
Cadbury loses rights in ECLAIRS marks

In an order **dated October 31 2013, the Intellectual Property Appellate Board (IPAB)** has ordered the removal of Cadbury's ECLAIRS marks from the Trademarks Register on the ground of non-use. The petition for removal of the mark had been filed by ITC Limited, an Indian company with extensive business interests in the confectionery sector. Interestingly, the IPAB issued a common order for removal of four registrations owned by Cadbury, even though Cadbury's counsel sought to voluntarily cancel the registrations.

The facts of the case were as follows:-

- Applicant ITC claimed that it is one of the leading companies in India, and that it has been engaged in the business of marketing and manufacturing consumer goods since 1910.
- The applicant started marketing confectionery products in 2002 under the brand names Minto-O and Candyman.
- The applicant started marketing éclairs confectionery in or around August 2003. Since then, the Applicant has continuously and extensively used the trademark ECLAIRS in conjunction with its famous trademark CANDYMAN, which is well recognized among consumers.
- Cadbury filed suit against the applicant and, in April 2005, the City Civil Court in Ahmadabad issued an ex parte injunction restraining the applicant from using the trademark ECLAIRS or any other deceptively similar trademark.
- Aggrieved by the ex parte order, the applicant appealed the High Court of Gujarat, which modified the order, thereby allowing the applicant to manufacture and sell its products as 'Candyman Choco éclairs'.

Subsequently, the applicant filed petitions for the removal of Cadbury's trademarks - namely, CADBURY ECLAIRS, CADBURY CHOCOLATE ECLAIRS, CADBURY CHOCOLATE ECLAIRS POP and ECLAIRS.

The rectification petitions were based on the following grounds:-

- The marks wrongly remained on the Trademarks Register;
- Marks that are not put to genuine use are liable to be removed from the register;
- The marks at issue were not distinctive of the registered proprietor's goods; and
- The fact that the marks at issue remained on the register affected its purity.

Cadbury filed counter-statements, mainly contending as follows:

- The rectification petitions had been filed only as a counterblast to the civil suit filed by Cadbury against the applicant;
- The claim of non-use was not justified, as Cadbury has been using the trademarks continuously and extensively without any interruption;
- The trademark CADBURY ECLAIRS was adopted by its predecessors several decades ago and is registered in various countries;
- The onus to prove non-use had not been discharged by the applicant; and
- The word '*éclairs*' only formed part of the marks against which the applicant had filed applications for rectification.

When the matter was heard by the IPAB, Cadbury's counsel submitted that it was taking steps to withdraw the registrations and, therefore, it did not argue the matter on merits. However, counsel for the applicant submitted that the matter should be heard and decided on merits, as there was an injunction order against it. The applicant also submitted that the marks were not used by Cadbury and that the trademark ECLAIRS is descriptive as per its dictionary meaning. The applicant also filed third-party affidavits to prove non-use.

The IPAB held that the only evidence filed by Cadbury was the registration certificates obtained in various countries. However, there was no evidence demonstrating use, and registration alone did not help Cadbury to prove the use of its marks. The IPAB further held that, as Cadbury had not rebutted the ground of nonuse, the fact that its marks had been registered for several years would not suffice. The board thus ordered the removal of Cadbury's marks from the register.

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