

# BACHELOR OF TECHNOLOGY DEPARTMENT OF COMPUTER SCIENCE & ENGG.

Topic: Infringement and passing off in Trade marks

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# Infringement and passing off

A trademark is often defined as: "a word, name, symbol or device that is used in trade with goods to indicate the source of the goods and to distinguish them from the goods of others". A service mark is the same as a trademark except that it identifies and distinguishes the source of a service rather than a product. The terms "trademark" and "mark" are commonly used to refer to both trademarks and service marks.

The Trademark Act of 1999, both in letter and spirit, lays down that, while it encourages fair trade in every way and aims to foster and not to hamper competition, it also provides that no one, especially a trader, is justified in damaging or jeopardizing another's business by fraud, deceit, trickery or unfair methods of any sort. This necessary precludes the trading by one dealer upon the good name and reputation built up by another.

At the outset, the rights of a registered proprietor under the Act need to be analyzed. The Act provides that the registered proprietor has an exclusive right to the trade mark in respect of the goods for which the mark has been registered and can obtain reliefs against those who use a similar mark. (Section 28(1) of the Act) The Act also specifies that a person is entitled to institute proceedings to prevent the infringement of a registered trade mark and damages. (Section 27(1) of the Act) Normally, the following conditions have to be satisfied to initiate an action for infringement: (a) the plaintiff must be the registered owner of the trade mark; (b) the defendant must use a mark deceptively similar to the plaintiff's mark; (c) such use must be in relation to the goods in respect of which the plaintiff's mark is registered; and (d) the use by the defendant must not be accidental, but in the course of trade. Thus, where a registered trade mark is infringed by an unregistered mark, and the aforesaid conditions are satisfied, the registered proprietor can obtain an order of injunction against the infringer. (Section 29 of the Act)

In addition, to protect a registered owner's exclusive right to use, the Act provides that a trade mark which is identical or deceptively similar to another proprietor's registered trade mark in respect of the same goods or description of goods cannot be registered. (Section 12 (1) of the Act) However, there is an exception to Section 12(1) of the Act, in case of honest or concurrent use, or use in special circumstances, when the Registrar of Trade Marks has the discretion to permit more than one proprietor to register identical or similar trade marks in respect of the same goods. (Section 12(3)) With regard to the hypothetical, prima facie, Company A's

interests will be protected and Company B will not be allowed to register the same trade mark, because Company A has registered its trade mark first and has diligently renewed it. However, Company B's mark may be allowed to be registered, if it can prove that it has been using its mark over a long period of time in pursuance of honest trade and business. To counter and negate this, Company A will have to tender evidence that Company B had knowledge of Company A, its business and its registered mark, and leveraged this information to promote its business.

Every registered trademark has some exclusive rights attached to it; the violation of such rights without the authorization of the trademark owner is termed as trademark infringement. Infringement occurs when someone else uses a trademark same or similar to a registered trademark for the same or similar goods/services. Section 29 of the Trademark Act,1999 states about the various aspects related to infringement as given in S. 29(1) a registered trade mark is infringed by a person who, not being a registered proprietor or a person using by way of permitted use, uses in the course of trade, a mark which is identical with, or deceptively similar to, the trade mark in relation to goods or services in respect of which the trade mark is registered and in such manner as to render the use of the mark likely to be taken as being used as a trade mark.

Other subsections describe that in course of the use of the trademark it is said to be infringing the rights of other company due to use of similar or identical trademark using for marketing of similar kind of goods and services or use of identical or deceptively similar trademark for any other kind of goods and services. It is further given in the Sub Section (9) of this section that the infringement can also be done by the spoken use of those words as well as by their visual representation.

An action for infringement is taken in case of a registered trademark. An infringement action is a statutory remedy and in order to establish infringement with regard to a registered trademark, it is necessary only to establish that the infringing mark is deceptively similar to the registered mark and no further proof is required. In an infringement suit, the use of the mark by the defendant need not cause any injury to the plaintiff. In this context, the ingredients of Section 29 (1) are as follows:- 1. The plaintiff's mark is registered.

- **2.** The defendant's mark is identical with, or deceptively similar to plaintiff's registered mark:
- **3.** The defendant has taken any essential feature of the mark or has taken the whole of the mark and then made a few additions and alterations.
- **4.** The defendant's use of the mark is in course of the trade in respect of goods/services covered by the registered trademark.
- **5.** The use of the infringing mark must be printed or usual representation of the marking advertisements, invoices or bills. Any oral use of the trademark is not infringement.

- **6.** The use by the defendant is in such manner as to render the use of the mark likely to be taken as being used as a trademark.
- 7. The defendant's use of the mark is not by way of permitted user and accordingly unauthorised infringing use.

