

Limited Scope Of Registration And Protection For Indians Under Geographical Indications Of The Goods (Registration And Protection) Act, 1999

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**Scope of Registration and Protection Defined Under GI Act, 1999**

The Hon'ble Calcutta High Court in its judgment dated February 04, 2019, in the matter of Tea Board, India vs. ITC Ltd.[1] , held: *"that the relief sought to be made based on the claim advanced by the plaintiff appears to have been barred under the provisions of Section 26(4) of the G.I. Act, that is, no such claim as advanced by the plaintiff after the expiry of five years can be entertained.*

*That the plaintiff has authority to certify that the concerned tea is connected with marked by the said name 'DARJEELING' or logo, is guaranteed to be 100% Darjeeling Tea originating from the 87 tea gardens in the Darjeeling district of West Bengal and possesses certain organoleptic qualities and characteristics and cannot claim any further proprietary right over the services rendered by the Defendant under the name Darjeeling Lounge and therefore, under the provisions of the law, cannot exercise their authority with a limited interest of certification trademark to verify the services rendered by the Defendant in their lounge named 'Darjeeling Lounge' and lack of documentary evidence to show passing off. And held that the suit was frivolous and imposed a cost of INR 1 Lakh on the Plaintiff."*

**Facts**

The suit filed by the Plaintiff against the infringement of the registered geographical indication whereby alleging that the Defendant wrongfully and illegally attempted to register the mark as 'Darjeeling Lounge' which carried out business at the hotel as a refreshment lounge in the 5-star hotel Sonar Bangla in Kolkata, whereby Defendant offered food items and all kinds of beverages, alcoholic and non-alcoholic including Darjeeling tea. Plaintiff claimed rights in the geographical indication and certification marks 'DARJEELING' and 'DARJEELING' logo and, therefore, it called upon Defendant to withdraw its trademark application.

The Defendant prayed that the suit was barred by the law of limitation and not maintainable under Section 26 of the Geographical Indication Act 1999 and no violation of trademark or any passing off has been committed and the Plaintiff had failed to take action against other corporate bodies who are also using the word 'DARJEELING'

## Submissions

The Plaintiff claimed that the use of the name 'Darjeeling Lounge' indicated that the goods sold by the Defendant originated from Darjeeling and it constituted an act of unfair competition and/or passing off the registered geographical indication rights and thereby Defendant mislead and confuse the people in the manner that the beverages sold by them were originated from the geographical area of Darjeeling. However, goods that were sold did not originate from Darjeeling.

The Plaintiff prayed that the Defendant should be restrained from carrying its business at the hotel by using or conducting or making in any manner the use of the name "DARJEELING LOUNGE" or any other name or mark or word which is phonetically or structurally similar or identical or deceptively similar to the registered geographical indication, "DARJEELING", the name and logo in the name of the plaintiff in any manner whatsoever and/or passing off or attempting to pass off its business or services so as to discredit the fame of Darjeeling tea as a geographical indication.

Plaintiff relied upon Dharampal Satyapal Ltd. Vs. Suneel Kumar Rajput[2] submitted that it is not open to Defendant to argue on the question of whether Plaintiff's mark has a distinctive character. Further also relied upon Industria De Diseno Textile Sa Vs. Oriental Cuisines Pvt. Ltd. & Ors.[3], stating that when in the year 2007, Trade Mark Journal, Chennai published Defendant's trademark application, the Plaintiff immediately filed an application for the opposition and it is settled law that in case of the continuing cause of action or where the cause of action arose on several dates, first such cause of action is to be considered for the purpose of limitation.

Also relying on Pfizer Products Inc. Vs. Rajesh Chopra[4], Plaintiff argued that laches or acquiescence can be denied for the relief of a permanent injunction and that there is a consistent judicial precedent that in case if the Defendant acts fraudulently with the knowledge that he is violating the plaintiff's rights then in the relief of injunction is not denied even if there is an inordinate delay on the part of the plaintiff in taking action against the Defendant.

