

Carlsberg carries the day in dispute over numeral 8



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A word, letter, numeral or symbol, used in combination and unrelated to the goods on which it is applied, may create a distinctive trademark. Alternatively, it may become a descriptive trademark.

It is settled law that a holder of a descriptive mark, eligible to be protected, has no legal claim to an exclusive right in the primary, descriptive meaning of the term. Consequently everyone is free to use the term in its primary, descriptive sense unless such use leads to consumer confusion as to the source of goods. In an action for infringement, the “fair use” defence is available only when the alleged infringer employs a trademark in its descriptive sense.

In recent cross appeals filed by Radico Khaitan and Carlsberg India, the questions to be answered were:

(1) Whether Radico, the holder of a protectable descriptive mark – 8 PM – with no exclusive right in the primary, descriptive meaning of the numeral 8, could seek an injunction against Carlsberg where Carlsberg was using 8 not as a descriptive numeral but as an integral part of its composite trademark Palone 8?

(2) Whether the style and colour adopted by Carlsberg was a slavish imitation of Radico’s label, subsumed under the question, whether Radico had any protectable interest in the style and colour within which it depicted 8 PM.

Background

Radico sought a permanent injunction restraining Carlsberg from using the numeral 8 as a part of its trademark, in a suit for infringement and passing off. Radico pleaded a proprietary interest in the mark 8 PM. It claimed that the numeral 8, printed

in a certain font size and colour, was an essential, distinguishing and identifying feature of its mark and that Carlsberg selling beer under the trademark Palone 8 with the numeral 8 in the same font and colour would lead to consumer confusion.

Radico further claimed that Carlsberg’s slogan “8 Ka Dum” (the potency of eight) echoed Radico’s slogan for its 8 PM whisky, “Aath ke Thaath” (the luxury of eight), so that consumers with imperfect recollection who see Carlsberg’s label and hear its slogan would think they were seeing a product having same source as the whisky.

Carlsberg’s defence was that beer and whisky are different products and consumers of alcohol are informed consumers and would not be misled. Secondly, anyone can use the numeral 8 – it is not distinctive in character. Further, in the alcohol trade the numeral 8 is used to denote the quality or character of an alcoholic drink. The numeral 8 described the beer as having a strong alcoholic content and the slogan “8 Ka Dum” conveyed its potency.

Partial injunction

A single judge in Delhi High Court granted a partial injunction in favour of Radico to avoid “any bleak chances of misrepresentation”, referring to the styling, colour and prominence of the numeral 8 in the depiction of Carlsberg’s Palone 8 trademark.

Radico appealed to expand the injunction already granted and Carlsberg appealed to vacate the injunction. The division bench took the view that injunctions are not to be granted in an action for infringement of a registered trademark or an action for passing off, to “avoid any bleak

chances of misrepresentation”. The court went on to answer three main questions.

Q: Is a single numeral is capable of being a trademark?

A: Section 17 of the Trade Marks Act, 1999, makes it clear that a registered proprietor of a composite mark cannot seek exclusivity with respect to individual components of the trademark.

Q: Is Carlsberg’s use of the numeral 8 descriptive in this case?

A: The numeral 8 on the Carlsberg label is several times larger than the word Palone. The court found that such a use, where the intention is to make the numeral 8 a prominent component of the label, cannot be termed as a descriptive use and is clearly in the nature of trademark use.

Q: Is the trademark use of the numeral 8 by Carlsberg actionable?

A: The test in such cases is to evaluate consumer confusion (or its likelihood) caused by Carlsberg’s impugned use of the numeral 8. On the evidence before the court, Carlsberg’s use of the numeral 8 did not appear, prima facie, to be actionable.

For the court, a simple trade dress analysis of the overall “look and feel” of the label, independent of the contents of the label, was decisive. In its view, the label of Radico was a protectable trade dress, but Carlsberg had not copied the unique elements of Radico’s label. The court concluded that the mere use or size of the numeral 8 could not be a sufficient ground for Radico to obtain an injunction.

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