are not members of the Paris convention for the protection of industrial property, 1883.

The clause 29 (4) of the lapsed bill also has the same principles as the TRIPS agreement and Paris Convention for the protection of industrial property, 1883.

III. ROLE OF JUDICIARY IN PROTECTION OF TRADEMARKS

There was a significant rise in the trademark practice and prosecution in the last years because of increase in the industries and the marks associated with them, and due to the rapid growth of the economy and because of the opening of a large number of firms in India.²⁵

In, *Castrol Limited v. P.K. Sharma*²⁶ The Plaintiff was a registered owner of the trade marks Castrol, Castrol Gtx and Castrol Gtx 2 in relation of oils for heating, lighting and lubricating. In 1994 the plaintiffs came to know that the defendant was selling multi game engine oil and lubricants under the trademark 'Castrol Gtx & Castrol. Plaintiff filed a suit for perpetual injunction. The court held that the use of the said trade marks by the defendants, who have no right whatsoever to use the same, is clearly dishonest and is an attempt of infringement and the court passed such an injunction order and restrained the defendant from using such marks.

In the case of *M/s Bikanervala v. M/s Aggarwal Bikanervala*,²⁷ The respondent was in the business of sweets by the name of AGGARWAL BIKANERVALA and the plaintiff was using the name BIKANERVALA from 1981 the same was registered by him in the year 1992. The plaintiff asked

²⁴ Article 16 (3) of TRIPS agreement 1995, reads as,

“Article 6*bis* of the Paris Convention (1967) shall apply, *mutatis mutandis*, to services. In determining whether a trademark is well-known, Members shall take account of the knowledge of the trademark in the relevant sector of the public, including knowledge in the Member concerned which has been obtained as a result of the promotion of the trademark.”

²⁵ Current development of protection trademarks which is well known among public in abroad (“well known foreign trademarks”) in India, available at: http://www.pdfFiller.com/53959506-2011_policy05pdf-Indian-Intellectual-Property-Report-2011-Vol3-Current----JETRO-Various-Fillable-Forms (Visited on March 18, 2015).

²⁶ 2000 (56) DRJ 704.

²⁷ 2 117 (2005) DLT 255.

for permanent injunction and restrained the defendants from using the mark AGGARWAL BIKANERWALA for his business. The Court granted an injunction in favour of the plaintiff and restrained the defendant from manufacturing, selling, directly or indirectly dealing in such goods or products under the impugned trade mark 'AGGARWAL BIKANER WALA' or mark which is identical or deceptively similar to the plaintiff's trademark BIKANERWALA'.

In *Ranbaxy Laboratories Ltd. v. Dua Pharmaceuticals Ltd.*,²⁸ The plaintiff company manufactured drugs under the trade name "Calmpose". In *Dhariwal Industries Ltd. & Anr. v. M.S.S. Food Products*.²⁹ The appellants were using the brand name MALIKCHAND for their product and the defendant was using the name MANIKCHAND which is similar to the appellant. The Court held that even though the plaintiffs have not registered their trademark they are using it from a long time and hence the court granted a perpetual injunction against the respondents.

In *Khoday Distilleries Ltd. v. The Scotch Whisky Association and Ors*³⁰ The Supreme Court observed that the respondents do not have any reason to adduce as to why they did not pursue the case against appellant whiskies are supposed to be aware of the difference of the process of manufacture and their origin; and thus there is no likelihood of confusion.

The TRIPS agreement also talks of similar enforcement measures. The relief in a passing off action is the same as that in an infringement action provided the passing off action is sans as that in an infringement action. The jurisdiction of the court for the purpose of infringement suits is governed by the provisions of the Civil Procedure Code. In infringement action proceedings can also be initiated in the High Court.

In *Maxim's Ltd. v. Dye*³¹ The owner of the famous Parisian restaurant came up with proceedings against the defendants to restrain them from using the mark Maxim's in the business of restaurants. The same mark was claimed by the plaintiff as it has been used for many years by them. It was said that Maxim's of the Paris restaurant has acquired a reputation in the world. The visiting

²⁸ AIR 1989 Delhi 44.

