

World Trademark Review *Daily*

Supreme Court confirms that marks should not be dissected
India - Ranjan Narula Associates

Confusion

January 12 2011

In *Clinique Laboratories LLC v Gufic Ltd* (CC 16819/2010), the Supreme Court has upheld a decision of the division bench of the Delhi High Court in which the latter had found that marks should not be split up to assess similarity. The Supreme Court upheld this proposition when it dismissed a special leave petition filed by *Estée Lauder*.

Estée Lauder, which owns the CLINIQUE mark, challenged the judgment of the division bench of the Delhi High Court. The court had observed as follows:

- If the marks at issue are not identical, the 'deceptive similarity' test in infringement cases is the same as that in passing-off actions;
- The assessment must be done from the point of view of a person with average intelligence and imperfect recollection;
- When comparing the marks, the court must take into account the overall structural and phonetic similarity of the marks, but should not split them into their component parts and consider their etymological meaning; and
- When comparing the marks, the court must consider whether they convey the same idea.

Applying the above principles, the division bench of the Delhi High Court had held that Gufic Ltd's registered trademarks SKINCLINIQ, DERMACLINIQ and SKINCLINIQ STRETCH NIL did not infringe *Estée Lauder*'s CLINIQUE mark. Accordingly, the court had reversed the interim injunction order entered by the single judge in favour of *Estée Lauder*. The court also took into account the price difference between the two products (for further details please see "[Marks should not be split to assess similarity](#)").

Estée Lauder challenged these observations before the Supreme Court, asserting that:

- the marks CLINIQUE and SKINCLINIQ were similar; and
- an injunction should be granted in its favour.

However, the Supreme Court found no merit in this contention and dismissed the special leave petition filed by *Estée Lauder* at the admission stage. In doing so, the Supreme Court confirmed that marks should not be split into their component parts when assessing similarity; rather, they should be compared as a whole.

Although this is not the first time that the Indian courts have applied the principle that marks should not be split to assess similarity, the judgment is important in that, when comparing the marks, the court appears to have discounted the fact that 'cliniq' was the dominant element of Gufic's mark SKINCLINIQ. Further, the significant weight given by the court to the price difference between the parties' products in assessing consumer confusion is seen as an unrelated factor in determining the similarity of the marks.

Brand owners can draw comfort from the fact that this was not a straightforward case, with both sides having registered their respective marks. Therefore, surrounding circumstances, including the strength of the marks and the extent of use of SKINCLINIQ by Gufic, weighed in the judge's mind in arriving at this conclusion.

Shine Joy, Ranjan Narula Associates, New Delhi

World Trademark Review (www.worldtrademarkreview.com) is a subscription-based, practitioner-led, bi-monthly publication and daily email service which focuses on the issues that matter to trademark professionals the world over. Each issue of the magazine provides in-depth coverage of emerging national and regional trends, analysis of important markets and interviews with high-profile trademark personalities, as well as columns on trademark management, online issues and counterfeiting.