While the above is the general proposition of law as per Section 29 (1), the various circumstances in which the trademark is infringed are enumerated in sub-sections 29(2) to (9) of Section 29.

### **Deceptively and phonetically similar trademarks:** The law can be summarised as follows:

- 1. The registered proprietor of a trademark has exclusive right to the use of the trademark in relation to the goods and services in respect of which the trademark is registered and to obtain relief in respect of infringement of the trademark in manner provided by the Act.
- **2.** Whether it is deceptively or has become *publici juris* is a question of fact to be established.
- 3. When a number of marks, all have a common element, may it be prefix, suffix or root, i.e. essential part or the core of the mark, they come to be associated in the public mind as an indication of the same source, which misleads or causes deception or confusion.
- **4.** It is the common element that has to be identified in an impugned mark and the registered trademark and if such common element is highly distinctive and is not just a description or a commonly used word, the likelihood of deception or confusion would be very much there, despite the fact that it might differ in similarity in certain letters.
- **5.** The nature of the commodity, the class of purchasers, the mode of purchase and other surrounding circumstances must also be taken into consideration.
- **6.** Marks must be looked at from the first impression of a person of average intelligence and imperfect recollection.
- 7. Marks must be compared as a whole, microscopic examination being impermissible.
- **8.** The broad and salient feature must be considered, for which the marks must not be placed side by side to find out the differences in design.
- **9.** Overall similarity is the touchstone.
- 10. It is not the colour of the container or the difference of the product, but it is the statutory right to the word that has to weigh.
- 11. The plaintiff need not in general show prima facie case that is required to be shown must be something more than a case that will avoid the action being struck out as frivolous or vexatious and even if the chance of success at the trial are only twenty percent, the statutory protection is absolutely necessary by way of an injunction in order to prevent confusion or deception arising from similarity of marks.

Following are the instances where the acts constituted infringement of trademark:-

- a) Taking substantial feature of the mark: a mark is infringed by another trader, if, even using the whole of it upon or in connection with his goods, he uses one or more of the essential features.
- **b) Additions:** addition of extraneous matter, inconspicuous additions is infringement. If a person incorporates whole or part of a registered Trademark of another, the addition of other or matter would not save him from the charge of infringement.
- c) When a mark is copied: if the defendant absolutely copied the mark and made a facsimile representation of it, no further evidence is required. When the similarities are so close as to make it impossible to suppose that such marks were devised independently of each other, in absence of evidence of common origin, the conclusion that one party copied the mark of another.
- d) Marks likely to cause confusion: Likelihood of confusion occurs in situations where consumers are likely to be confused or mislead about marks being used by two parties. The plaintiff must show that because of the similar marks, many consumers are likely to be confused or mislead about the source of the products that bear these marks. Where the visual, aural and conceptual similarities is caused by the defendant's trademark which causes confusion in the minds of the public as to its origin, then the mark is held to be an infringing mark. Furthermore, if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion.
- e) Use of reconditioned or second articles: the use of plaintiff's mark on reconditioned goods may constitute infringement even if it is clarified that goods are not original but reconditioned.
- f) Printing of labels: unauthorised printing of labels of the plaintiff will constitute infringement. Moreover, if a copyright subsists in labels, it will constitute infringement of copyright as well.
- **g)** Goods manufactured by third party would constitute infringement: when the owner of a mark gets the goods manufactured by a third party under a contract, solely for the mark, sale of the goods bearing the mark by such a manufacturer to other person would constitute infringement.
- h) Marks used along with other's mark: use of the plaintiff's mark along with the defendant's name even if prominently displayed constitutes infringement.
- i) Similar marks in medicinal products: when the goods or products involved are medicinal products, confusion of sources or drugs or medicinal preparation

- caused by similar marks of the defendant would constitute infringement, although similarity in the marks would have been very less.
- j) Marks with international reputation used unauthorisedly: in case of marks which have acquired international reputation, an action for its protection against un-authorised use will lie even if the owner of the trademark does not have any business activity in India.

#### Who can sue for infringement?

The plaintiff in an infringement suit may be either:

- 1. The proprietor of the registered trademark or his legal successor.
- 2. A registered user of a trademark subject to a prior notice to the registered proprietor and consequent failure of the registered proprietor to take any action against the infringer.
- 3. An applicant for registration of a trademark. He can file an infringement suit to protect his right to continue with the suit which will sustain only if his trademark is registered before hearing the suit.
- 4. Legal heirs of the deceased proprietor of a trademark.
- 5. Any one of the joint proprietors of a trademark.
- 6. A foreign proprietor of a trademark registered in India when Infringement occurs in India.

