
Demystifying brand clearance

When selecting a brand there are generally divergent views held by marketing and legal departments of a company. While marketing would like to adopt descriptive words or those with laudatory epithet for better consumer recall, the legal would face a hard time clearing the names; not just from the point of view of use but also registration. The thumb rule is descriptive, laudatory and words which have a direct reference to the goods in question are not registerable. By that logic they are in public domain and available for use by all traders. However, certain words even though they may be descriptive of goods can acquire distinctiveness by virtue of use. Thus, these words are protected on the basis of their long standing use and reputation among the relevant class of customers and acquire secondary meaning. In practice, the use of laudatory and descriptive words is more common as a sub-brand with the house mark or a main brand. With increasing competition, the FMCG space is getting crowded and brands jostling for consumer attention, and as a result, the litigation is increasing with companies leveraging their IP to stop competitors from brand extension. The article analyses cases where common words and those with laudatory epithet have been subject of scrutiny by the courts and the key learning from them.

1) Impact of seeking registration and thereafter arguing the mark is descriptive or common to the trade

- *Jagdish Gopal Kamath and Ors. Vs. Lime & Chilli Hospitality Services*

In this case, the Plaintiffs were the registered owners of the mark, 'Madras Cafe'. They claimed that the Defendant had copied their mark and such adoption of the mark was fraudulent and dishonest. The Defendants contended that neither 'Cafe' nor 'Madras' are registrable. The defendants further contended that, "Taken together, the two words are therefore a purely descriptive and not a distinctive expression; and given the spread of use, it is a generic term for a restaurant or eating house that serves South Indian cuisine".

The Bombay High Court pointed out that the Defendant cannot raise the objection that the expression is 'common to the trade'. Apparently, the Defendant has itself (a mere 13 days after it received a cease and desist notice from the Plaintiffs) applied for the registration of a device mark with the expression 'Café Madras' as its leading, prominent and essential feature. There was an interesting observation made by court where it said that "an applicant cannot simultaneously make this claim and also contend that in the hands of another the very mark he chooses to monopolize by virtue of his application has no redeeming distinctiveness or that it is so utterly generic, descriptive and so common to the trade that no registration at all is possible..."

In the present case, the Court held that the material on record were sufficient to warrant reliefs on both causes of action, i.e., of infringement and passing off.

- *Anchor Health and Beauty Care Pvt. Ltd. vs. Procter & Gamble Manufacturing (Tianjin) Co. Ltd. & Ors.*

In this case, the dispute was in relation to use of the mark/expression "ALL-AROUND PROTECTION"/"ALLROUNDER". The Plaintiff (Anchor) sought permanent injunction in relation to its registered trademark "ALLROUND" or the mark/expression "ALLROUND PROTECTION". The Defendants had launched a product under the mark ORAL-B "ALL-AROUND PROTECTION". The Plaintiff contended that this amounted to infringement of their rights.

The Defendants contended that 'ALLROUND PROTECTION' is descriptive in nature and that the Plaintiffs were not using 'ALLROUND' as a trademark. It was 'ANCHOR' which was being promoted as a primary trademark. The Defendant further contended that the mark "ALLROUNDER" as used by them is a secondary mark used in conjunction with the primary mark ORAL-B. The mark "ALL-AROUND PROTECTION" is also used in relation to their product ORAL-B Pro Health. Hence, it was urged that there is no infringement of the trademark of the Plaintiff.

The Plaintiff contended that the mark was not descriptive in nature and the mere fact that the word is a dictionary word does not mean that the mark is descriptive. It was pointed out that the Defendants had got the mark 'ALL ROUND PROTECTION' registered in US and had applied for registration for the said mark. Thus, they cannot contend it to be generic expression or descriptive.

The Court, observed, "... In my view it is not permissible for the defendant to approbate and reprobate..." The Court placed reliance on *Rajneesh Kumar Singhal vs. The State (National Capital Territory of Delhi)*, wherein it was held that, "...If a party has taken up a specific stand at a particular stage of the court proceedings it should not be open for him to take a contrary position at a subsequent stage of litigation or in different proceedings. The principle serves well as it does not allow a litigant to blow hot and cold at successive stages of the same litigation, or another litigation...". The Court rejected the contention and noted that the defendant was using the mark in a trade mark sense and not in descriptive sense.