²⁹ 2004 (29) PTC 45 MP.

³⁰ AIR 2008 SC 2737.

³¹ (1977) FSR 364.

patronized it in a big way and that patrons from Britain were known to make reservations in the restaurant from Britain.

In granting the injunction to the plaintiff Graham J. held: as plaintiff has no business in England and as per law he has not acquired reputation or goodwill in England because he does not have any business here. The court held in this case that he may have protectable goodwill in Britain too even if he is not carrying business in Britain. If the trade has acquired a reputation in Britain and is doing any business in this place then also his mark can be protected. This is to protect the consumers from any deception or confusion created by the same of the restaurants.

But in *Anheuser Busch v. Pavilion Properties Ltd.*³² The opinion was not followed and here again the court reaffirmed the “Crazy Horse Saloon ” doctrine. The court of appeal held that an action for passing off can be maintainable only if the owner of this trademark has been using such mark in England and merely distributing his products in the American military base doesn’t allow him to have reputation in the market and therefore such mark cannot be protected. The court of said mere having reputation in the market doesn’t protect the mark it must also have goodwill with reputation and here court struck down distinctiveness between reputation and goodwill. The “Crazy Horse Saloon ” doctrine is known as the Hard line School principle and Maxims’ doctrine was known as the Liberal or less demanding approach.³³

The distinction between reputation and goodwill was done³⁴ and it was said that distinction is subtle and not always easy to see. Goodwill exists in the mind of the consumers and at time of buying such products the goodwill makes them compelled to buy reputed products. It's their mind which made them choose between ordinary and reputed products in the market. A reputation is the means by which something is recognized and “ a reputation however extensive will not support a passing off action unless the business’s goods or services are available in England so that business is able to have customers”.

There are cases where the above doctrine “Crazy Horse Saloon” doctrine was not followed by many countries and even in some cases of England too.

³² 1984 FSR 413.

³³ *Supra* note 3 at 243.

³⁴ P.Narayan, *Law of TradeMarks and Passing Off* 498 (Eastern Law House, Kolkata 6th edn., 2004).

In Canada, in the case of *Orkin v. Pesco*³⁵ The court was of the opinion that a “ company’s reputation in one particular and in such area company has no business is like an asset which was not yet used by the company in that particular area, it requires protection because mark has earned goodwill and it becomes assets for one company. Thus such marks need to be protected and it should not be misused by the local traders because this belongs to a different trader and now it becomes his assets. This should be protected by the legal system of that particular country where such a product is not doing business.

In this case action was brought by the American company to restrain Canadian companies from using the marl “ORKIN” as their trademark and logo. An American company was not doing business in Canada and as per the doctrine they were not allowed. Both the parties were in the same business of pest control and the plaintiff company was doing more business than the defendant company and had earned the reputation in the world market. Here the court did not follow the doctrine and restrain the defendant from using the mark of the plaintiff.

In Ireland too the above doctrine was not followed and the Supreme Court of Ireland.

In *C & A. Modes v. C & A WATERFORD*³⁶ held that all goods and services which are well known in the market will be protected in the territory of Ireland even if they are not doing business or trade in this country. The court was of the opinion that the deception and dishonest trading have to be prevented and this will be to protect the consumers of this country.

In new Zealand and Hong Kong also in *Esanda’s case* and *JC Penny’s case* in both these countries also the “Crazy Horse Saloon” doctrine was not followed and both held that the foreign trade mark have to be protected if they have acquired the reputation and even to protect the domestic and international markets from deception and confusion.³⁷ The international association for protection of the industrial property (AIPPI) also talks about the protection of the trademarks of the industrial property. A resolution passed by the AIPPI and gave recommendation to grant protection to trade marks having reputation in the member countries.

³⁵ (1980) RPC 153.

³⁶ 1984 FSR 12 F3.

³⁷ P.H. Gotting, *Protection of Well-known Unregistered Marks in Europe and the United States* 389 (Max Planck House, Munich, 4th edn., 2000).

