



# INTELLECTUAL PROPERTY UPDATES FROM INDIA

Intellectual Property Team

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# INTRODUCTION

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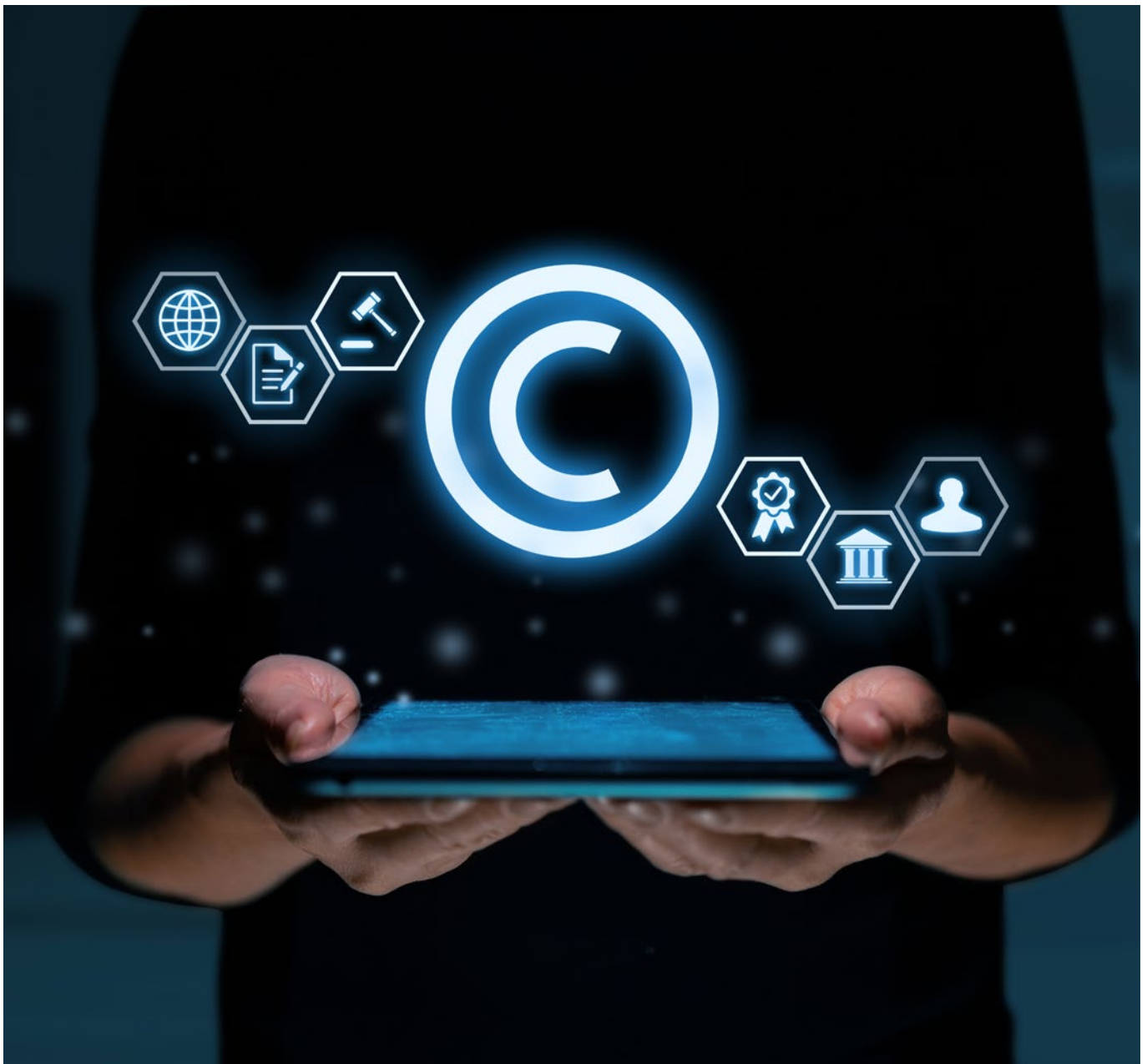
Dear Readers,

"We are pleased to present to you the latest edition of our newsletter covering updates on all things Intellectual Property. With intriguing shifts in the ever-evolving landscape of patents, trade marks, and copyrights, the newsletter traces the dynamic world of Intellectual Property and its fascinating intersections with fashion, tech, and media.

From safeguarding the rights in popular trade marks like Burger King, Blinkit and Theobroma to unravelling the otherwise muffled areas like Standard Essential Patents (SEP), this edition tracks a series of noteworthy decisions

taken by various Courts across the world. The High Court of Delhi has been particularly vigilant in protecting future works of owners from copyright infringement by issuing the "Dynamic+" Injunction order in the Universal City Studios LLC case. Simultaneously, it has addressed issues of prior use, transborder reputation and non-use, leading to vacation of interim injunction in the "E! Now" case. Other intriguing snippets include GI tags for products from various states across India and right of authors to receive royalty from radio channels.

We appreciate your readership and sincerely wish you a fruitful reading!"



# CASE ANALYSIS

## DOMINO'S PIZZA PROTECTS TRADE MARK IN LANDMARK CASE AGAINST DOMINICK PIZZA

In the case of *Domino's IP Holder LLC v. Dominick Pizza*,<sup>1</sup> the Delhi High Court ("**Court**") has handed down a decisive ruling in favour of Domino's IP Holder LLC, and its licensee, Jubilant Food Works Limited ("**Plaintiffs**"), against Dominick Pizza ("**Defendant No. 1**") and their Domain Name Registrar ("**DRN**"), GoDaddy (*together hereinafter referred as "Defendants"*). The lawsuit revolved around allegations of trade mark infringement and passing off. The Plaintiffs are the custodians of the iconic trade mark "Domino's Pizza".