- *Dabur India Ltd. Vs. Real Drinks Pvt. Ltd. and Anr.*

The Plaintiff, Dabur India Limited, sought to restrain Real Drinks Pvt. Ltd., Goa (Defendant No. 1) from infringing the Plaintiffs registered trademark 'REAL' and from using 'REAL' or any other mark identical thereto or similar therewith as may be likely to cause confusion or deception amounting to passing off of Defendants' goods as those of the Plaintiff. The Plaintiff contended that 'Real' had acquired the status of a well known brand.

The Defendant contended that the Plaintiff cannot monopolize the word 'Real' since it's a generic word and lacks distinctiveness.

The Court, held that, "... As regards the latter submission, it is not open to Defendant No. 1, after having itself applied for and obtained registration of the mark 'REAL MANIK', to contend that 'REAL' is a generic word that lacks distinctiveness.

2) Descriptive words not protectable

- *Nestle India Limited Vs. Mood Hospitality Private Limited*

In this case, the appellant (Nestle) had been enjoined from using the mark 'YO'. According to the respondent (Mood Hospitality), the marks "Yo!" and "Yo! China" had become distinctive of the respondent and the word "Yo" has acquired a secondary meaning. Consequently, the respondent claimed exclusive right to use the marks "Yo!" and "Yo! China". The respondent was aggrieved by the fact that the appellant was manufacturing and marketing, noodles (chowmein) under the name and style of "Maggi Cuppa Mania" in two flavours "Masala Yo!" and "Chilly Chow Yo!".

The appellant contended that "Yo!" is a popular exclamation commonly used by the trade and is a generic expression. Consequently, it could not be considered as a distinctive or a well known trade mark, which is a condition precedent for the applicability of Section 29(4). The appellant also contended that in any event, infringement is not made out since use of "Yo!" by the appellant in conjunction with "masala" and "chilly chow" could not lead to any confusion or deception inasmuch as the appellant's product was well distinguished by the trade mark Maggi and its packaging was entirely different and distinct from that employed by the respondent

The Court observed that the appellant was using the expression "Yo" in conjunction with "Masala" and "Chilly Chow" which describe the two flavours of the appellant's product Maggi Cuppa Mania. It had not used "Yo!" independently or as part of its trade mark which remains 'Maggi'. Nor was the expression used as a part of its product name "Cuppa Mania". The Court, observed that. "From the manner in which "Yo" is used in the expressions "Masala Yo!" and "Chilly Chow Yo!" in the appellant's products displayed above it does not appear that it has been used for the purpose of indicating a connection between the appellant's products and the respondent..." The Court further held that 'YO' was not used in isolation. It was an integral part of 'MASALA YO' and 'Chilli Chow Yo'. Thus, it could be termed to be a flavour descriptor.

- *Marico Limited Vs. Agro Tech Foods Limited.*

The appeal in the present case was against the order of the Single Judge wherein he allowed the application of the defendant for setting aside the injunction order. The appellant (Marico) was the owner of registered marks - 'LOSORB' and 'LO-SORB'. The respondent (Agro Tech) was using the mark- 'LOW ABSORB'.

The Court, in the present case, relied on the decision in *Cadila Healthcare Ltd. v. Gujrat Co-operative Milk Marketing Federation Ltd and Ors.* wherein it was held that the term, 'SUGAR FREE' was a laudatory and a descriptive word and simply because the plaintiff claimed to be using the expression "Sugar Free" as a trademark much prior to the launch of the defendant's product Pro Biotic Frozen Dessert in the market did not mean that a blanket injunction could be imposed on using term 'SUGAR FREE' when it was intended to be used in a descriptive sense. The Court held that 'SUGAR FREE' was at best a combination of two English words. Relying on Section 29 of the Trade Marks Act and Section 35 of the Trade Marks Act, the Court held that, "...it is clear that the mark or indication which serves to designate the quality of the goods of the appellant, which indeed the phrase "Sugar Free" does, would be an absolute ground for refusal of registration of a mark unless it has acquired a distinctive character. The expression can at best be said distinctive qua the artificial sweetener of the appellant and mere starting of the marketing of the drink "sugar free D'lite" cannot give the appellant the right to claim distinctiveness in the expression "Sugar Free" in relation to all the food products..." The Court also held, "... the respondent cannot be restrained from absolutely using the expression "Sugar Free", particularly in the descriptive sense"