In *Taj Television v. Rajan Mandal*³⁸ The interesting John Doe type order was and it's required for immediate protection to the plaintiff. The issue in this case was the broadcasting rights of the Soccer world cup 2002 and he had such right only for one month and therefore immediate protection as required. The plaintiff brought an action and the Delhi High Court granted an order for searching and seized equipment at various cable operators and as a result some 3500 licenses were signed up. The was very successful in curbing otherwise it might have been a complete loss or destruction of the plaintiff's intellectual property.

The Indian Judiciary, also passed the Mareva injunctions in the cases like *Philips and tata*, the Norwich pharmaceutical order was granted in *Souza Cruz* for Hollywood cigarette and directing excise and customs commissioners to disclose the defendants export records and damages awards granted for the first time in the this was the first time the Indian Courts start granting punitive and exemplary damages instead of compensatory damages in order to shift the overburdened from criminal justice system to a civil system and it was held in the *Times Magazine* case.³⁹ There are the cases where Courts have expressly recognized the concept. In India the courts have granted protection to famous marks through passing off action, but law dilution is still in its developing stake. In India relief is granted on the ground of possibility of confusion as to source and not on the ground of dilution.

In, *Daimler Benz Aktiengesellschaft v. Hypo Hindustan*.⁴⁰ defendants use the well known and reputed mark BENZ along with three pointed stars. This famous mark was used by the defendants on under garments. The High Court held that dependents have no right to use the plaintiff mark and granted relief to the plaintiff.

The Court also said that"...No one should be allowed to use a world famous name for goods, which have no connection with the types of goods, which have granted the worldwide reputation. In the instant case "BENZ" is a name given to a very high priced and extremely well engineered product. In my view, the defendant cannot dilute that by the user of the Benz with respect to the product under the user."

³⁸ Juhi Gupta, "John Doe Copyright Injunctions in India" 18 *JILI* 352 (2013).

³⁹ *Supra* note 29.

⁴⁰ AIR 1994 DEL 239.

In the case *William Grant & Sons v. Mcdowell & Co. Ltd.*⁴¹ Court was of the view that "...I find the defendant has taken all the essential elements of the plaintiff's GLENFIDDICH whisky bottle label...The exclusive reputation (which the plaintiff's whisky and associated bottle label enjoys) would be impaired if a similar label is used in connection with a product which is not the same, as the product of the plaintiff's whisky, the impairment being gradual debasement, dilution or erosion of what is distinctive".

In the instant case plaintiff alleged that the label used by the defendant on its Whisky Bottle along with the outer carton of the said bottle were a substantial imitation of the plaintiff's Single Malt Whisky Bottle, label and carton. It was further alleged that the use by the defendant of the said carton and label would lead to dilution of the marks. Thus, trade marks carries the goodwill and reputation wherever they go and transcends the physical boundaries of a geographical region and acquires a trans border reputation not only through imports of goods but also by its advertisement shall be a well known trademark within the meaning of a trademark law and shall be protected under the Trademarks Act, 1999.

In India and in many other countries where the concept of transborder reputation has been recognized and this is a positive sign for the proprietors of the trade mark and for the governments that seek to harmonize the Intellectual property regime all over the world.

The United States Embassy also recognized that the digitization of the Trade Mark Registry be completed soon and also asked the Indian government to digitalized the customs department⁴² to further the filing of notices from rights holders electronically.⁴³

In *Champagne Moet & Chandon v. Union of India*⁴⁴ In this case, the Delhi High court declined to grant an injunction in order to protect the French marks MOET & CHANDON from the Indian marks MOET'S. The court gave the opinion for such a decision that French mark proprietors failed to provide any evidence of use, advertisements or significant presence in India and the average

⁴¹ 1994 (30) DRJ 105.

⁴² Doctrine of Transborder reputation, available at: <http://newdelhi.usembassy.gov/iprtrademark.html> (Visited on April 24, 2015).