In a riveting legal saga, the Plaintiffs became aware in January 2020 of Defendant No. 1's adoption of a trade name, which was strikingly similar to "DOMINO'S PIZZA", thereby infringing the Plaintiffs' registered trade marks. Defendant No. 1's failure to attend mediation sessions, in addition to committing the misleading act of pulling down the infringing website only to launch an alternate one, and the failure to discontinue commercial activity on the food ordering platform, Zomato, resultantly compelled the Plaintiffs to pursue legal recourse for trade mark infringement and passing off.

The Plaintiffs sought relief under Section 28(1) of the Trade Marks Act, 1999, which provides protection to registered trade mark owners against infringement. The Plaintiffs argued that Defendant No. 1's use of marks like "CHEESE BURST" and "PASTA ITALIANO", created deceptive similarities and infringed upon their registered trade marks. Emphasizing upon legal precedents, the Plaintiffs underscored the critical importance of meticulously evaluating the pertinent similarities and the likelihood of confusion among the public. Additionally, the Court, in furtherance of Section 29(2) of the Trade Marks Act, relied on the "Pianotist Test" and highlighted that, mere similarity of the two marks and identity or similarity of the goods or services covered thereby would not *ipso facto* result in infringement. The Court would have to be satisfied that the similarity between the rival marks and the identity/similarity of the goods/services covered thereby results in a likelihood of confusion on the part of the public or the public believing the defendant's mark to be associated to the plaintiff's registered trademark for the similarity to constitute infringement.

Applying the "Pianotist test", which is an objective test premised on the observations of an ordinary person for phonetic similarity, the Court affirmed a likelihood of

confusion between "Domino's Pizza" and "Dominick's Pizza." Notably, the Court highlighted the Defendant No. 1's clear intent to imitate, emphasizing the need to curtail such imitative endeavours, especially in the realm of consumable items like food.

The Court, upon considering the documents placed on record and the submissions made, granted a permanent injunction in favour of the Plaintiffs and directed Defendant No. 1 to withdraw its trade mark application and the Defendant No. 2 was directed to transfer their domain names to the Plaintiffs.

## COPYRIGHT CONUNDRUM: WYNK MUSIC'S LEGAL TUSSLE WITH TIPS INDUSTRIES

In cross-appeals challenging the decision in *Tips Industries Ltd. V. Wynk Music Ltd.*,<sup>2</sup> the Division Bench of the Bombay High Court ("**Court**"), presided over by Justice G.S. Patel and Gauri Godse, provided a nuanced analysis of the intricate copyright complexities involved in the aforementioned case. The essence of the cross-appeals,<sup>3</sup> heard altogether by the Court, centred on Wynk's ("**Defendant No. 1**") utilization of Tips Industries' ("**Plaintiff**") copyright in music, which Defendant uploaded via their streaming service, resulting in an injunction against them as per the prior judgement.

The Court, in its observations, underscored the crucial role of the Defendant No. 1's non-charitable and subscriber-specific nature in the application of Section 31-D of the Copyright Act, 1957 ("**Act**"). The Court ruled that the Defendant No. 1's service is not available to the public at large, but only to specific subscribers and thus, the Defendant No. 1 could not claim protection under Section 31-D of the Act. Regarding the preceding interim judgement, the Court acknowledged its authoritative weight in interpreting provisions of the Act surpassing a typical interim order. The Court recognized the Tips Industries case as the sole judicial decision offering a definitive interpretation of sections 14(1)(e), 52(1)(a) (i), 52(1)(b), and 31-D of the Act. The case stemmed from a licensing agreement between the Plaintiff and Defendant No. 1, with the Plaintiff as the copyright holder of an extensive repertoire of sound recordings,

1. *Domino's IP Holder LLC v. Dominick Pizza*, 2023 SCC OnLine Del 6135.

2. *Tips Industries Ltd. v. Wynk Music Ltd*, 2019 SCC OnLine Bom 13087.

3. *WYNK Ltd. v. TIPS Industries Ltd.*, 2022 SCC OnLine Bom 11807.

and the Defendant No. 1 as the proprietor of an internet-based 'music streaming service' and music downloading OTT facility. The case unfolded against the backdrop of negotiations for a renewed agreement after October 2016. Despite prolonged discussions, the parties reached an impasse regarding the minimum guaranteed amount for the Plaintiff's repertoire. Disputes escalated when the Defendant No. 1 ceased using the Plaintiff's repertoire and the ensuing demand for royalties. To its defence, the Defendant No. 1 invoked Section 31-D of the Act, asserting its rights as a 'broadcaster' despite pending rate determination by the Copyright Board. Despite this, the Defendant No. 1 agreed to partial royalty payments, parking further disputes. The Court delved into the interpretation of Section 31-D, drawing distinctions between traditional FM broadcasts and online streaming services like the Defendant No. 1. It emphasized that the real distinction lies in the user's control over content selection, a feature that is absent in traditional radio but available in online services.

