

Landmark Judgement

Case Study: Bisleri International Pvt. Ltd. & Ors. v. Coca-Cola Company (2009) | Trademark Infringement



The "Case Analysis: Coca-Cola Company v. Bisleri International Pvt. Ltd. & Ors. (2009)" explores the Mazza conflict—a legal disagreement between Coca-Cola and Bisleri International over the Mazza trademark. It is a significant ruling in India's intellectual property rights history.

Coca-Cola Company v. Bisleri International Pvt. Ltd. & Ors is the case title.

Case Title: Coca-Cola Company v. Bisleri International Pvt. Ltd. & Ors.

Court: Delhi High Court

Citation: (2009) 164 DLT 59

Judge: Justice Manmohan Singh

Decided on: 20th October, 2009

Overview

The name of this case comes up whenever the topic of intellectual property rights is brought up. The renowned business Coca-Cola purchased the "MAAZA" brand rights from the Bisleri Company. Bisleri continued to market the same-named beverages in Turkey even after this sale. Coca-Cola filed a trademark infringement lawsuit against Bisleri after learning of this. This case is typically mentioned whenever one party attempts to circumvent the trademark agreement by restricting its application based on region or geographical area. This case is sometimes referred to as the "Maaza War" case because of the brand on which both corporations fought in court.

Facts

Coca-Cola, a well-known brand with operations in more than 200 nations, is the plaintiff in this lawsuit. The defendant, Bisleri Company, is a well-known brand that specializes in plain drinking water. Bisleri gave the plaintiff entire intellectual property rights to a number of items, including "Maaza," on September 18, 1993. On November 12 of that year, the aforementioned parties signed an assignment deed outlining the agreements pertaining to the use of the name "Maaza." Coca-Cola signed a licensing agreement the following year, in 1994, to obtain all the trademarks and formulation rights.

The plaintiff filed an application for "Maaza" trademark registration in Turkey in 2008. After learning of this, the defendant gave the plaintiff a letter on September 7, 2008, rejecting the licensing agreement and stating that the plaintiff was no longer permitted "to produce any product with the name of "Maaza" or use its trademarks, either directly or indirectly." The central claim of this case is that the parties' agreements and assignment deeds permitted the defendant to utilize the "Maaza" brand outside of India.

Problems

1. Does the Delhi High Court have the authority to hear this case?
2. Does the Coca-Cola Company have a right to compensation for trademark infringement and passing off?
3. Is the plaintiff qualified to obtain a permanent injunction against the defendant?
4. Does exporting products with the "Maaza" brand violate the plaintiff's trademark rights?

The relevant laws in this instance

1. In accordance with Section 26 of the Trade Mark Act of 1999, if the trademark owner has not renewed the trademark by failing to pay renewal fees on time, the trademark's registration will be removed from the designated register. If someone else registers the same trademark within a year of its removal for the same reason, the trademark will be considered registered, and the new application will be denied unless it is demonstrated to the tribunal that:

- a. There hasn't been any actual trade use of the trademark in the two years prior to its removal, or
- b. It's doubtful that the new trademark would result in any confusion or deceit in transactions due to the use of the previously withdrawn property.

2. The Specific Relief Act of 1993's Section 41 outlines the reasons for refusing an injunction; in practical terms, this means that parties cannot engage into a voluntary or harmful arrangement that would prevent an injunction suit.

3. According to Section 42 of the aforementioned Act, the plaintiff is entitled to an injunction if they have fulfilled their end of the bargain.

Parties' Arguments

The defendant's main argument was that since the place of sale is outside of India, the Delhi High Court lacks jurisdiction to hear this matter. In response, the plaintiff stated that the Licensing Agreement, dated May 13, 2004, was started and finished within the court's jurisdiction. Additionally, the defendant operates within the boundaries of this court's jurisdiction.

By publishing the story in the Delhi edition of the Times of India, the defendant further demonstrated its intention to utilize the trademark "Maaza" in India in the future. Furthermore, the defendant operates a facility in Delhi where it manufactures these goods and conducts its sales.

The plaintiff argued that this lawsuit is not barred by sections 41(h) and (i) of the Specific Relief Act of 1963 because section 135 of the Trade Marks Act of 1999 offers the legal remedy of injunction and damages. He went on to say that under section 42 of the Specific Relief Act of 1963, he is entitled to request an injunction from the court to prevent the enforcement of a negative agreement. He further stated that he would sustain irrevocable harm for which there would be no adequate compensation.

The plaintiff reaffirmed that it is a well-known legal concept that the exported goods should be treated as if they were being sold domestically. Since the trademark "Maaza" is registered in the plaintiff's name, the production of any items bearing this brand, whether they are sold in India or exported to another nation, will violate the plaintiff's intellectual property rights.

However, the defendant claimed that because it had registered the trademark "Maaza" worldwide, it was entitled to sell its products anywhere in the world. Additionally, it stated that as the products are sold in Turkey rather than India, the plaintiff's trademark rights have not been violated.

Evaluation

Section 134(2) of the Trade Marks Act of 1999 and Section 20(c) of the Code of Civil Procedure of 1908 are the legal provisions that support the court's ruling that the defendant's

substantial involvement in Delhi's commercial activities gives the court the proper jurisdiction to decide the case involving the violation of trademark rights. The court clarified that, from the perspective of criminal law, Indian citizens are responsible for crimes committed abroad in accordance with the Indian Penal Code. The Delhi High Court has jurisdiction over this lawsuit because the defendant manufactures his products in Delhi.

According to sections 41(h) and (i) of the Specific Relief Act of 1963, the assignment deed is a legally binding contract between the parties. This implies that the party that violated the agreement is accountable to the person who was harmed at the time of the violation. The defendant had consented to transfer the intellectual property rights and all other related rights of the **"Maaza" trademark, which were clearly and unequivocally described.** As a result, the defendant had no legal authority to dissolve the agreement. The date on which the parties signed the contract can be used to pinpoint the exact moment when all of these rights were transferred from the defendant to the plaintiff. The plaintiff has the proprietorial discretion to use the trademark without having to notify or obtain permission from anyone because this contract provided them the authority to be the trademark's legitimate owner.

The court maintained that a sale made outside the nation is equal to a transaction made domestically for trademark usage. Trademark rights have been violated when the plaintiff gained the right to use the trademark upon the execution of the assignment deed, whether in India or elsewhere. In order to protect the plaintiff's rights and prevent permanent losses, a temporary injunction prohibiting the defendant from using the trademark "Maaza" both inside and outside of India is being issued.

Conclusion

A trademark is a unique symbol or set of words that identifies a firm or its products. The corporation obtains the exclusive right to use that trademark to spread in the open market if all administrative conditions are met and the registration fees are paid on time to the relevant authorities.

Due to the defendant's use of the trademark "Maaza" with the assumption that the inked agreement was exclusive to India, the court ruled in favor of the plaintiff.

This lawsuit also demonstrated that trademarks are a global concern and that trademark rights are protected internationally.