

World Trademark Review *Daily*

**Pernod Ricard denied exclusive rights over use of the word 'imperial'
India - Nishith Desai Associates - Legal & Tax Counselling Worldwide**

**Unfair use
Dilution
Passing off**

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The Supreme Court of India has dismissed an appeal by [Pernod Ricard SA France](#) against a decision of the division bench of the Delhi High Court in which the latter had held that Pernod had no exclusive rights over use of the word 'imperial' for alcoholic beverages.

Pernod, a global alcoholic beverages giant, is the owner of popular brands such as Chivas Regal, 100 Pipers, Ballantines, Beefeater, Malibu and Blenders Pride. Apart from these international brands, Pernod also owns local brands such as Imperial Blue, Imperial Red and Royal Stag. Three Indian companies - Rhizome Distillers, Maurya Distillers and [Durga Liquors](#) (collectively Rhizome) - started selling whisky under the brand Imperial Gold.

Pernod filed suit in the Delhi High Court, seeking a permanent injunction preventing Rhizome from selling its whisky in India under the brand Imperial Gold. Pernod claimed passing off, brand dilution and unfair competition, and sought an account of profits and delivery-up.

In particular, Pernod argued that:

- the word 'imperial' had acquired secondary meaning in India and, therefore, it had exclusive rights over use of the word for alcohol products;
- Rhizome had adopted the word 'imperial' dishonestly in order to pass off its products as those of Pernod; and
- Pernod had used the trademark IMPERIAL BLUE continuously and uninterruptedly in India since 1997.

In its defence, Rhizome argued that:

- there could be no claim for exclusivity over the word 'imperial', as it is used in common parlance; and
- the word 'imperial' was an obvious choice for whisky because of its laudatory nature.

The single judge of the Delhi High Court issued an interim order restraining Rhizome from manufacturing, selling, offering for sale, advertising, and directly or indirectly dealing in whisky or any other alcoholic beverages under the trademark IMPERIAL GOLD, or any other trademark/trade dress that was deceptively similar to Pernod's.

On appeal by Rhizome, the division bench of the Delhi High Court set aside the interim order of the single judge, holding as follows:

- The word 'imperial' is used by several other alcohol manufacturers for their products (eg, Imperial Tribute, Imperial Famous and Tetley's Imperial). No exclusive or proprietary rights can be claimed by either of the parties in respect of the word 'imperial', as it is used in common parlance and may be found in every dictionary.
- The word 'imperial' is laudatory in nature, as it alludes to royalty or grandeur.
- Secondary meaning may be acquired over a number of years. Pernod started marketing its product only in 1997.
- Both Pernod and Rhizome owned registered trademarks under the [Indian Trademarks Act](#) for their competing brands.

Therefore, the division bench upheld Rhizome's appeal and set aside the order of the single judge. It held that Rhizome was allowed to market Imperial Gold whisky, provided that:

- the word 'Rhizome' was displayed prominently; and
- the Imperial Gold packaging was changed to avoid confusion with Pernod's products.

Pernod appealed to the Supreme Court. It contended that allowing the use of the word 'imperial' would encourage infringers and other unscrupulous traders to copy Pernod's trademark, thereby causing irreparable damage to the public at large. However, the Supreme Court refused to give any relief to Pernod and upheld the division bench's decision.

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The Delhi High Court and the Supreme Court relied on the principle that a common word cannot be monopolized by a single company, unless there is significant evidence to suggest that the word has acquired secondary meaning. It would be interesting to see how the courts would rule if the word 'imperial' was being used as a trademark for products other than alcoholic beverages.

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