In dissecting the provisions of the Act, the Court underscored the necessity of interpreting Section 31-D in tandem with pertinent rules, notably Rules 29(4) and Rule 31 of the Copyright Rules, 2013. The Court concluded that Section 31-D's limitation to the terms 'radio and television' excluded internet-based services. Regarding commercial rentals, the Court scrutinized the definition of lending and affirmed that the Defendant No. 1's profit-oriented nature rendered it ineligible for non-profit exemptions.

The Bench asserted that the Defendant No. 1's profit motives and lack of public availability disqualified it from obtaining a statutory license under Section 31-D of the Act. Pursuant to this, the Court upheld both the impugned judgement and the order passed by the Single Judge.

### DELHI HIGH COURT RESTRAINS USE OF MARK 'OYKAA' IN RESPECT OF COSMETIC, HEALTHCARE PRODUCTS.

Plaintiff's Mark/Website
NYKAA

<a href="https://www.nykaa.com">https://www.nykaa.com</a>

Defendant's Mark/Website
OYKAA

<a href="https://www.oykaa.com">https://www.oykaa.com</a>

On October 12, 2023, the High Court of Delhi ("**Court**") granted an ex-parte injunction in favor of Nykaa ("**Plaintiff**"), a leading e-commerce company specializing in beauty, wellness, and fashion products, in a trade mark infringement case against Oykaa ("**Defendant**"), an online makeup and skincare product retailer. The Plaintiff contended that the Defendant deliberately adopted the "OYKAA" mark, which was deceptively similar to "NYKAA", despite the absence of the letter 'N.' This imitation extended to the website's appearance and product offerings, particularly in the domain of cosmetic products. The restraining order against the Defendant prevents them from using the mark "Oykaa" or any similar mark to "Nykaa," a renowned e-commerce company specializing in beauty, wellness, and fashion products.

The Court determined that the Defendant's adoption of this mark was recent, and their website strongly implied a deliberate effort to imitate the Plaintiff's mark, primarily for financial gain through deception. The Plaintiff's complaint asserted that Defendant had deceptively adopted the mark "OYKAA," closely resembling "NYKAA" while omitting the letter 'N.' The Court opined that in the present case, services and goods were identical, the trade channel and customers were same, and Defendant's mark was closely mirrored to that of Plaintiffs' mark. Thus, by establishing the three criteria laid down under the 'Triple Identity Test', the Court affirmed that 'Nykaa' is a registered trade mark and that Oykaa was confusingly similar to 'Nykaa'.

The Court ordered the prompt removal of the website [www.oykaa.com](https://www.oykaa.com), and any other online listings associated with the mark and further directed the immediate suspension of the website [www.oykaa.com](https://www.oykaa.com), as well as locking of the website by the relevant Domain Name Registrar ("DNR"). Additionally, since the Defendant's products are listed on third-party websites like India Mart, Amazon, and Flipkart, the Court directed these

4. FSN E-Commerce Ventures Ltd. v. Pintu Kumar Yadav, 2023 SCC OnLine Del 6765.

online platforms to remove the listings. The Court also granted Plaintiff the liberty to approach the DNR for the suspension of the Defendant's domain name in case of non-compliance.

In granting an ad-interim injunction in the Plaintiff's favor, the Court emphasized the importance of preserving the quality of cosmetic, healthcare, and wellness products for consumers. Recognizing the potential harm to the Plaintiff's business and the potential misguidance of customers, the Court, while disposing of the application, observed that the balance of convenience favoured them, particularly considering the nature of the products involved—cosmetic, healthcare, and wellness items, where product quality is paramount. The next hearing pertaining to the aforementioned case is listed on April 05, 2024.

### **DELHI HIGH COURT RULES IN 'STAG' TRADE MARK DISPUTE AND RESTRICTS USE OF 'INDIAN STAG'.**

The Delhi High Court ("**Court**") delivered a verdict,<sup>5</sup> involving Pernod Ricard India Private Limited ("**Plaintiff**"), and A B Sugars Limited and Ian Macleod India Private Limited ("**Defendants**"). The Plaintiff produced/sold Indian Made Foreign Liquor ("**IMFL**") while using the "ROYAL STAG" and "ROYAL STAG BARREL SELECT" marks, which additionally featured an image of a crowned stag. Meanwhile, the Defendants, engaged in the manufacture of IMFL, employed the "INDIAN STAG" mark along with their unique stag device. In its judgment, the Court determined that upon a straightforward comparison between the Plaintiff's and Defendants' marks, the Defendants were found to have *prima facie* infringed the Plaintiff's aforementioned marks. Consequently, the Court upheld an interim order dated September 25, 2019, thereby enforcing it until the final resolution of the case.

The pivotal point of the dispute revolved around the term 'STAG'. The Plaintiff contended that 'STAG' was the essential distinguishing feature of their trade mark, 'ROYAL STAG'. The Plaintiff argued that the term 'STAG' was the dominant element, which they believed the Defendant had infringed upon by using 'INDIAN STAG', a mark deceptively similar to theirs. In contrast, the Defendants claimed that 'STAG' was a generic term common to the trade, and they were within their rights to use it.

The Defendants contended that, in deciding the question of infringement, the Court was not required to compare the contention/positions taken by the contending parties but should ideally proceed in evaluating from the point of view of a purchaser of average intelligence and imperfect recollection who had earlier seen the Plaintiff's mark, or purchased the product bearing the Plaintiff's mark, and who chanced upon the Defendant's mark at a later point of time.

