

World Trademark Review Daily

Court refuses to prevent use of identical mark for dissimilar goods
India - Nishith Desai Associates - Legal & Tax Counselling Worldwide

Dilution
Passing off

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In *Kamdhenu Ispat Ltd v Kamdhenu Pickles & Spices Ind Pvt Ltd* (October 18 2010), the Delhi High Court has rejected a request for a permanent injunction preventing the defendant from using the mark KAMDHENU.

Plaintiff *Kamdhenu Ispat Ltd* is engaged in the business of manufacturing and marketing steel bars. It has also expanded into other businesses, such as cement and construction. The plaintiff is the registered proprietor of approximately seven registered trademarks containing the word 'Kamdhenu'. Defendant *Kamdhenu Pickles & Spices Ind Pvt Ltd* manufactures and retails pickles, spices and condiments, among other things.

The plaintiff sought a permanent injunction before the Delhi High Court, alleging infringement of its KAMDHENU mark and passing off. It also sought other reliefs, such as damages and delivery-up.

Before the court, the plaintiff argued as follows:

- KAMDHENU is a well-known trademark, trade name, service mark and brand name.
- It had produced copies of invoices, advertisements and annual reports, among other things, to establish use of the KAMDHENU mark.
- The defendant used the trademark KAMDHENU in bad faith.
- Due to extensive use, KAMDHENU has become a household brand in respect of steel bars.

The plaintiff thus sought an injunction restraining the defendant from manufacturing any goods, or engaging in any commercial dealings, under the mark KAMDHENU or any other deceptively similar mark.

The defendant argued as follows:

- It had no intention of deriving any benefits from the plaintiff's trade name.
- The products sold or marketed by the defendant had no connection with the plaintiff's main business or the products sold or marketed by the plaintiff under the KAMDHENU mark.
- The plaintiff had been using the KAMDHENU mark since 1995, but the defendant had been using 'Kamdhenu' as a trademark and trade name since 1969.
- It was the prior user of the KAMDHENU mark in respect of pickles and other products.
- It was not using the plaintiff's logo or emblem, or any other mark capable of creating deception or confusion. A comparison of the parties' logos showed that there was no resemblance between their trademarks.

After hearing the arguments of the parties, the court held as follows:

- In Hindu mythology, '*Kamdhenu*' means a sacred cow that grants all wishes. The word is widely used by most Indian communities and cultures.
- '*Kamdhenu*' is a common dictionary word and is not descriptive.
- As the plaintiff had been using the KAMDHENU mark for a long time in relation to steel bars, it could be argued that the mark had acquired a secondary meaning.
- The defendant was not engaged in the manufacture or sale of steel, cement or construction products, or similar goods. Moreover, the plaintiff had not disclosed whether it was engaged in the same commercial activity as the defendant.
- The defendant was the prior user of the corporate and trade name Kamdhenu.
- Use of 'Kamdhenu' as a corporate name, notwithstanding the plaintiff's registration for the word mark KAMDHENU, could not *ipso facto* confer exclusivity. The plaintiff should use the mark in relation to specific goods, such as pickles and condiments - only then would there be any justification for granting relief.
- The defendant, on the other hand, had shown that it had been using the mark for a long time.

The issue before the court was thus whether the defendant had infringed the plaintiff's KAMDHENU mark by dilution. Unlike in typical infringement cases (use of a mark for similar goods and/or services), in dilution cases (use of a mark in respect of dissimilar goods and/or services), there is no presumption of infringement.

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In order to sustain a claim of dilution under Section 29(4) of the [Trademarks Act](#), a trademark owner must show that:

- the impugned mark is identical, or similar, to the earlier mark;
- the earlier mark has a reputation in India;
- use of the impugned mark is without due cause; and
- use of the impugned mark takes unfair advantage of, or is detrimental to, the distinctive character or repute of the registered mark.

In order to reach its decision, the court relied on the following cases, in which an injunction was rejected in similar circumstances:

- *Sona Spices Pvt Ltd v Soongachi Tea Industries Pvt Ltd* (2007 (34) PTC 91 (Del));
- *Harrods Ltd v Harrodian School Ltd* ([1996] RPC 697); and
- *Rhizome Distilleries v Pernod Ricard SA France* (166 (2010)) (for further details on this decision please see "[Pernod Ricard denied exclusive rights over use of the word 'imperial'](#)").

Considering the parties' marks and logos as a whole, "without cataloging minutely the similarities or dissimilarities", the court found that the overall presentation of the marks was similar. However, the plaintiff had been unable to establish that its mark had acquired such distinction in India that its use by a third party for completely different goods amounted to infringement by dilution under Section 29(4).

The court considered that, at best, the plaintiff had managed to establish a reputation with respect to steel and allied goods, or even somewhat related fields such as cement. However, there was nothing to suggest that such a reputation extended to pickles and other goods manufactured by the defendant. The court concluded that there was no link between the defendant's mark and the plaintiff's products "so as to cause detriment to the latter and undue advantage to the former".

The action was thus rejected.

In rendering the judgment, the court observed that Section 29(5) of the act provides for a new type of infringement: trade name infringement. Section 29(5) reads as follows:

"A registered trademark is infringed by a person if he uses such registered trademark as his trade name or as part of a business concern dealing in the same goods or services in respect of which the trademark is registered."

There is a presumption of infringement in cases involving identical or similar trademarks used for similar goods. However, there is no such presumption with regard to trade names.

The court noted that the function of trademarks is to enable consumers to identify the source of the products. The court further noted that the object of trademark law is to prevent traders or producers from engaging in conduct that is intended to injure the business or goodwill of another trader (in the sense that it is a reasonably foreseeable consequence). Therefore, trademark law and the protections afforded by it would be meaningless if the courts automatically granted injunctive relief, even where no injury was shown.

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