

# INDIA INTELLECTUAL PROPERTY UPDATE

INDIA IP UPDATE is an Intellectual Property periodical of Singhania & Partners, which offers to provide the latest on IP related laws, case studies, news and events.

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## Acquiescence is inconsistent with the claim for exclusive rights for trademark

In a recent judgment dated 03.05.2011, in the matter of **United Brothers ("Plaintiff") vs. Aziz Ulghani & Anr. ("Defendant")**, (along with W.P. (C) 2007/2010 & CM APPLs 4027, 4028/2010), the Delhi High Court held that acquiescence is a course of conduct inconsistent with the claim for exclusive rights for trade mark, trade name, etc and hence where both the parties are fully aware of each other's respective similar marks since many years and have been able to co-exist with their respective marks in their respective trades, they cannot claim infringement later on.

### Facts

The Plaintiff is engaged in the business of manufacturing and marketing of aluminium halloware and other household utensils since 1957, under the trade mark "UNITED". In the W.P. (C) No. 5220 of 2005, the Plaintiff challenged the order passed by the Intellectual Property Appellate Board (IPAB) regarding the cancellation/ removal of the registered mark "UNITED" of the Defendant in Class 9. In the W.P. (C) No. 2007 of 2010, the Defendant has challenged the order of IPAB dismissing the appeal of the Defendant against the order of the Registrar of Trade Marks allowing the opposition of the Plaintiff against the registration of the Defendant's trade mark "UNITED" in Class 7 in respect of mixer grinder, hair dryer (machine) and washing machine.

## Arguments

The Plaintiff contended that it has been using the trade mark "UNITED" with respect to aluminium halloware and other household utensils since 1957 and has acquired a unique goodwill and reputation in respect of pressure cookers. The Plaintiff claimed that it has been exporting pressure cookers under the said trade mark and holds registration for the trade mark "UNITED" in Class 21 with respect to household, domestic utensils and containers, pressure cookers, milk cans and soap cases since 1957. The Plaintiff further contended that it has opposed the registration of the said mark by the Defendant in Classes 7 and 11.

The IPAB dismissed the application of the Plaintiff for rectification of the Defendant's trade mark "UNITED" in Class 9 for electrical flat iron on the grounds that the Defendant was granted registration of the impugned mark in the year 1982 and the Plaintiff made an application for rectification only in the year 1996. Also, the Plaintiff failed to produce any evidence to show that the registration by the Defendant was obtained by fraud or it contravened the provisions Section 11 of the Trade & Merchandise Act, 1958 and suffered from non-distinctiveness.

In the W.P. (C) No. 2007 of 2010, the Assistant Registrar refused the registration of the mark "UNITED" in Class 7 to the Defendant on the grounds that since the items of the Applicant and Defendant are sold in the same counters and shops there was a likelihood of confusion/deception. The Defendant filed an appeal with the IPAB against the order of the Assistant Registrar, which was dismissed on the following grounds:-

(i) By using the mark since 1957, the Plaintiff has acquired goodwill and reputation and if registration for the mark was granted to the Defendant the consumers would associate the goods of the Defendant as that of the Plaintiff which would lead to confusion and deception.

(ii) When the marks and the goods are identical, the marks cannot be registered since it would lead to the dilution of the Plaintiff's reputation. Further, since the goods of both the Plaintiff and Defendant are household goods being sold to the same class of purchasers, the application of the Defendant for registration of the impugned mark cannot be accepted.

## Issues before the Delhi High Court

(i) Whether the Defendant is entitled to registration of the trade mark "UNITED" in Class 7 with respect to mixer grinder, hair dryer (machine) and washing machine which according to the Defendant is not common to the trade of pressure cookers and aluminium halloware.

(ii) Whether the trade mark "UNITED" in favour of the Defendant in Class 9 for electrical flat iron is liable to be cancelled.

## Judgment

On analysis of the orders passed by the Assistant Registrar and the IPAB, the Court determined that the Defendant, who is the sole proprietor of M/s. United Electric Co., was the brother-in-law of the partner of the Plaintiff. Therefore, both the Plaintiff and the Defendant are aware of the use of the trade mark "UNITED" by each other since the years 1957 and 1974 respectively. Further, the Plaintiff did not oppose the registration granted in favour of the Defendant for electrical flat iron till the year 1996. The cancellation petition was filed by the Plaintiff after 14 years and was therefore barred by the principles of laches and acquiescence. Further, the registration granted to the respective parties can be allowed to continue on account of long and continuous use by both.

The Court held that the Defendant's application for the registration of the impugned mark for mixer grinder, hair dryer, etc. was rightly rejected by the Assistant Registrar on the grounds of confusion, deception and commonality of trade. Thus, both the petitions were dismissed by the Court.