The Court examined the concept of acquiescence, noting that the prerequisites of Section 33 of the Trade Marks Act, 1999 were unfulfilled, leading to the dismissal of the plea of acquiescence. Additionally, the Court dismissed the assertion that the mark "STAG" was *publici juris* (of public right), asserting that a *publici juris* mark cannot be monopolized by a private individual. The Court reinforced that the term 'STAG' held no inherent connection with alcoholic beverages, thus aligning with the Plaintiff's claim of "idea infringement". Furthermore, the Court also dismissed the Defendants' plea of disclaimer, clarifying that while the disclaimed part of a mark cannot form the basis of an infringement claim, the marks should be examined as a whole.

The Court held that the term 'STAG' is not a generic descriptor in this trade mark dispute between the liquor companies (*that were party to this suit*) and affirmed that the Defendants' usage of the mark 'INDIAN STAG' was deceptively similar to the Plaintiff's mark 'ROYAL STAG', both structurally and phonetically. Nevertheless, there was a lack of evidence to substantiate the Defendants' involvement in the act of passing off. Despite this, the Court issued an injunction against the Defendants, prohibiting them from using the mark 'INDIAN STAG' for their products.

### **LEGAL CHALLENGES IN CYBERSPACE: INSIGHTS FROM DABUR INDIA LIMITED V. ASHOK KUMAR AND ORS.**

The recent legal proceedings in the case of *Dabur India Limited v. Ashok Kumar and Ors.*,<sup>6</sup> shed light on the complex issues surrounding the infringement of trade mark rights by unknown entities through the registration

5. Pernod Ricard India (P) Ltd. v. A B Sugars Ltd., 2023 SCC OnLine Del 6966.

6. Dabur India Limited v. Ashok Kumar and Ors., 2023 SCC OnLine Del 1888.



of domain names. The Delhi High Court ("**Court**") delved into the challenges faced by law enforcement agencies in investigating cybercrimes related to fraudulent domain registrations.

The case relates to the unauthorized use of domain names, infringing upon the trade mark rights of various brand owners. In the earlier stages of the case, the Court had given specific instructions to block and lock domain names that were found to infringe upon trade marks. The Court emphasized the significance of Domain Name Registrars ("**DNRs**"), whether located in India or elsewhere, in promptly carrying out these Court orders. The proceedings also highlighted the challenges faced by the Cyber Cell of the Delhi Police in conducting investigation, such as delays by banks in responding to investigative queries, non-cooperation by DNRs and intermediaries in providing registrant details, and the use of technologies like voice over internet protocol ("**VoIP**") and virtual proxy network ("**VPN**") by fraudsters to evade detection.

These challenges collectively hinder efficient investigations and necessitate strategic solutions for effective cybercrime prevention. In response to these challenges, the Court took proactive measures. Notices were issued to nominated counsels of banks to streamline the response to police queries. Furthermore, Google LLC was directed to nominate an official to collaborate with the cyber cell, providing necessary information and cooperation for investigating cases related to fraudulent websites. The next hearing pertaining to the aforementioned case is scheduled on February 01, 2024.

## **OPENSTREAM.AI SHAPES THE FUTURE OF VIRTUAL ASSISTANTS WITH GROUNDBREAKING CONVERSATIONAL AI PATENT**

Openstream.ai, a prominent provider of plan-based multimodal conversational AI solutions, has augmented its patent portfolio with the issuance of a groundbreaking patent titled "*Temporal Behavioral Analysis of Multi-Modal Conversations in a Question and Answer System.*" This strategic expansion enhances the capabilities of multimodal virtual agents in engaging with users through human-like dialogue, thereby elevating the quality of Customer Experience ("**CX**") and offering enterprises profound insights across various use cases.

The newly granted patent signifies a notable progression in the realms of conversational analysis and AI-driven interactions. Its innovative techniques uniquely discern crucial facets of conversations, constructing hierarchical models that contribute to more effective and contextually aware question-and-answer systems. This advancement aims to refine user interactions with AI, ultimately enriching the overall user experience. CEO of Openstream.ai, Raj Tumuluri, highlighted the significance of this patent, stating, "This patent adds to our expansive portfolio of intellectual capital and provides the best conversational AI platform and capabilities for our clients." Tumuluri emphasized the integration of sensory inputs like speech, gesture, vision, and touch, coupled with the latest AI advancements, in Openstream.ai's enterprise virtual assistant ("**EVA**") applications, enabling natural and human-like interactions. The patent's integration into Openstream.ai's EVA platform aligns with the evolving landscape outlined in the 2023 Gartner® Emerging Technologies report, predicting that multimodal interactions will become a standard feature for Virtual Assistants ("**VAs**") by 2025. The report urges enterprises to transition from basic chatbots to plan-based multimodal conversational AI-enabled agents for superior customer and employee experiences. Openstream.ai's EVA platform caters to visionary enterprises, offering a complete conversational AI solution with ethical and transparent plan-based dialogue engines. The platform encompasses diverse capabilities, including knowledge acquisition, pre-trained models, ontologies, semantic processing, emotion analysis, customer engagement, multi-agent interactions, sentiment analysis, business process adaptation, and multi-lingual support. Moreover, EVA's multi-modal runtime can be deployed on the Edge for iOS and Android mobile apps, ensuring functionality even in scenarios with limited connectivity by efficiently degrading to smaller local models.

The patent is a testament to Openstream.ai's ongoing success, evidenced by its inclusion in over 20 Gartner analyst research reports in 2023, reaffirming its position as the sole visionary in the Gartner Magic Quadrant for Enterprise Conversational AI for the second consecutive year.

