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INDIA: Use of a Registered Trademark as Trade Name Does Not Constitute Infringement

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The Supreme Court of India, on August 11, 2017, agreed to hear an appeal filed by Cipla Limited against a March ruling of the full bench of the Bombay High Court that use of a registered trademark as a trade name for dissimilar goods/services does not amount to infringement. *Cipla Limited v. M/s Cipla Industries Pvt. Ltd.*, March 1, 2017. While the Supreme Court has agreed to hear the appeal, it has not yet delivered a ruling in the case.

The plaintiff, Cipla Limited, a well-known manufacturer of pharmaceutical products, had a registration for the mark CIPLA in Class 5 with respect to “pharmaceutical products.” The defendant, M/s CIPLA Industries Pvt. Ltd., registered the mark CIPLA PLAST in Class 21 with respect to “household and kitchen utensils, containers etc.” A suit was initiated by the plaintiff against the defendant claiming that use of its well-known registered trademark CIPLA as a part of the defendant’s corporate name amounted to infringement.

The plaintiff argued that, since trademarks are, by definition, inclusive, they must include the right to use the mark as a trade name; thus, use of Cipla Limited’s trademark as a corporate name by the defendant would amount to infringement. On the other hand, the defendant maintained that its goods were neither similar nor identical to the plaintiff’s marks and, hence, no infringement was present.

The single judge adjudicating the matter, although bound by the dictum from the case of *Raymond Limited v. Raymond Pharmaceuticals* [2010 (44) PTC (Bom)] (*Raymond*), was of the view that the decision rendered in the said case—wherein an injunction was refused to the plaintiffs whose registered trademark was being used as a corporate name by the defendants—required reconsideration. In disagreement with the findings of the *Raymond* case, the judge referred the matter to a larger bench.

The full bench had to, among other issues, deliberate on points of law surrounding the interplay of relevant provisions of Section 29 of the Trade Marks Act, which deals with infringement of registered trademarks—in particular, Sections 29(4) and 29(5). Interpreting the provisions literally, the bench held that in order to invoke Section 29(4), the plaintiff would have to show that the defendant’s mark was identical with or similar to the plaintiff’s well-known registered trademark and was used in relation to dissimilar goods/services. On the other hand, Section 29(5) applied in cases where the plaintiff’s registered trademark was used as a corporate name by the defendant with respect to same/similar goods/services. The bench affirmed that Sections 29(4) and 29(5) were mutually exclusive and no cause of action would exist when a registered trademark was used as a corporate name with respect to dissimilar goods.

While the judgment is based on a literal interpretation of the law, it does affect the statutory rights of holders of

well-known trademarks. That said, a passing off action may still be initiated in such scenarios. Owners of well-known marks now eagerly await the decision of the Supreme Court in the appeal. Although the matter was listed on January 4, 2018, a hearing has not yet been held.

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