⁴³ *Ibid.*

⁴⁴ 2011 (46) PTC 484

Indian consumer was unaware of the mark. The court held that though their mark is well known in various countries but not in India and Indian mark MOET'S is well known in India.

In *Timberland & Co. v. Vijay & Ors*⁴⁵ The Delhi High Court granted injunction in favour of the plaintiff against the defendant's mark TIMBERLAND. The plaintiff marks TIMBERLAND and it is well known across various countries including India. The plaintiff was able to prove by showing evidence of expenses for the years and for advertisement and promotion of the mark in India.

In *Roca Sanitario S.A. v. Naresh Kumar Gupta & Anr.*⁴⁶ The ROCA mark failed to establish any use, advertisement or any significant presence in India and the Delhi High Court said, though the plaintiff mark is well known in international markets but not in India as the average Indian consumer was unaware of the mark ROCA. The plaintiff as evidence to prove placed on the record copies of some magazines, but all such magazines were in different languages and therefore not known in India.

Thus, the Delhi High Court restrained and not passed an Injunction in favor of ROCA against the mark ROMA and the court held that "*while claiming injunction for deceptive similar trade mark, there should be proof that trademark of goods to be well known in the country.*"

In *Aveda Corporation v. Dabur India Ltd.*⁴⁷ The plaintiff was in the business of trading beauty products in the name of AVEDA and the defendants started selling such products in the name of UVEDA. The Delhi High Court restrained the plaintiff from selling such products by the name AVEDA and said that plaintiff mark was not that known as defendant mark UVEDA is known. Thus, the court held that it's not enough to establish that mark is well known in India.

In *Rolex S.A. v. Alex Jewellery Pvt. Ltd.*⁴⁸ The Delhi High court held that the plaintiff was entitled to an injunction as his mark ROLEX is well known in India and is also promoting its mark through online stores also in India. In this case the defendant was in the business of selling artificial

⁴⁵ 2011 (46) PTC 530 (Del).

⁴⁶ MANU/DE/2040/2010

⁴⁷ 2010 (42) PTC 315 (Del).

⁴⁸ 2009(41) PTC 284 (Del).

jewellery in the name of ROLEX. Thus, the court restrained the defendant from using such marks in selling the artificial jewellery.

In the case of *Societe Des Produits Nestle, S.A. v. Swaraj IndusTrial and Domestic Appliances*,⁴⁹ The application for the trademark "Maggi " for electric fans was rejected. The trademark "Maggi " was already registered in the international market in favour of appellant being the surname of its founder Julius Maggi. The appellate board found it to be a well-known trademark and held that the public was likely to associate the electrical goods as diversification of business.⁵⁰

In *Austin Nichols & Co and Seagram India Pvt. Ltd. v. Arvind Behl Director, Jagjit Industries Ltd.*⁵¹ The doctrine of transborder reputation was settled in this particular case relating to the importance to be given to the doctrine. In these case the BLENDERS PRIDE mark was used by the plaintiff for manufacturing the whisky from lat 50 years and almost in 105 countries and very reputed in India and the defendants are the local manufactures of alcoholic drinks and selling their whisky under the mark BLENDER'S PRIDE.

The court held: "*The plaintiffs having come out with 'Blenders Pride' whisky first in the international market were first past the post; even though the defendants were the first to do so in India. The fact that the product of the plaintiff was not manufactured or sold in India from 1973(when it first entered the market) till 1995 when it became freely available in India, is of no consequences.*" Thus, the court granted an injunction in favour of the plaintiff considering that the plaintiff mark was well known and also had several promotional events in India both before and before 1991.

In *Sony Corporation v. Jasbir Singh Kohli*⁵² The Intellectual Property Appellate Board granted an injunction in favour of the plaintiff and restrained the defendant from using the mark SONICO as it was identical and deceptively similar to the plaintiff mark SONY. The court was of the view that SONICO is not that well known as t plaintiff Mark SONY is known.

⁴⁹ 2013 (56) PTC 94 (IPAB).