## CASE LAWS

### No action for passing off in absence of goodwill of a trademark

In a recent judgment dated 03.05. In the matter of **Malar Network (P) Ltd. represented by its Managing Director R.R. Gopaljee** (“Plaintiff”) vs. **Arun Prasath D.** (“Defendant”), (S.A. Nos. 175 and 176 of 2010 and M.P. nos. 1 and 1 of 2010), the Madras High Court held that there can be no action for passing off when there is no goodwill or reputation earned with respect to any trade mark.

#### Facts

The Plaintiff was the registered owner of the trade mark “MALAR TV” since the year 2003 and intended to commence the business in telecommunications, TV channels, websites and related fields. The Plaintiff had also registered the domain names, “MALAR TV.COM” and “MALAR TV.IN” whereas the Defendant was the owner of the domain name “MALAR. TV” and had been using the same since the year 2009. The Plaintiff filed an Original Application seeking interim injunction restraining the Defendant from passing off its products and services by misrepresentation to the public. The Defendant contended that it was the prior user of the domain name “MALAR.TV” and he cannot be restrained as the Plaintiff has not commenced its business pursuant to obtaining the registration in the year 2003. Further, the words ‘malar’ and ‘television’ were generic to the fields of print and electronic media. The Single Bench declined to grant injunction on the ground that the Defendant was the prior user of the mark “MALAR.TV”. However, the Defendant was directed to modify the name of the website to “ARUN’S MALAR. TV” and no injunction was granted. Aggrieved by the order, the Plaintiff filed an appeal against the same.

#### Arguments

The Plaintiff contended that it had registered its trade mark in the year 2003 and the domain names, “MALAR TV.COM” and “MALAR TV.IN” in the years 2005 and 2007 whereas the Defendant had registered its domain name only in the year 2009. The Plaintiff contended that it had been using the said trademarks continuously since its adoption. Further, a prefix or suffix to a registered trade mark does not create a distinct mark or identification or entitle any claim or right or in any way change the character of the said usage. Therefore, the Defendant should not be permitted to use “MALAR.TV” or “ARUN’S MALAR. TV” as it would amount to passing off irrespective of the commencement of the use by the Plaintiff.

The Defendant claimed that in order to bring out short films produced by the students, he wanted to publish a website with the word "malar" comparing the budding students as blossoming flowers. After conducting a search, the Defendant registered its domain name with ICANN, the international domain name provider. The Defendant contended that the Plaintiff had not published its website till the filing of the suit. Also, by registering the trade mark and domain name the Plaintiff will not accrue any right over the same unless the mark was put to use in the public domain. The Defendant further contended that his domain name had a dot in between "MALAR" and "TV" whereas the Plaintiff's domain name had a dot between "MALAR TV" and "COM", "MALAR TV" and "IN". The Defendant submitted that he had complied with the direction of the order passed by the learned Judge by adding the word "Arun's" to his website "malar.tv". Further, the Defendant submitted that he had spent a lot of money on advertising with the colleges thereby earning the mark a good reputation.

### **Judgment**

The Court held that the mere presence of the mark in the register maintained by the Trade Mark Registry did not prove that the mark had been used. Since the domain names "MALARTV.COM" & "MALARTV.IN" and trade name "MALAR TV" did not earn goodwill or reputation as a result of non-use; a case of passing off cannot be made against the Defendant. It was held that any word, abbreviation or acronym which had become 'public juries' could not be exclusively claimed by anyone. Further, the Plaintiff had not commenced the business so as to sustain any loss either towards infringement or towards passing off. Therefore, the balance of convenience was held to be in favour of the Defendant. Further, in the absence of non-commencement of business, the issue of irreparable injury caused to the Plaintiff did not arise. The Madras High Court, therefore, upheld the Single Bench Order directing the dismissal of applications and modification of "MALAR.TV" to "ARUN'S MALAR.TV" which was complied with by the Defendant.

## Indian Government to encourage SMEs to go in for patents

The Government of India in collaboration with the UN-body World Intellectual Property Organisation (WIPO), has commissioned a study to ascertain whether India's small and medium enterprises (SMEs) are prepared to adopt the global Intellectual Property Rights regime. The study, being undertaken by a retired Adviser in the Department of Science and Technology, is a joint initiative of the Ministry of Micro, Small and Medium Enterprises (MSME) and the Geneva-based WIPO.

[Source: Economic Times](#)

## The patient is more important than the patent

The discounted price for life saving first line AIDS treatment has been brought down from the 2000 whopping price of \$10,000 per person per year to the current \$60, thanks to the Indian generic drug manufacturing companies. But Europe and other developed countries are pursuing aggressive trade policies that are likely to reverse the process. The European Union (EU) is negotiating with India, Thailand, Indonesia, Philippines, and the US is involved in talks on Trans Pacific Partnership Agreements with Australia, Malaysia, New Zealand, Singapore, and Vietnam. These Free Trade Agreements (FTA) demand higher level of Intellectual Property protection expanding monopolies of multinational pharmaceutical companies and threaten the ability of countries to manufacture or import ARV generic medicines, thus restricting access to life saving medicines to millions of people in the developing world. To add insult to injury, the recent alarming spate of buy offs by multinational companies of Indian firms manufacturing generic medicines, is likely to push up drug prices manifold in the Indian market in the near future.