#### Who can be sued?

- 1. The infringer who directly by his action causes infringement or who uses or contemplates or threatens to use a trademark infringing plaintiff's right.
- 2. The master responsible for his servant's act of infringement. For example, a worker who is engaged in the business of making false labels is a servant of the master who orders the making of such labels. It is the master in such a case who is to be sued.
- 3. The agents of an infringer.
- 4. Directors and promoters of a limited company cannot be joined as co-defendants unless they have personally committed or directed infringing acts.

## **Evidence in Infringement Actions:**

The fact of registration of the plaintiff's mark is to be proved by production of a copy of the entry on the register certified by Registrar and sealed with the Trademark Registry. The certified copy will contain all the entries in the register relating to the mark including the conditions, if any, subject to which a mark is registered. In all legal proceedings relating to a registered trademark, the original registration of a trademark and all subsequent assignments

and transmissions will be prima facie evidence of the validity. The plaintiff must establish that the use of the mark complained of comes within the scope of definition of infringement. Where the defendant has absolutely copied the mark and made a facsimile representation of it, no further evidence is required. Where the mark used by the defendant is not identical with the registered trademark, the court has to determine the two marks are deceptively similar. Opinion evidence is not admissible, but statement of witnesses to the effect that they themselves would be deceived; are admissible. Evidence as what constitutes the essential feature of the mark is admissible.

#### Acts Not Constituting Infringement (Section 30):-

Following acts do not constitute infringement of the right to the use of a registered trademark:

- a) Where the plaintiff has no title to sue;
- b) Where the registration of the trademark is not valid and liable to be expunged;
- c) When the use of the mark by the defendant is not an infringement under Section 29;
- **d)** When a person uses a trademark in accordance with honest practices in industrial and commercial matters that do not take unfair advantage.
- e) When a person uses a trade mark in relation to goods or services indicating character, quality or geographical origin
- f) When a person uses a trade mark in relation to services to which the proprietor has already applied the mark or registered user the object of the use is to indicate that the proprietor or the registered user has performed the services.
- g) When a person uses a trademark, which is subject to any conditions or limitations, beyond the scope of such conditions or limitations will not constitute infringement.
- **h)** When a person uses a mark in relation to goods to which the mark has been lawfully applied, or where the registered proprietor has consented to the use of the mark. This applies to cases where goods are purchased in bulk and sold in retail applying the mark.
- i) When a person uses a mark in relation to parts of a product or accessories to the goods in respect of which the mark is registered if the use is reasonably necessary to indicate that the goods so adapted.
- j) When a person uses a mark or a similar mark in the exercise of a right conferred by independent registration.
- **k)** When a person assigns a trademark to another, this will not affect the right of that person to sell or deal in the goods bearing that mark. **Jurisdiction:**

Suit for infringement or for passing off is to be filed in the court not inferior to a District Court having jurisdiction to try the suit. District Court having jurisdiction includes a District Court within the local limits of whose jurisdiction, at the time of the institution of the suit or

other proceedings, the person instituting the suit or other proceedings, or where there are more than one person, any of them who:-

- a) Actually and voluntarily resides; or
- **b)** Carries on business; or
- c) Works for gain; can bring in an action against the defendant.

Moreover, a registered trade mark may be totally removed from the Register upon application made by an aggrieved person if: (a) the mark has not been used bona fide in relation to the goods concerned for a period of five (5) years and one (1) month before the date of the application for removal; and (b) the application proves that the mark was registered without any bona fide intention to use it. (Section 46 of the Act) However, Section 46 provides an exception to non-use due to special circumstances of trade.

#### Reliefs in suit for Passing-Off and Infringement:

Under Section 135 of the Trademarks Act, 1999, the reliefs which a Court may grant for passing off and for infringement includes the following:-

- a) Accounts of Profit: Account of profits are the actual profits which the defendant has made by infringing the legal rights of the plaintiff. Sub-section (1) of Section 135 provides for grant of relief which includes, at the option of the plaintiff, either damages or an account of profit. In taking account of profits, the damage the plaintiff has suffered is totally immaterial. The object of account of profit is to give to the plaintiff the actual profits the defendant has made and of which it is established that the profits were improperly made. Section 135 (3) expressly enacts that where the court is satisfied that it is a case of innocent infringement, it shall grant only nominal damages. Further, in such situation, the Court shall not grant an account of profits.
- b) **Damages:** Damages are the compensation awarded to the Plaintiff by the defendant for the legal injury caused by him to the plaintiff. Damages are the notional compensation paid to the plaintiff irrespective of the actual amount of loss suffered by the plaintiff.