⁵⁰ Alka Chawla, "Intellectual Property Law" XLIX ASIL 731 (2013).

⁵¹ 2006 (32) PTC 133 (DEL).

⁵² 2005 (31) PTC 486 (IPAB)

In *Bloomberg Finance LP v. Prafull Saklecha*,⁵³ The plaintiffs were a multinational news service and registered under the trademark BLOOMBERG in the USA. The Trademark world magazine of April 2005 identified the trademark BLOOMBERG to be a well known trademark in the world. It was held that the plaintiff has been able to show that BLOOMBERG is a well known trademark with transborder reputation as well as representation in India. Marks are identical; therefore, there is every possibility of deception and confusion.

In *Kabushiki Kaisha Toshiba v. Tosiba Appliances Co.*⁵⁴ The defendant marked TOSHIBA which was similar to the well known mark TOSHIBA of the plaintiff and court granted an injunction in favour of the plaintiff as the mark TOSHIBA was used by the defendant with *malafide* intention. The plaintiff mark was a well known mark of Japanese company and the plaintiff was into extensive advertisements in India and it's has an registration since 1953.

In *Milmet Oftho Industries & Ors. v. Allergan Inc.*⁵⁵ The Indian pharmaceutical company manufacturing OCUFLOX and the defendant company was also manufacturing OCUFLOX. As par the respondent the mark was first used by him in September 1992 and marketed in several other countries except India and the registration to plaintiff was granted by the Food and Drug Control Administration in August 1993. The court held that "*the mere fact that the respondents have not been using the mark in India would be irrelevant if they were first in the world market.*"

In *HPL Electric and Power Pvt. Ltd. v. Sanjeev Sharma*,⁵⁶ The plaintiff was a proprietor of the trademark HPL. The defendants started manufacturing solar torches and lights under the identical trademark HPL. Decree of permanent injunction was passed in favour of the plaintiff.

In *Honda Motors Ltd v. Charanjit Singh*⁵⁷ The Japanese mark HONDA was registered in India and acquired reputation and goodwill for many decades. Every middle class person is aware about such brands in India and it is due to the extensive advertising and various collaborations with Indian companies. The court held that the defendant has restrained from using the mark and granted the injunction in favour of the plaintiff and restrained the defendant from using the mark HONDA for

⁵³ 2013 (56) PTC 243 (Del).

⁵⁴ 2005 (30) PTC 188

⁵⁵ (2004) 12 SCC 624

⁵⁶ 2013 (56) PTC 464 (Del).

⁵⁷ 2003 (26) PTC 1

pressure cookers, with the view that the use of the mark by the defendant would amount to infringement of the plaintiff's mark and would cause grave injury to both the plaintiff and the consumers.

In *Caterpillar INC. v. Jorang & Anr.*⁵⁸ the plaintiff mark CAT is well known in all over the world and the defendant was using the marks CAT and CATERPILLAR on garments and it was held by the court that the defendant was infringing trademarks CAT, which has been known for its leather products and enjoyed prior registration in almost 175 countries including in India.

In *Tata Sons Ltd. v. Manoj Dodia*,⁵⁹ The court observed that brands are not built in a day, it takes years to establish a brand in the market. The companies which invest heavily in brand building and back them up quality products are bound to suffer not only in reputation but also in financial terms, on account of diminution in the value of the brand as well as sale of their products/ services, if the brands are not given adequate protection by the courts, by awarding punitive damages against the infringers.⁶⁰

In *Indian Shaving Products Ltd. v. Gift pack & Anr*⁶¹ The plaintiff's mark DURACELL was held by the court to be well known marks and has been of very substantial use in India and has very effective investments, promotions and advertisements. The court was of the view that the reputation obtained by the mark in India and other countries was substantial and it was also registered in India. The court also considered that the plaintiff had to bear losses and it was a malafide use of the mark DURACELL by the defendant.

In *Aktiebolaget Volvo v. Volvo Steels Ltd.*⁶² The Bombay High Court held that the plaintiff was entitled to protection of the mark VOLVO and established goodwill and reputation in India by advertisements in various international magazines having circulation in India and the plaintiff also registered its mark in India.