## HUMANS OF BOMBAY CONTROVERSY: DELHI HC SAYS PLATFORMS CANNOT USE EACH OTHER'S COPYRIGHTED WORK BUT NO COPYRIGHT OVER 'IDEAS'

A single bench of the High Court of Delhi ("**Court**"), in a recent judgment dated October 11, 2023<sup>7</sup> adjudicated upon a copyright infringement dispute between the storytelling platforms, Humans of Bombay ("**Plaintiff**") and People of India ("**Defendant**").

In terms of the brief factual matrix, the Plaintiff filed a lawsuit against the Defendant, seeking to restrain them from infringing on the copyright of their content, including photographs, literary works, videos, and creative expression. The Plaintiff claimed that it engages in extensive research to approach individuals for sharing their lifestories, which are then converted into audio-visual works and uploaded on their website and social media platforms. They further asserted ownership of copyrights in the literary works produced through this process. The Plaintiff also contended that the Defendant imitated and copied material and substantial portion of the content from its website, including images, resulting in wrongful interference in their agreement with the subjects. The Court, applying the 'idea-expression dichotomy', stated that while no copyright can be claimed in an idea, the creative expressions, including images, and literary content under copyright law. Hence, while there is no copyright in an idea, the replication of the "expression of idea" constitutes infringement of copyright. In the contexts of storytelling platforms (idea), there can be no monopoly over the way of running for such a platform (expression). However, all such platforms that share stories about various individuals/subjects would be attaching/incorporating their own creative expressions to communicate and disseminate the said stories, which constitute the expression. Such expression is protectable under copyright law. Creative aspects such as images and literary content are protectable expressions. The Court emphasized that commissioned photographs and videos hold copyright for the respective platforms, and replicating each other's content, including images and literary works, is not permissible.

Reiterating the idea-expression dichotomy, where the idea may be the same, but the expression must differ for a copyright claim to be valid, the Court held that both parties are prohibited from using each other's original copyrighted works, commissioned photographs, literary works, videos, and the specified manner and expression

of presenting stories. However, the Court clarified that there can be no copyright claim for an individual's private photo shared voluntarily with both parties, even if it is the same picture. This highlights that neither platform can claim copyright for images, photographs, or videos submitted by individuals from their private collections. The Court further emphasized that if photographs are commissioned or any videos are produced by the two platforms in the suit, then the copyright would be vested in the respective platform. Since both platforms share "feel good" stories about people fighting different adversities, and celebrating their achievements, the Court decreed that both parties, Humans of Bombay and People of India, shall refrain from using each other's copyrighted works and the same was consented by both parties.

## GOOGLE LLC TO DEFEND GENERATIVE AI USERS FROM COPYRIGHT CLAIMS

Google LLC ("**Google**") addressed concerns over copyright issues with generative AI by offering legal protection to users of generative AI systems in its Google Cloud and Workspace platforms. The company is specifically safeguarding users accused of copyright violations within its platforms that employ generative AI systems. This initiative aligns Google with industry counterparts, including Microsoft and Adobe, who have similarly committed to addressing concerns raised by original creators regarding copyright claims linked to generative AI content. Notably, the use of training data sourced from the internet for training generative AI systems has been argued to qualify as 'fair use' under U.S. copyright law.

Google's commitment extends to seven softwares, including Duet AI and Vertex AI, which generates text and images in Google Workspace and Cloud programs, offering extensive protection in two key areas: i) indemnification for training data, including copyrighted material, and ii) indemnity for results generated by users during interactions with the Google's generative AI models. To elaborate, this indemnification process consists of two critical aspects. *Firstly*, it addresses potential legal risks associated with the training data used in generative AI models, particularly if the data involves copyrighted material. This extends beyond Google's standard third-

7. Humans of Bombay Stories Pvt. Ltd. v. POI Social Media Pvt. Ltd., 2023 SCC OnLine Del 6390.

party intellectual property indemnity to explicitly include protection related to training data. *Secondly*, Google's indemnity extends to results generated by users while interacting with its generative AI models. This includes content generated in response to prompts or inputs. The indemnity obligations also include allegations of copyright infringement for these generated outputs, providing users with a comprehensive level of protection.

While Google's safeguards offer robust coverage, it is crucial to note that there are specific conditions that need to be fulfilled to get Google's backing on copyright issues. The company has clarified that this protection would not apply if users intentionally create or use generated output to infringe upon the rights of others. Consequently, users are urged to interact responsibly with AI, adhering to ethical practices such as citing sources, to avoid intentional copyright infringement. This initiative signifies a significant step in addressing the legal challenges related to the use of generative AI, particularly in protecting end users from potential legal action.

### **DELHI HIGH COURT DECLARES "NEW BALANCE" AND "NB" AS WELL-KNOWN MARKS.**

In a recent judgment by the Delhi High Court ("**Court**")<sup>8</sup>, a well-established footwear and apparel manufacturing company, New Balance Athletics Inc., has been granted well-known mark status for its "NEW BALANCE" and "NB" trade marks.

New Balance Athletics Inc. ("**Plaintiff**") a U.S.-based company, filed a lawsuit against New Balance Immigration Private Limited ("**Defendant**") alleging misuse of its "NEW BALANCE" and "NB" trade marks. The Plaintiff sought an injunction, damages, and a declaration that its marks are well-known. The Defendant, engaged in immigration services, did not respond to the Plaintiff's legal notices. The Plaintiff alleged to have used the "NEW BALANCE" and "NB" marks since 1906 and 1986, respectively. They further alleged that the products under these marks are sold in more than 120 countries, including India, through retail stores, departmental stores, and e-commerce platforms. The Court noted that the Plaintiff has engaged more than 25 manufacturers globally and employs over 8000 employees.

