

World Trademark Review Daily

Gujarat High Court clarifies extent of use necessary to maintain registration
India - Ranjan Narula Associates

Cancellation
National procedures

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In *Kaira District Co-operative Milk Producers Union Ltd v General Mills Inc* (Special Civil Application No 13455 of 2012), the Division Bench of the High Court of Gujarat has dismissed a petition filed by *Kaira District Co-operative Milk Producers Union Ltd* against a decision of the Intellectual Property Appellate Board (IPAB) ordering the cancellation of its 35-year-old registration for the TRIX mark.

The petition for cancellation was filed by *General Mills Inc* on the basis of its prior adoption of the mark TRIX and use since 1910. General Mills launched its DIP-TRIX product in India in 2005. It claimed that, in 2008, its annual sales were to the tune of \$1.5 million. General Mills argued that Kaira had no good-faith intention to use the mark, and had in fact made no use of the mark for a period of five years and one month at the date of filing of the petition. General Mills also filed a passing-off action against Kaira before the Delhi High Court and Kaira was ordered to stop using the mark TRIX.

Before the High Court of Gujarat, Kaira argued as follows:

- It had coined the mark TRIX in 1977 from the word 'tricks', based on the concept of appearing and disappearing tricks, as its chocolate disappears when put in the mouth.
- It owns a registration for TRIX (No 330224) dating back to October 28 1977 in Class 30 of the [Nice Classification](#).
- In 1986 it launched "chocolate-covered nougat bars" under the mark TRIX, together with its well-known house mark AMUL, and had significant sales until May 1987.
- It had spent Rs6 lakh (approximately \$12,000) in 1985-86 to promote the AMUL TRIX brand. Thereafter, it had discontinued use of the TRIX mark, but kept the registration alive by filing timely renewal applications.
- General Mills did not oppose its TRIX mark when it was published in the *Trademarks Journal*, and did not take any action when application No 1347981 was examined. Thus, there was acquiescence on the part of General Mills.
- It had started preparing the launch of wafer chocolates under the TRIX mark in December 2005, leading to actual sales in May 2007. Simultaneously, General Mills had also forayed into the Indian market in December 2005 by introducing the DIP-TRIX snack.
- Its use of the mark in December 2005 and May 2007 clearly fell within the statutory period of five years and three months before the date of the application for rectification (December 14 2007).
- As General Mills had subsequently withdrawn the DIP-TRIX product from the market, it was not an aggrieved person as of the date of the final decision in the rectification proceedings.

After analysing the parties' submissions and evidence, the court upheld the IPAB's decision and observed as follows:

- General Mills was the first to adopt and use the mark TRIX worldwide.
- Kaira had not used the mark commercially at any point in time, other than a period of 10 months during 1986; moreover, such use pertained to AMUL TRIX, rather than TRIX *per se*. There was no valid reason for the non-use of the mark for a period of 20 years.
- The invoices for the year 2007 showing Kaira's sales to the tune of only Rs1642 (approximately \$30) satisfied the conditions for cancellation under Clauses (1)(a) and (1)(b) of Section 47 of the [Trademarks Act 1999](#).
- Applying the rationale of the Supreme Court in *Kabushiki Kaisha Toshiba v Toshiba Appliances Co* (AIR 2009 SC 892), the court opined that the intention to use a mark must be genuine. A party which has no good-faith intention to use a mark should not obtain a trademark registration, as it prevents other traders from using the mark.

Brand owners that were first to use a mark worldwide and have proved their intention to use the mark in India can draw comfort from this ruling, as it shows that the sporadic use of identical or similar marks by third parties in India may not be acceptable.

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