Relying on the above mentioned case, the Court held that, "...the appellant in the facts of the present case can have no exclusive ownership rights on the trademark "LOW ABSORB". The expression "LOW ABSORB" is quite clearly a common descriptive expression/adjective. The expression "LOW ABSORB" is not a coined word and at best it is a combination of two popular English words which are descriptive of the nature of the product..."

"...The expression "LOW ABSORB" is used in the functional sense for the character of the product viz edible oil. With respect to the unregistered trademark "LOW ABSORB" we are of the firm opinion that in essence the expression "LOW ABSORB" only describes the characteristic of the product edible oil and ordinarily/ normally incapable of being distinctive..." The Court noted that the respondent was selling its products with a prominent mark of 'SUNDROP'. The packaging and the scheme were also different.

Commenting on the distinctiveness of a mark, the Court noted that, "...Courts should ordinarily lean against holding distinctiveness of a descriptive trademark unless the user of such trademark is over such a long period of time of many many years that even a descriptive word mark is unmistakably and only and only relatable to one and only source i.e. the same has acquired a secondary meaning..." The Court also observed that, "... we find that user is only of about seven years since 2001 and which user even as per the stated sales cannot be said to be such user qua a descriptive expression "LOW ABSORB" that it can be said that the appellant has got such distinctiveness to claim exclusive monopoly of the same as a trademark keeping in mind the observations made above of discouraging appropriation of descriptive words and expressions. Also, the extent of sales i.e. value of sales can sometimes be deceptive in cases such as the present where the appellant also uses other trademarks such as "Sweekar" & "Saffola". It would be a moot point, to be decided after trial, that what is the extent of sales relatable to "LOW

ABSORB" only (and even for the registered marks "LOSORB" and "LOSORB") and not because of the trade marks "Sweekar" and "Saffola". We, therefore, at this stage of interim injunction reject the case of the appellant that it has achieved such distinctiveness that it can claim the benefit of the proviso to Section 9 with respect to the subject word mark which is a descriptive trademark..."

3) A different perspective on descriptive words

- *ITC Limited Vs. Nestle India Limited*

The plaintiff in the present case sought an injunction to prevent the defendant from using the mark 'Magical Masala' or any mark similar to the plaintiff's mark 'Magic Masala'. The defendant contended that it was using 'Magic Masala' as a flavor descriptor and it did not indicate the source of origin of the product and the plaintiff's products were also identified by the brand 'SUNFEAST ITC YIPPEE'.

The defendant also contended that The marks, Magical Masala, Magic Masala, Classic Masala, Meri Masala, Masala Yo, etc., were common expressions, which cannot be the subject matter of any proprietary right by any member of the trade. It was further contended that it was the respondent, which adopted and started use of the "Magic" or the combination of "Magic" and "Masala" in a unique and distinctive manner. Thus, it claimed to be the prior user of 'MAGIC' and 'MAGIC' used in conjunction with 'MASALA'.

The Court, relied on Godfrey Philips India Limited v. Girnar Food it Beverages (P) Limited wherein it was held that a descriptive trademark may also be entitled to protection, if it has assumed a secondary meaning which identifies it with a particular product or has been from a particular source.

The Court observed that **the mark 'Magic Masala' is not descriptive as imagination is required on the customers part to get some direct description of the product from the term, and it is only suggestive.**

The Court noted that the mark "Magic Masala" indirectly suggests magical change by consuming the plaintiff's product. The Court also observed that, "...having regard to the fact that the word Magic Masala has its distinctiveness and it is not descriptive in nature, the applicant is entitled to the relief of injunction even accepting the case of the respondent that the trade dress of the color packing of the two products are entirely different..."