The Plaintiff provided evidence showing that its marks fulfil all the factors laid down in Section 11(6) of the

Trade Marks Act, 1999 ("**Act**"). These factors include the knowledge or recognition of the trade mark in the relevant section of the public, the duration, extent, and geographical area of any use of the trade mark, the extent of any promotion of the trade mark, the duration and geographical area of any registration of or any application for registration of the trade mark, and the record of successful enforcement of the rights in that mark. The Court perused the Plaintiff's evidence, including sales figures, marketing figures, and details of its extensive global operations. The Court also considered the Plaintiff's sponsorship of globally renowned sporting events and celebrity endorsement.

In consideration of the aforementioned, the Court declared the Plaintiff's "NEW BALANCE" and "NB" marks as well-known marks. They found that these marks satisfied the factors laid out in the Act due to their prolonged use, reputation, and global recognition. The Court noted that the mark "NEW BALANCE" is a unique combination of two distinctive words, "New" and "Balance," which have no connection or description of the products or services offered by the Plaintiff. Based on these considerations, the Court declared the Plaintiff's marks well-known, enhancing their protection in India. However, the Court also specified that there would be no monopoly over the words "New" and "Balance" if used separately in relation to any other goods or services.

### **INDIAN GOVERNMENT TACKLES FILM PIRACY WITH APPOINTMENT OF NODAL OFFICERS**

The Indian government, in its continuing efforts to combat film piracy, instituted a significant measure with the appointment of nodal officers. These appointed officials are granted the authority to issue mandates for the expeditious removal of pirated content hosted on digital platforms. This institutional mechanism, implemented by the Ministry of Information and Broadcasting ("**MIB**"), aimed to curtail the annual loss of Rs 20,000 crore attributed to film piracy. Mr. Anurag Thakur, the Minister of Information and Broadcasting, announced this development, highlighting it as a critical fulfilment of the industry's demands.

The government has assigned 12 nodal officers within the MIB and the Central Bureau of Film Certification

8. New Balance Athletics Inc v. New Balance Immigration Private Limited [CS(COMM) 444/2022 and IA 11940/2023].



("CBFC"). Their primary duties encompass handling complaints concerning film piracy and ensuring swift action within 48 hours of complaint receipt. Officials stipulated that complaints could be registered by the original copyright holder or a representative authorized by them. These complaints could necessitate the removal of pirated content from various online platforms, including YouTube and Telegram channels. Copyright holders are required to provide proof of ownership, such as the CBFC-issued certificate, along with the complaint.

The Indian government's action aligns with the Cinematograph (Amendment) Bill, 2023 passed during the Monsoon Session. The amended Cinematograph Act, 2023 addresses unauthorized recording and exhibition of films, film certification issues, and digital film piracy. Moreover, it prescribes stringent penalties for individuals involved in film piracy, including a minimum imprisonment of three months and a monetary fine of Rs 3 lakh. In extreme cases, penalties could escalate to a maximum imprisonment of three years and a fine amounting to five per cent of the audited gross production cost of the film.

The Indian government has taken definitive steps to counter film piracy by appointing nodal officers and passing the Cinematograph (Amendment) Bill, 2023. Implementing these measures is expected to expedite the removal of pirated content and impose stringent penalties on offenders. The direct consequence of these actions is anticipated to come in the form of a decrease in film piracy, leading to reduced financial losses for the film industry. The effectiveness of these measures will be assessed based on the decline in reported piracy incidents and the industry's financial performance moving forward.

### **DELHI COURT RULES IN FAVOR OF PUMA, PENALIZES BUSINESSMAN FOR COUNTERFEIT SALES**

The Delhi High Court ("**Court**"), in a significant ruling,<sup>9</sup> has directed Ashok Kumar ("**Defendant**"), an Agra-based businessman operating under the name 'Kumkum Shoes,' to pay Puma ("**Plaintiff**"), a globally recognized sportswear brand, restitution for dealing in counterfeit footwear. This ruling comes as a result of the shopkeeper's deliberate and unlawful use of Puma's trade mark and the iconic 'leaping cat' logo on the fake products he sold.

The dispute began when Puma filed a complaint with the Court last year, alleging that counterfeit products bearing the 'Puma' mark were being sold in various locations, including Agra in Uttar Pradesh, Delhi, and Haryana. In response to this complaint, the Court had, in September 2022, passed an interim order restraining the Defendant from selling or manufacturing any footwear with the 'Puma' trade mark. A subsequent report revealed that the Defendant was operating an extensive manufacturing operation for the production of counterfeit Puma shoes.

In the Court's order, it was highlighted that the Defendant was fully aware of Puma's substantial brand equity and deliberately chose to take advantage of this by selling counterfeit shoes bearing the Puma mark. This action, the Court noted, was an apparent attempt to exploit the goodwill and reputation that Puma, a German multinational company, has built over the years. The Court's decision also placed reliance on a report from a local commissioner, which indicated that Kumkum Shoes had made a profit of Rs.18-19 lakh from the sale of the counterfeit shoes. In the Court's view, if not checked, such infringement could also be detrimental to the interests of consumers who, if deceived by the fake products, may end up paying more under the false impression that they are purchasing genuine Puma products.

