



Sweet victory for Coca-Cola in MAAZA dispute India - Nishith Desai Associates - Legal & Tax Counselling Worldwide November 16 2009

The Delhi High Court has ordered Bisleri International to stop selling its mango-flavoured soft drink under the trademark MAAZA in India.

Bisleri (formerly known as Aqua Minerals Private Limited), part of the Parle Group of Industries, is India's largest bottled water company. Bisleri originally created the Mazaa brand for its fruit-flavoured drinks. On September 18 1993 it entered into a master agreement with The Coca-Cola Company, under which Bisleri sold the trademarks, formulation rights, know how, IP rights and goodwill of various products (including the Mazaa product) to Coca-Cola. However, Bisleri retained ownership of the MAAZA mark in the foreign countries in which it owned registrations for the mark.

The relationship turned sour, and the parties have been engaged in a legal dispute over the MAAZA mark for several years.

Bisleri alleged that:

- it had sold the MAAZA mark to Coca-Cola for distribution and sale of the mango-flavoured drink within the Indian territory only; and
- Coca-Cola had registered the MAAZA mark outside India, thereby infringing the 1993 agreement.

Coca-Cola alleged that:

- Bisleri had continued to use the MAAZA mark in India;
- Bisleri had allowed third parties to make mango-flavoured drinks using the formulation of the Mazaa product; and
- there was no non-compete agreement preventing Coca-Cola from registering the MAAZA mark in countries where it had not been registered by Bisleri.

The Delhi High Court found that Coca-Cola was the owner of the MAAZA mark in India. Coca-Cola was also the sole owner of the IP rights used to manufacture beverage bases and beverages bearing the MAAZA mark. On October 15 2008 the court issued an interim injunction preventing Bisleri from using:

- the MAAZA mark:
- any other deceptively similar trademark; and
- the know-how, formulations and other IP rights associated with the preparation of the mango-flavoured drink.

On October 20 2009 the interim order became absolute. The court found that the balance of convenience weighed in favour of Coca-Cola, and observed that Coca-Cola would suffer irreparable loss and injury if no injunction was issued.

The judgment highlights the fact that trademark owners should think carefully before entering into licensing and assignment agreements. However, reacting to the decision, Bisleri stated that "the judgment does not affect [its] operations in any way". Therefore, it will not appeal the decision to the Supreme Court.

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