## Observation and Decision of the Court

Hon'ble High Court observed that Plaintiff had obtained a certification trademark registration[5] under chapter VIII of the Trade and Merchandise Marks Act, 1958 and had not obtained a registered trademark under Section 18 and 23 of the Trade Marks Act, 1999. The certification trademark issued under the Trade and Merchandise Marks Act, 1958 was extended to goods and not held forth to services, therefore, the Plaintiff under the provision of law has the authority to certify that any tea marked by the name 'DARJEELING' or logo which guaranteed that 100% Darjeeling Tea originating from 87 tea garden and cannot claim any proprietary right over the services rendered by the Defendant.

That Section 26(1)(a)<sup>6</sup> of Geographical Indications of the Goods (Registration and Protection) Act, 1999 protects trade marks acquired in good faith before this date, and Section 26(4)<sup>7</sup> of Geographical Indications of the Goods (Registration and Protection) Act, 1999 bars infringement suits against trademarks filed more than 5 years from becoming aware of the use or registration by the infringer of any mark similar.

The Hon'ble Court observed that Geographical Indications of the Goods

(Registration and Protection) Act, 1999 came into force on September 15, 2003, and thus, the Defendant who established its business on January 1, 2003, and using the service mark under the name of "DARJEELING LOUNGE" at ITC Hotel at Kolkata since then cannot be said to have committed any infringement because Defendant's business of Lounge exclusively provided refreshment services which were not related to goods and distinction to draw with, and as the plaintiff's right only conferred was related to the registration of the word Darjeeling in relation to tea.

Further words Darjeeling is not a trading mark and also Plaintiff's alleging of passing off was without any supporting evidence by documentary proof, therefore, Court held that Geographical Indication Act, 1999 does not apply to 'DARJEELING LOUNGE'. And that Defendant's were using the mark "DARJEELING LOUNGE" as advertised in the Trade Mark Journal draws no similarity from the Plaintiff's logo as well.

The Hon'ble Court has made an observation that the whole object of the Geographical Indications of the Goods (Registration and Protection) Act, 1999 is to add the economic prosperity to producers of goods and promote goods bearing Indian geographical origin for export and that as such plaintiff not being an end-user of the name 'Darjeeling' or seller of tea, there arises no question on Defendant's passing off its goods and services to the public. And held that *no particulars of fraud or dishonesty having been meticulously pleaded in the plaint, the allegation of wrong use does not arise, nor does it amount to fraudulent or dishonest use.*

#### Conclusion

The Hon'ble Court by way of an *obiter dictum* has correctly pointed out the intention of the legislature and object of the Geographical Indications of the Goods (Registration and Protection) Act, 1999 and we can infer that protection for exclusive rights over the "words" pertaining to the Geographical Indication under the said Act is limited against the claims unless infringement/ passing off is documentarily proven and there is limited scope for Indians and/or any Indian companies or other corporate body carrying out business within India for carrying suit against any other Indian and/or any other corporate body within India. However, there is a scope of litigation where the case is established on basis of the proof of deception and harm to the reputation of goods causing loss to business on the grounds of misleading people at large.

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- [1] C.S. 250 of 2010
  - [2] AIR 2013 SCC online Del. 3473
  - [3] (2015) 220 DLT 679
  - [4] 2007(35) PTC 59 Del.
  - [5] Section 2(1) (c) " certification trade mark" means a mark adapted in relation to any goods to distinguish, in the course of trade, goods certified by any person in respect of origin, material, mode of manufacture, quality, accuracy or other characteristic, from goods not so certified and registrable as such under the provisions of Chapter VIII in respect of those goods in the name, as proprietor of certification trade mark, of that person;

<sup>6</sup> Where a trade mark contains or consists of a geographical indication and has been applied for or registered in good faith under the law relating to trade marks for the time being in force, or where rights to such trade mark have been acquired through use in good faith either- Before the commencement of this Act; or

<sup>7</sup>Notwithstanding anything contained in the Trade Marks Act, 1999 or in this Act, no action in connection with the use or registration of a trade mark shall be taken after the expiry of five years from the date on which such use or registration infringes any geographical indication registered under this Act has become known to the registered proprietor or authorised user registered in respect of such geographical indication under this Act or after the date of registration of the trade mark under the said Trade Marks Act subject to the condition that the trade mark has been published under the provisions of the said Trade Marks Act, 1999 or the rules made thereunder by that date, if such date is earlier than the date on which such infringement became known to such proprietor or authorised user and such geographical indication is not used or registered in bad faith.

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