⁵⁸ 1999 (19) PTC 570 (DB)

⁵⁹ 2011 (46) PTC 244 (Del).

⁶⁰ Alka Chawla, "Intellectual Property Law" XLVII ASIL 574 (2011).

⁶¹ 1998 PTC 18 (Del).

⁶² 1998 PTC 47 (Bom).

All the above decisions of the Indian courts were very effective in protecting the trade marks which were very reputed and well known in the world. Indian courts have protected foreign marks also and adopted liberal approach and provided effective protection to all such marks. If a plaintiff seeks to protect his foreign well known mark in India, his best chances of getting an injunction in his favour would be to have Indian registrations for that mark or they have to provide evidence to show considerable use of the mark in India, even if the mark is unregistered.⁶³

But there are cases when even the Supreme Court and other courts of India held that non-use of the mark in India will not protect their mark in India even if that mark is well known in other countries. Such cases are as follows:

In *Milmet Oftho Industries & Ors. v. Allergan Inc.*⁶⁴ The Supreme Court held that the non-use in India would be irrelevant if the plaintiff was the first in the world market. However, the decision carried a word of caution that foreign brand owners who have no intention of coming to or introducing their product in India will not be allowed to restrain an Indian company from selling a product in India, if the Indian company has genuinely adopted the mark.

In *Jolen Inc. v. Doctor & Co.*⁶⁵ The Delhi High Court held that if a company has no business in India that doesn't mean it will not get effective protection. The court decided the suit in favour of the plaintiff and upheld their rights in India in respect of the trademark JOLEN and said that they have the right to protect their goodwill and reputation of its name or trademark.

Thus, Indian courts have shown in all the recent decisions that well known marks are protected in India and foreign marks are equally protected even if they are not registered in India. We even say that the court asked for the evidence to prove that such a mark has been well known in India. Indian courts have provided protection to the foreign marks and upheld the Doctrine of Trans-border reputation, but Indian courts were inconsistent in protecting trans-border reputation doctrine. It was advised by courts that companies who want to invest in the Indian market should apply for registration of their trademarks in India.⁶⁶

⁶³ V. A. Mohta, *Trade Mark, Passing Off and Franchising* 122 (All India Reporter, Nagpur 1st edn., 2004).

⁶⁴ 2004 (28) PTC 585 (SC).

⁶⁵ 2002 (25) PTC 29 (Del).

⁶⁶ Doctrine of Transborder reputation, available at: <http://newdelhi.usembassy.gov/iprtrademark.html> (Visited on

Since India follows common law principles, an unregistered mark can also get protection, but as by numerous judgments of the courts it was of the opinion that a registered mark gets more protection. In the event that a mark is unregistered, the owner would have to produce evidence of presence of the mark in India. While courts do recognize trans-border reputation, it would be advisable to establish that there has been some use of the mark in India or some expenditure has been incurred in advertising the mark in India.⁶⁷

The rights holder of the trade mark not only enter their trademark in India they also get registered such trade marks. Such proprietors also registered their marks in the Indian sub-continent i.e. in the territory of Pakistan, Sri Lanka, Bangladesh, Nepal, Bhutan, Maldives, Afghanistan and Burma because their borders are very close to each other and as India is the biggest market amongst all of them, any trademark, which has goodwill and reputation in India, is likely to be infringed in these markets.¹³ This leads not only make counterfeit products but also result in counterfeit goods being imported to India and various other countries across the world.

IV. CONCLUSION AND SUGGESTIONS

The Judiciary has played a very important role and worked lot in the protection and enforcement of the doctrine of transborder reputation and the incorporation of the concept of 'well-known marks' and the amendment of the Trademarks Act, 1999 in consonance with international treaties such as the Paris Convention and the TRIPS Agreement is a welcome move. This move not only provided the protection to the well known trademark but marks which has acquired reputation and also empower the Registrar of trade mark to reject applications for registration of marks if there is any similarity with existing marks enjoying widespread recognition, it could stem the volume of litigation at a later point in time. And another amendment in the Trademarks Act can provide real strength to the provisions for protection of well-known marks is to introduce the concept of a separate register for registering popular foreign trademarks.⁶⁸

April 24, 2015).