[Source: Daiji World](#)

## Hindustan Unilever Ltd. (HUL) loses the trademark infringement case for Sunlight brand against the Thai Group

HUL, the Indian affiliate of the Anglo-Dutch consumer goods giant, Unilever, lost the trademark infringement case over the Sunlight brand against Kerala-based Thai Group.

More than a year ago, HUL filed a suit against Thai Group for promoting and selling a detergent product named "SunPlus" which resembles the name of the 127-years old HUL brand, Sunlight. Sunlight was launched in the year 1888, which was subsequently followed by other brands of HUL such as Wheel, Surf and Rin.

[Source: Economic Times](#)

## Metro faces copyright violation charges

Metro travel in Kolkata is bound to get boring in the days to come unless the authorities obtain a license from the Phonographic Performance Ltd (PPL) to play music at stations. The Calcutta High Court restrained Metro Railway from playing music - the rights of which are owned by PPL, without obtaining a license. The Court was hearing an appeal by PPL after its application for an injunction against playing of music at Metro stations, was turned down by a District Judge of Barasat in 2007. PPL is a copyright society and has been licensed by the Centre to collect license fees on behalf of the owners of sound recordings.

[Source: Times of India](#)



## Boadin, American Express, Target, Google: Intellectual Property

New York Times Co., Bloomberg LP, News Corp.'s Dow Jones & Co. and four other media outlets were sued for allegedly infringing two patents for "instantaneous symbol lookup," used on websites. Boadin Technology LLC ("Boadin"), which said it owns the rights to the patents, filed the lawsuit in the federal court in Wilmington, Delaware. Boadin, whose office is in Newark, Delaware, is seeking a finding of infringement and unspecified compensatory damages, according to the complaint. The news providers infringed Boadin's patents by selling "certain computer products that embody" the covered technology, according to the complaint, which said the companies, used the technology on their websites.

[Source: Bloomberg Business Week](#)

## INTERNATIONAL IP UPDATE



## Samsung sues Apple for patents infringement in France

South Korea's Samsung Electronics said it had filed a complaint in France against its US rival Apple for infringement of three technology patents. "The complaint focuses on three technology patents, and not on the design of the tablets," as was the case in a complaint filed in Germany that Apple won, a Samsung spokeswoman said. The complaint was filed before a Paris district court in July 2011 and the first hearing is expected in December 2011. Earlier a court in Duesseldorf banned Samsung from selling its latest Galaxy Tab 10.1 tablet computer in Germany, ruling it had copied Apple's iconic iPad.

[Source: Times of India](#)



## Apple gets revolutionary 3D gaming patent

The new system creates an invisible 3D space in front of the smartphone users, and they can work with the holographic image as if it was present there on a real screen. While Apple has been gradually amassing patents which are somehow related to 3D interfaces, a new patent has been granted to it which may have some big possibilities for gaming. It deals with a projected image area where users would be able to manipulate interface coming out of the mobile device interface in some way. The new patent is something similar to Kinect of Microsoft, which utilises motion sensing for gaming and other applications has already tasted success in the market.

[Source: Mobile Indian](#)



### Europe to extend performer copyrights

EMI stands to keep the rights to hits by The Beatles for another 20 years, after a Brussels committee agreed to extend copyright protection for sound recordings across Europe from 50 to 70 years. The recommendation, which is likely to be approved by the Council of Ministers, falls short of the 95-year term the music industry lobbied for, but will benefit all music companies. The move could help Citigroup as the US bank seeks to sell EMI, which it seized from Guy Hands' Terra Firma group in February. The Beatles first hit, Love Me Do from 1962, would have gone into the public domain next year. The Rolling Stones signed with Decca Records, now part of Universal Music, the same year, and the extension will affect artists ranging from Elvis Presley to Edith Piaf.

[Source: Financial Times](#)



### US offers drugs plan at Trans-Pacific trade talks

The United States called for the removal of tariffs and stronger intellectual property protections for medicines within the proposed Trans-Pacific Partnership free-trade pact. The US Trade Representative (USTR) said the proposal is aimed at promoting trade in generic and innovative medicines, while guaranteeing pharmaceutical producers intellectual property rights. The USTR proposal was made at negotiations in Chicago with eight trading partners, that is, Australia, Brunei, Chile, Malaysia, New Zealand, Peru, Singapore, and Vietnam over the creation of the regional trade pact, the Trans-Pacific Partnership.

[Source: Google News](#)



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