Consequently, the Court directed the Defendant to pay Puma a sum of Rs. 10 lakh as restitution. This amount was determined based on the profits that 'Kumkum Shoes' had made from the sale of the counterfeit shoes. Besides this, the Court also ordered the Defendant to pay an additional Rs.2 lakh to cover costs. The Court further decreed a permanent injunction, thereby preventing the Defendant from further infringement of Puma's trade mark rights. Furthermore, it was noted that the Defendant's use of Puma's trade mark and logo on inferior quality products was a clear violation of the sportswear brand's statutory and common law rights. The Court asserted that the infringement of Puma's trade mark rights was a serious matter that warranted significant penalties to deter others from engaging in similar conduct.

9. Puma SE. v. Ashok Kumar, 2023 SCC OnLine Del 6764.

# SNIPPETS

## PRASAR BHARTI DENIES SENDING COPYRIGHT STRIKE CLAIMS TO YOUTUBERS OVER ANY PUBLIC SERVICE CONTENT.

Prasar Bharati, an Indian Government organisation, has denied claims of asserting copyright over public service content, including parliamentary proceedings, amidst allegations of issuing copyright infringement notices to Youtubers.

The former CEO/editor of Rajya Sabha TV, Gurdeep Singh Sappal, argued that parliamentary proceedings, being national assets of historical value, should not be treated as commercial products subject to profiteering through copyright claims. He further advocated for unrestricted access to such proceedings, contending that citizens' right to access legislative proceedings should not be hindered by attempts to impose copyright, comparing it to censorship.

Prasar Bharati officials responded to the allegations by clarifying that they had not issued copyright notifications, emphasizing that their public service-related content, including parliamentary proceedings is copyright-free. The officials acknowledged that copyright violation alerts may be occasionally issued automatically by platform algorithms but, they encouraged affected parties to promptly challenge such notices for a swift resolution.

## 7-ELEVEN SUES ILLINOIS LAW FIRM FOR TRADE MARK INFRINGEMENT<sup>10</sup>

7-Eleven Inc. ("**Plaintiff**"), a convenience store chain, has initiated legal action against Seven Eleven Law Group LLC ("**Defendant**") an Illinois-based law firm, and its sole owner, India Rios, contending that the use of the "SEVEN ELEVEN LAW GROUP" mark and name infringes the Plaintiff's marks. The Plaintiff asserts that its distinct 7-ELEVEN logos, traditionally displayed in green, white, red, and orange, enjoy widespread goodwill, public recognition, and strong rights in its marks, of which 7-Eleven owns numerous federal trade mark registrations for.

The complaint outlines that 7-Eleven discovered the use of "SEVEN ELEVEN LAW GROUP" mark by a group when a franchisee mistook them for 7-Eleven's legal department, leading to the group offering legal representation and allegedly violating the franchise agreement. Despite a cease-and-desist letter, the group, led by Rios, refused

compliance, claiming no infringement or dilution. The complaint contends ongoing unauthorized use, causing confusion and deceiving customers, while exploiting 7-Eleven's goodwill. Seeking relief for federal trade mark infringement, unfair competition, trade mark dilution, deceptive trade practices, injury to business reputation, and common law unfair competition, 7-Eleven seeks a preliminary and permanent injunction against the marks' use and their removal from the infringing business, Also a compliance report has to be substantiated. Further, they also demand actual and punitive damages, attorney fees, and interest.

## DELHI HIGH COURT RESTRAINS TIM HORTONS, SANDOZ, AND GOLA SIZZLERS FOR PLAYING PPLS MUSIC WITHOUT A PROPER LICENSE.

The High Court of Delhi ("**Court**") vide its recent judgement in the case of Phonographic Performance Limited v. Gola Sizzlers Private & Ors.<sup>11</sup> restrained restaurant and cafe chains such as Tim Hortons, Gola Sizzlers and Sandoz from playing songs which form a part of the Phonographic Performance Limited India ("**PPL**") copyright repertoire, without license.

Tim Hortons, a popular Canadian coffeehouse and restaurant chain, made a statement that it will not utilize any music or sound recordings owned by PPL repertoire, without the necessary license. The Court recorded the said submission and disposed of the injunction application while binding Tim Horton by the said statement. The Court further observed that a case for grant of ex-parte ad-interim injunction is made out against the two food outlets i.e. Gola Sizzlers & Sandoz. The summons were issued in all three suits and the date of the next hearing is fixed on February 7, 2024.

## LENOVO FILES LAWSUIT AGAINST ASUS FOR PATENT INFRINGEMENT IN SOFTWARE, HARDWARE, AND NETWORKING

Lenovo India Pvt Ltd ("**Plaintiff**"), the Chinese computer manufacturer, announced a lawsuit against Taiwanese company, ASUSTeK Computer Inc. ("**Defendant**") for patent infringement related to software, hardware, and

10. 7-Eleven, Inc. v. Seven Eleven Law Grp., N.D. Ill., No. 1:23-cv-15567.