⁶⁷ *Ibid*

⁶⁸ Upshot of Fame: "Transborder Reputation in India" available at: http://www.phoenixlegal.in/manage/ArticlesPdf/2271300Oct_2012_-_Phoenix_Legal.pdf (Visited on March 18, 2015).

The main problem in relation to protection of the well known trademarks is that in various countries they face a struggle to set up their mark in India because of lack of awareness about the product amongst the consumers in India. Thus, to solve such problems there is a need to have a separate register for well-known trademarks and marks which have gained reputation, must be maintained by all Trademark Offices in India and such a move is very beneficial to such proprietors of the trademark. Such steps may help a foreign owner's to protect transborder reputation in marks which may not acquired the exposure amongst Indian consumers and resulting in better protection of reputed foreign mark in India.⁶⁹

The trade mark proprietors and which has gained or acquired reputation and goodwill should take some initiatives to secure such trademark, by the means of filing conducting investigations, sending cease, oppositions, cancellations, and desist notices or by filing appropriate civil and criminal actions. The steps which should be taken towards protecting intellectual property in India are to take sound professional advice and guidance to manage an intellectual property portfolio in India.⁷⁰

With the advancement of technology and communication, the law makes users aware of others' trademarks before registering their own trademark. a similar mark which may cause deception or confusion for the customers cannot be used or registered. The trademark proprietors have to be careful about similar marks in existence, even beyond national boundaries.⁷¹

The analysis of evidences which provide the legal protection to well-known trademarks and trademarks with a reputation in India and many others countries shows that the legal legislation of the protection of trademarks which are well known and trademarks which has a reputation is the questions which need further harmonization. As we have seen above that a number of Member nations have already provide in their national law, a sign to protect the *reputation* of unregistered well-known trademarks in relation to goods or services thus exceeding the standards of the TRIPS Agreement and the EU law (Trade Mark Directive and Regulation on the Community Trade Mark).

⁶⁹ *Ibid*

⁷⁰ Current development of protection trademarks which is well known among public in abroad ("well known foreign trademarks") in India, available at: http://www.pdfFiller.com/53959506-2011_policy05pdf-Indian-Intellectual-Property-Report-2011-Vol3-Current---JETRO-Various-Fillable-Forms (Visited on March 18, 2015).

⁷¹ TradeMark Infringement" available at: <http://indiatm.in/?reqp=1&reqr=MaO1LayhMF50LzW0rKVhpTVhqzR> (Visited on March 18, 2015).

At the same time, it could be pointed out that the approach taken by a number of Member States coincides with the spirit of the WIPO Recommendation. However, we can say that the legal problem in relation to protection of the well known trademarks remains unsolved with regard to the standards of the protection of well known trademarks with a reputation provided by the International conventions and the national legislation in a number of Member States. Protection of the trademark with a reputation is beyond the principle of speciality at the Community level unambiguously depends on the condition of registration. Thus, national and Community levels of the protection of the reputation depends on different (in many cases) standards.⁷²

The rapid growth of trade in all over the world and every country is indulged in the export and import of their goods and services from one country to another. Such goods and services must be protected by authorities of each country. Therefore, such goods and services need a protection of well-known marks for the welfare or for the sake of the general public. The development of each nation either economic or social development depends on the investments of international traders and such development the legal regulations have to be very effective and authorities of such countries must provide such protection to reputed trademark owners. It is now generally accepted by the legal authorities of the nations that these well-known marks carrying trans-border reputation should be given protection against later registration by third parties although laws to offer this protection are still being developed. The growth and development of well-known marks in the international market makes it important that the trans-border reputation of a trade mark is properly recognized and protected in different countries. The Indian courts, International treaties and conventions have given due importance and protection to the trans-border reputation of a trade mark. trans-border reputation. But the unregistered trademarks must be registered by the foreign company in different trademark classes in different countries to finish or avoid the conflict which may arise if the mark is not well-known or not well-known in general public. Trademarks owner intellect lies on their well-known names which carry reputation and which makes their mark unique. It can be a name, number which makes them unique. Therefore it is the duty of the authorities of the nation and trademark owner to protect the well-known trademarks.