Therefore, the Court granted an injunction in the present case.

- *RTC Restaurants (India) Limited. Vs. Ruby Tuesday Inc and Ors.*

In the present case, Defendant was Ruby Tuesday, Inc. who devised and adopted the distinctive trade and service mark 'Ruby Tuesday' in respect of Restaurant and Bar Services in USA in 1972. 4. The Plaintiff (formerly known as Round-The Clock Stores Limited) was a company incorporated in India.

Plaintiff and Defendant No. 1 entered into an 'International Development Agreement' and several subsequent 'International Operating Agreements' by virtue of which the Plaintiff ran several restaurants with the name of 'RUBY TUESDAY'. The relationship between the Plaintiff and Defendant No. 1 came to an end by virtue of a Mutual Separation Agreement.

According to the Plaintiff in terms of Separation Agreement, the Post-Term Obligation were limited to non-use of any signage and logos of Defendant No. 1's mark 'Ruby Tuesday'. The Plaintiff was therefore, free to use the word 'RUBY' which is otherwise a generic word. The Plaintiff, therefore, started a restaurant in the name and style of 'RUBY's BAR & GRILL'.

It was the case of the Defendants that the Plaintiff's act of filing application for registration of trade mark RUBY's BAR & GRILL in relation to food and drink, alcoholic beverages is dishonest and *mala fide* as the Plaintiff was well aware that it had no rights in the RUBY's in congestion with the words BAR & GRILL.

The crux of the Plaintiff's case was that RUBY is a generic word in respect of which the Defendants cannot have any proprietary rights; in terms of the Separation Agreement the post-time obligation were limited to non-use of any signage and logos of the Defendants' mark RUBY TUESDAY and that the Plaintiff is not using the mark RUBY TUESDAY but RUBY's BAR & GRILL and that the Plaintiff has not infringed the Defendants' trademark by using the mark RUBY's BAR & GRILL in different shapes in respect of which various applications have also been filed by the Plaintiff.

The Delhi High Court noted that, "...RUBY TUESDAY or for that matter the mark RUBY in relation to food and beverages cannot be said to be a generic mark. Rather, the same is an arbitrary and fanciful mark. The court noted that the Plaintiff has averred that the mark RUBY is not the exclusive mark of Defendant No. 1 as it has been registered in respect of various businesses all over the world including hospitality and various applications which have been registered or are pending registration in India and abroad. This plea will not help the Plaintiff at this stage because the Plaintiff itself used the mark RUBY TUESDAY in pursuance of an agreement between the Plaintiff and Defendant No. 1. Thus, the Plaintiff was permitted to use the name in terms of the International Operating Agreement. The use of the mark RUBY's BAR & GRILL in respect of the same goods and services at the same place which was where the Plaintiff was running RUBY TUESDAY will, prima facie, will not only be infringement but also dishonest, *mala fide* and in order to pass on the goods and services of the Plaintiff as those of the Defendants...." The Court held that the Plaintiff had infringed the Defendant's mark.

Conclusion:

From the above case decisions, the following checks and balances that a stakeholder should keep in mind while adopting or using a mark which can be considered generic or its use in a descriptive sense.

1. Any use of a mark in a descriptive sense, should not be applied for registration as it would negate the argument that mark is descriptive. The courts have held that filing an application for trademark registration would indicate that the party intends to monopolize it use and considers the mark to be distinctive.
2. The party contending descriptive use should not in any way (including using special font or colour) give prominence to such words which would convey the impression of having any trademark significance.
3. The word intended to be used in a descriptive sense should refer to ingredients, qualities or characteristics of the goods. It should not be suggestive. In other words, it should not be a word which requires any imagination, thought or viewpoint to reach a conclusion as to the nature of goods as any such word would be taken as being non-descriptive and thus encroach upon the stakeholder rights.
4. A descriptive word if registered by a third party should be carefully assessed both from point of use and registration.
5. A former licensee may find it difficult to argue descriptiveness of the mark or common to the trade.
6. A common dictionary word is not a valid defense to an infringement claim.

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