11. Phonographic Performance Limited v. Gola Sizzlers Private & Ors., 2023 SCC OnLine Del 6829.

networking across multiple products<sup>12</sup>. The Plaintiff's legal action is a response to the Defendant's filings in Munich's Regional Court in August 2023 over cellular technologies. The Plaintiff offered the Defendant a cross-licensing agreement as a solution, highlighting the reciprocal nature of these patent disputes. In a statement to the US International Trade Commission, The Plaintiff revealed that it is seeking an exclusion order to prevent the entry of accused products into the US. The list of questionable products includes laptops, notebooks, 2-in-1 tablet computers, desktop PCs, routers, and components that allegedly infringe on four separate Plaintiff's patents. Their lawsuit insists on immediate and lasting harm due to the Defendant's alleged infringements and demands an end to the marketing, distribution, and sale of the offending products. The Plaintiff reassures that no harm will be caused to U.S. consumers if the Defendant's products are banned, given their small share (2.9%) in the US PC market in Q2 2023. The contested patents include innovations that enhance uplink package transmission, wireless Wake-On-LAN Power Management, diagonal scrolling using two fingers, and a convertible laptop-to-tablet hinge block.

### **CULTURAL ICONS: ARUNACHAL YAK CHURPI, BASOHLI PASHMINA, AND UDANGUDI PANANGKARUPATTI SECURE GEOGRAPHICAL INDICATION TAGS**

The Arunachal Pradesh's 'Yak Churpi', the first-ever yak milk product prepared from the unique breed of Arunachali yaks, received the Geographical Indication ("GI") tag, providing legal safeguards and enhancing its marketability. The breed is found in the West Kameng & Tawang districts of the state. It is reared by tribal yak pastoralists known as Brokpas, in high-altitude regions and serves as a vital protein source for tribal yak herders.<sup>13</sup>

Basohli Pashmina known for its feather-like softness, from Jammu and Kashmir's Kathua district secured the GI tag, recognizing its more than 100-year-old tradition of producing hand-spun, exceptionally soft, lightweight, and insulating Pashmina products.<sup>14</sup>

In another triumph, Udangudi 'Panangkarupatti', also known as palm jaggery, from Tamil Nadu gained the GI tag, underscoring its unique sucrose concentration, sap collection method, traditional preparation, and packaging. Originating from the Tirunelveli District

Palmyrah Products Cooperative Federation Limited, this delicacy is prepared without synthetic additives, using traditional methods and coconut shells for packaging.<sup>15</sup>

In the realm of GIs, recognitions highlight the rich diversity of India's geographical products, offering legal protection, enhancing market competitiveness, and preserving age-old traditions. The safeguards provided by GI tags not only empower local artisans and producers but also contribute to sustaining and promoting indigenous products on a global scale. This dual impact reflects a significant stride towards preserving cultural heritage and fostering economic growth.

### **THE BATTLE OF X'S ELON MUSK'S TWITTER SUED OVER NAME**

A Florida-based company named 'X Social Media' has sued Elon Musk's X Corp,<sup>16</sup> formerly known as Twitter, citing trade mark infringement.<sup>17</sup> This legal action stems from X Corp's decision, under Elon Musk's leadership, to replace its iconic bird logo with the letter "X". The platform alleged that Twitter's rebranding has caused consumer confusion, leading them to believe it is associated with the Musk's company. Consequently, this has resulted in both consumer confusion and financial loss for X Social Media.

Furthermore, X Social Media accused X Corp. of intentionally disregarding its legal duties, including due diligence and also ignoring their cease-and-desist letter. In response to such wilful conduct, X Social Media seeks an injunction to prohibit X Corp. from using the "X" name, and treble damages for what they consider as "exceptional" infringement. The success of X Social Media's legal claim hinges on proving consumer confusion and the adverse financial impact caused by X Corp.'s actions.

12. available at: <https://www.reuters.com/legal/litigation/lenovo-sues-rival-pc-maker-asus-us-patent-infringement-2023-11-15/>.

13. available at: <https://timesofindia.indiatimes.com/city/guwahati/arunachal-yak-churpi-khamti-rice-tangsa-textile-get-gi-tag/articleshow/104174951.cms>.

14. available at: <https://www.hindustantimes.com/cities/chandigarh-news/gi-tags-for-basohli-pashmina-udhampur-s-kalari-101696447755931.html>.

15. available at: <https://www.thehindu.com/news/national/tamil-nadu/udangudi-panangarupatti-gets-gi-tag/article67381239.ece>.

16. X Social Media, LLC v. X Corp., 6:23-cv-01903, (M.D. Fla.).

17. available at: <https://www.reuters.com/legal/litigation/x-corp-calls-x-trademark-lawsuit-shakedown-dismissal-bid-2023-12-05/>.

## LOGO INFRINGEMENT: JAPAN PATENT OFFICE (JPO) GETS INTERIM RELIEF FROM DELHI HIGH COURT

The High Court of Delhi ("**Court**") has granted an injunction in favour of the Japan Patent Office ("**JPO**") in the case of *Japan Patent Office (JPO) v. MS. A2Z Glass and Glazing Co. & Ors.*<sup>18</sup> The JPO alleged that its logo was being copied by certain Indian tool manufacturing companies, including MS. A2Z Glass and Glazing Co ("**Defendant**"). It alleged that the Defendants not only replicated the JPO mark and logo but also applied for trade mark registration of 'JPO Platinum'. The Court drew

a striking analogy, to a theft occurring within a police station, expressing astonishment at the counterfeiting of the JPO's logo. Despite the JPO lacking a registered trade mark or copyright, being a Japanese Government Agency with a history of conducting intellectual property training programs and seminars in Japan since 2006, the Court deemed its logo eligible for copyright protection under Section 14 of the Copyright Act, 1957. As a result, the Defendants were prohibited from using the JPO logo and similar marks throughout the ongoing case.

18. *Japan Patent Office (JPO) v. MS. A2Z Glass and Glazing Co. & Ors* 2023 SCC OnLine Del 6414.



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