⁷² The legal protection of well-known trademarks and trademarks with a reputation, *available at*: https://www.mruni.eu/lt/mokslo_darbai/sms/archyvas/dwn.php%3Fid%3D263188 (Visited on April 24, 2015).

The rapid growth in international trade makes it important that intellectual property rights are properly recognized in different countries. The India courts are recognizing the doctrine transborder reputation of the trademarks and the Indian judiciary also provided the effective protection to reputed marks and even the when such the mark has not been used in India and to prevent the misappropriation of foreign marks. However it is crucial for the foreign right holders to act proactively for enforcing the goodwill established internationally by registration of trademarks and institution of timely and appropriate proceedings for enforcement.⁷³ Indian trade mark act has been dynamic and responsive to such international developments in the trademarks arena. Such developments in the trademark law boosted the confidence of international traders in conducting business in India. The law has recognized changing business needs and new mechanisms of brand protection and enforcement.⁷⁴

The economic development of any country mostly depends on the domestic commercial environment and such an environment requires an effective law. The advancement of the technology contributes a lot in development of the infrastructure of any country and all such developments require a legislation which provides effective protection to the owner's which are responsible for such development both at domestic and international level. The trade mark law should provide such protection and it also has become a very effective tool to check unfair competition and to safeguard consumer welfare. But there is still a need for uniform protection of well known trademarks and marks which have gained reputation.

There are some problems which need to be taken into consideration for such effective protection to well known trademarks. Firstly the concept of transborder reputation has to be applied in its entirety though it has been applied by Indian courts for protection of the trade marks. In *Ad Lib Club Ltd v. Granville*⁷⁵ The residual and shared reputation were discussed and the plaintiff relied upon the reputation in their name for four years after business was closed down. The plaintiff still relies upon the residual reputation from the past use of the name or work. Such reputation is

⁷³ Transborder Reputation, available at: <http://unitedipr.com/subpage.php?id=19&subid=37> (Visited on April 24, 2015).

⁷⁴Trade Marks: evolving law in India, available at: <http://www.iam-media.com/Magazine/Issue/59/Management-report/Trademarks-evolving-law-in-India> (Visited on March 18, 2015).

⁷⁵ (1972) RPC 673.

important aspects of transborder reputation which are not applied by such courts. Secondly, Indian courts approached was conservative in judging the parameters of the spill over of reputation and constantly harped upon the circulation of magazines, journals and extent of Indian travelers going abroad while deciding cases on transborder reputation and thirdly there is not a decisive definition of goodwill and reputation in the statutes for better understanding of the reputation concept. The Indian courts and other international forums have failed to provide a difference between goodwill and reputation. We should keep in mind that goodwill is a species of property and is restricted only to the local jurisdiction of such a country and action of passing off is based on reputation which cannot be restricted to local jurisdiction and it transgresses boundaries.⁷⁶

What is the relief available for the Indian trader who is suspected or charged for transborder reputation? If without any knowledge Indian trader adopts a mark of some country in a positive manner, he shall be entitled to undue hardship if that foreign trader of marks suddenly decides to proceed against him in the Indian courts based on the current proposition. All such propositions lead Indian courts to different kinds of situations. Certain situations require the English rigidity for the security of national economic interest. The court has laid down important guidelines to protect the well known marks of the traders. Although many countries have failed to have statutory or legislative amendments to protect the interest of the traders and to control the passing off prevalent most markets worldwide. There is a need to adopt the concept of transborder reputation in our country and such recognition will help in economic development of India and other countries of the world.⁷⁷

⁷⁶ *Supra* note 9.

⁷⁷ *Ibid.*