

Alert 387 - India - common law rights in product shapes

In a recent important case, Gorbatschow Wodka KG v. John Distilleries Limited*, the Bombay High Court granted a quia timet injunction restraining the Defendant from using a bottle shape identical or deceptively similar to that used by Plaintiff.

Facts

The Plaintiff sold 'Gorbatschow' branded vodka in a distinctively shaped bottle that had been inspired by the onion or bulbous shaped domes of Russian Orthodox churches. The Plaintiff had registered the bottle shape as a trade mark in various jurisdictions worldwide, and on 31 January 2008, it applied to register it in Class 33 in India, claiming use since 19 December 1999. The application is currently pending.



When the Defendant proposed to launch its 'SALUTE' branded vodka in a similarly shaped bottle, the Plaintiff commenced passing-off proceedings. The Court granted an ex-parte ad interim injunction restraining the Defendant from marketing its product in the similarly shaped bottle. The Defendant sought to set the Order aside.

Defendant's Arguments

• Its vodka bottle, used with the distinctive 'SALUTE' trade mark and a differently coloured,



distinctive label, would not be confused with the Plaintiff's bottle.

- Consumers of the Plaintiff's luxury, premium grade vodka are affluent and educated and unlikely to be deceived by the mere shape of a bottle. The passing-off test must, therefore, be differently applied: the reaction of a consumer of average intelligence and imperfect recollection is not relevant.
- Its bottle shape had been registered under the Designs Act 2000 on 5 February 2008, i.e. prior to launch of the Plaintiff's product in India in June 2008, after an extensive search for existing similar designs. The duty cast upon the Defendant to make reasonable enquiries had been duly discharged.
- The Plaintiff's goodwill could not be established at the interlocutory stage.

Plaintiff's Arguments

- Under Section 2(zb) of the Trade Marks Act 1999, 'trade mark' is expressly defined to include the shape of goods..
- It had acquired extensive goodwill and reputation in the distinctively shaped bottle, having sold its vodka since January 1996 at duty free shops, with general sales commencing after a formal launch in the Indian market, in 2008.
- No one else in the global market uses such a distinctive shape.
- The Defendant's conduct would result in dilution of a) the distinctiveness of the bottle shape; and b) the goodwill and reputation the Plaintiff had acquired in relation thereto.
- Use of the Defendant's bottle would cause great confusion as to the origin of the product.
- The Defendant's design registration is no defense to an action for passing-off as there is no procedure in the Act for opposing registration.

Decision

The Court found in favour of the Plaintiff on the following grounds.

- The Plaintiff had prima facie established both a trans border reputation and a reputation in the Indian market, an integral part of which reputation resided in the shape of its vodka bottle.
- The shape of goods and their packaging is capable of trade mark registration.



- The Defendant had absolutely no bona fide explanation for adoption of the strikingly similar bottle. The Plaintiff's submission that no manufacturer other than the Defendant, either globally or in India, had adopted the bottle shape was not disputed.
- If the Defendant were allowed to dilute the distinctiveness of the Plaintiff's mark, other infringers would be emboldened to invade upon the Plaintiff's rights.
- The Defendant's distinction between the reaction of educated and affluent consumers and those who do not fall into that category was fallacious. Such a distinction would render the remedy of passing-off illusory.
- The Defendant's design registration was not relevant. Had the Defendant known of the existence of the Plaintiff's product, as a diligent market enquiry would have revealed, no amount of searching of the Register would support its adoption of the mark.
- Launch of the Defendant's product would cause irreparable injury to the established goodwill and reputation of the Plaintiff.

Our Comment

The importance of this decision arises from the Court's emphatic recognition of common law rights in shapes that satisfy the criteria of 'shape marks' under the Trademarks Act. As a product's shape or appearance plays such an important role in attracting consumer attention and repeat sales, brand owners will welcome the decision. It will be particularly interesting to see its impact in industries such as the telecommunication, footwear, and perfume industries, where the Indian market is flooded with Chinese lookalike products that do not copy brand names, but make use of similar shapes and colour schemes.

* Notice of Motion No. 3463 of 2010 in Suit No. 3046 of 2010

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