

# World Trademark Review *Daily*

**PARLE is a house mark, says court**  
**India - Nishith Desai Associates - Legal & Tax Counselling Worldwide**

**Confusion**  
**Unfair use**

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The Bombay High Court has confirmed that PARLE was a house mark and that members of the Chauhan family had equal rights to use it.

The Parle Group, which is run by the Chauhan brothers, is a leading food and confectionary company in India. The name Parle has become a household name in India for various food and confectionary products. The initial family business was set up in 1929 as a partnership between Mohanlal Dayal Chauhan and his five sons under the name Parle Products Manufacturing Company. In 1950 Parle Products Private Limited was incorporated and all the partners became directors. Subsequently, the brothers started managing different portfolios of the business through independent companies/groups (in particular, [Parle Products](#) and [Parle Agro](#)). The groups marketed and sold their respective products under different product identification marks, but used the name Parle in their corporate names.

A trademark dispute arose in 2007 when Parle Agro diversified into the confectionery business. It started manufacturing toffees under the brand name Buttercup and Mintrox, and marketed them using the phrase 'Parle Confi'. Parle Products filed suit before the Bombay High Court, stating that:

- PARLE was a registered trademark of Parle Products; and
- Parle Products had been present in the confectionery market for decades and had the exclusive right to use the Parle name to sell confectionery.

Parle Agro argued that it was not legally bound to stop using the Parle name for its own products as long as it used different product identification marks or brand names. Parle Agro also claimed that the PARLE mark had been registered by the Chauhan family before the company was divided into different groups. Hence, PARLE was a house mark that could be used by all members of the Chauhan family.

The Bombay High Court observed that:

- both Parle Products and Parle Agro have used the name Parle in their corporate name with no objection from the other side;
- there was no agreement that prevented either group from carrying on the business of the other; and
- use of 'Parle Confi' did not amount to misrepresentation, as it did not create a likelihood of confusion in the mind of the public.

The court thus ruled in favour of Parle Agro, stating that PARLE was a house mark, and that both Parle Products and Parle Agro had equal right to use the mark.

However, in issuing the *ad interim* order, the court stated that Parle Agro could use the Parle name for its range of confectionery products only to indicate that they were manufactured or marketed by it (labels should thus include the phrase "Manufactured by Parle Agro Pvt Ltd", followed by "Jayantilal Group - having no relationship whatsoever with Parle Products Pvt Ltd").

Many established companies have evolved from family partnerships and have been using family names or house marks as trademarks. If the family partnership is split into different companies, it is essential to set out clearly the various rights and restrictions relating to use of such marks.

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Prerak Hora, Nishith Desai Associates - Legal & Tax Counselling Worldwide, Mumbai

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