Following are the matters which are generally taken into account in awarding damages include the following:

- I. Any loss of trade actually suffered by the plaintiff directly from the acts complained of, or properly attributable to injury to the plaintiff's reputation, business, goodwill and trade and business connection caused by the acts complained of.
- II. Damages may be awarded even though there is no deception.
- III. Where the defendant's goods are similar in quality to the plaintiff's goods, the defendant's wrongful act may cause injury to the plaintiff's business reputation.
- c) **Injunction:** Injunction is one of the reliefs which an aggrieved person may obtain in any suit for infringement of a registered trademark or for passing off of the registered trademark or unregistered trademark. The remedy of injunction is an effective remedy in preventing the infringement of registered trademark or unregistered trademark. Section 135 of the Trademarks Act, 1999 grants the relief of injunction. While granting an injunction, the Court should always rely on the fact

that whether the balance of convenience lies with the plaintiff and whether an irreparable damage or injury would occur to the plaintiff if injunction is not provided for against the defendant. Section 135 (2) further provides for ex parte injunction or any interlocutory order for any of the following matters, namely:-

- a) For discovery of documents;
- b) Preserving of infringing goods, documents or other evidence which are related to the subject-matter of the suit;
- c) Restraining the defendant of or dealing with his assets in a manner which may adversely affect plaintiff's ability to recover damages, costs or other pecuniary remedies which may be finally awarded to the plaintiff.

Injunction may be of following types:-

- I. Anton Piller Order: these are ex parte orders to inspect defendant's premises. A Court may grant such an order to the plaintiff where there is a possibility of the defendant destroying or disposing of the incriminating material.
- II. **Mareva Injunction:** in such an order, the Court has the power to freeze defendant's assets where there exists a probability of the assets being dissipated or cancelled so as to make judgement against him worthless or unenforceable.
- III. **Interlocutory Injunction:** is the most commonly sought and most often granted form of injunction. It serves to take action against the defendant on the basis of past infringement. The interlocutory injunction is an order restraining the defendant from continuance of the acts which amount to infringement. It serves the purpose of preventing further infringement.

IV. **Perpetual Injunction:** it is an order restraining the defendant totally, for all times to come, from doing any act which infringes the right of the proprietor of the trademark. Perpetual injunction is generally granted when the suit is finally decided.

# **Passing Off**

Passing off action is based on common law principle. The damages claimed for; in an action for passing off is 'un-liquidated damages'. The action against passing off is based on the principle that 'a man may not sell his own goods under the pretence that they are the goods of another man'.

"The passing off action depends upon the simple principle that nobody has any right to represent his goods as the goods of somebody else". In a passing off action, the priority in adoption and use of trade mark is superior. Passing off is not defined in the Trademark Act, 1999. It is referred to in Section 27 (2), 134 (1)(c) and 135 of the Act.

Section 27 (2) states that the rights of action against any person for passing off as the goods of another person or the remedies in respect thereof are unaffected by the provision of the Act. Section 134 (1) (c) refers to jurisdiction of courts to try suits for passing off arising out of the use of any trademark. Section one 135 specifies the remedies available in respect of passing off arising from the use of a trademark.

Passing off cases are often cases of "deliberate and intentional misrepresentation, but it is well settled that fraud is not a necessary element of the right of action and the absence of the intention to deceive is not a defence in an action for passing off though proof of fraudulent intention may materially assist a plaintiff in establishing probability of deception." concept of passing off which is a form of tort has undergone changes in the course of time. At first it was restricted to the representation of one's goods as those of another. Later, it was extended to business and services. Subsequently, it was further extended to professions and non-trading activities. Now days, it is applied to many forms of unfair trading and unfair competition where the activities of one person cause damage or injury to the goodwill associated with the activities of another person or group of persons. The law of passing off applies whenever there is the prospect of confusion between marks and getup or where there is the prospect of confusion of identity through the unauthorised use of similar marks or getup. It is because the main consideration of passing off is whether deception or confusion is likely to arise, passing off can be used to protect any kind of distinctive name, mark, logo or get-up used to identify a company or business as well as products or services. Elements to be proved for passing off action:

- 1. Goodwill:- the Plaintiff has to establish a goodwill or reputation attached to the goods and services which he supplies, in the mind of the purchasing public by association with the identifying get-up under which his particular goods and services are offered to the public as distinctive specifically of his goods or services. As Lord Macnaghten has stated: 'Goodwill is the benefit and advantage of a good name, reputation, and connection of a business. It is the attractive force which brings in custom. It is the one However, widely extended or diffused its influence may be, goodwill is nothing unless it has power of attraction sufficient to bring customers home to the source from which it emanates. Goodwill is thus the benefit and advantage of a name and get-up, and it is the attractive force which brings in business. A passing off action is a remedy for the invasion of a right of property in the business or goodwill likely to be injured by any actionable misrepresentation, not in the name or get-up itself. Goodwill need not be established in the mind of every member of the relevant public, but in a significant section of it. A reputation generated among a very few people will not do. There must be a substantial number of potential customers although not necessarily a majority. The action of passing off lies where there is a real possibility of damage of goodwill to some business or trading activity. Therefore, the plaintiff has to establish goodwill in his business or his goods or services with which the trade or public will be led to associate the defendant's activities.
- 2. **Misrepresentation:** the Plaintiff must demonstrate a misrepresentation by the defendant to the public leading or likely to lead the public to believe that the goods or services offered by him are the goods and services of him. In its classic form the misrepresentation which gives rise to an action of passing off is an implied representation by the defendant that his goods are the goods of the plaintiff. As Lord Diplock explained in Advocaat case that: 'Where the plaintiff and defendant were not competing traders in the line of business, a false suggestion by the defendant that their business were connected with each other would damage the reputation and thus the goodwill of plaintiff's business.' The basis of passing off action being a false representation by the defendant, it must be proved in each case as a fact that the misrepresentation was made. The use by the defendant in connection of the goods, of the mark, name, or get-up in question must represent such goods to be the goods of the plaintiff, or the goods of the plaintiff of a particular class or quality; and the defendant's use of such mark, name or get-up is calculated to deceive
- 3. **Damage:** the plaintiff must demonstrate that he suffered or, that he is likely to suffer damage by reason of the erroneous belief endangered by the defendant's misrepresentation that the source of the defendant's goods or service is the same as the

source of those offered by the plaintiff. In a passing off action, damage is presumed even if there is likelihood of deception.

In the case of Erven Warnik Besloten Vennootschap & Anr. Vs. Townend & Sons (Hull) Ltd. & Anr. (Advocaat case), the House of Lords identified five characteristics which must be present in order to create a valid cause of action for 'passing-off'. The House of Lords held that 'passing-off' is:

- 1. A misrepresentation;
- 2. Made by a trader in course of business;
- 3. To prospective customers of his or ultimate consumers of goods or services supplied by him;
- 4. Which is calculated to injure the business or goodwill of another trader which can reasonably be foreseeable; and
- 5. Which causes actual damage to a business or goodwill of the trader by whom the action is brought (because he fears or apprehends) action will probably do so.

Following characteristics can be attributed to passing off action:-

a) **Proof of fraudulent intent not necessary:** it is not essential that the plaintiff must establish fraud on the part of the defendant in a passing off action. While granting injunction against the defendants using the trademark 'Horlioks', the Delhi High Court held that "the use of the offending mark by the defendants to imitate the plaintiff's trademark appears to be flagrant and blatant attempt on the part of the defendants to imitate the plaintiff's trademark with a view to deceive the unwary purchasers and exploit and encash on their goodwill in order to pass off their goods as that of the plaintiff's. The law does not permit anyone to carry on his business in such a way as would persuade the customers in believing that the goods belonging to someone else are his or are associated therewith. Where there is possibility of confusion in business, an injunction would be granted even though the defendant adopted the name innocently.

Prior user to be established: for inherently distinctive marks, ownership is governed by the priority of use of such marks. The first user in the sale of goods is owner and senior user. In order to succeed, the plaintiff has to establish user of the mark prior in time than the impugned user by the respondents. Issue in a Passing off Action The issue in a passing off action may be stated as follows:

'would the users of the defendants, either the actual user or the proposed user conceded for the purposes of the action, be likely to lead persons, either members of trade or of the public, to suppose that the defendant's goods so sold were the product of the plaintiff's, or that the business concerned in its production was the plaintiff's or was associated with the plaintiff's business.'

#### Factors to be considered in case of an action for passing off:-

The Hon'ble Supreme Court in Cadila Health Care Ltd. vs. Cadila Pharmaceuticals Ltd., held that the following factors to be considered in case of an action for passing off action of an unregistered trademark for deciding the question of deceptive similarity:-

- 1. The nature of the marks, i.e, whether the marks are word marks or label marks or composite marks, i.e, both words or label works.
- 2. The degree of resemblance between the marks, phonetically similar and hence similar in idea.
- 3. The nature of goods in respect of which they are used as trademarks.
- 4. The similarity in nature, character and performance of goods of the rival traders.
- 5. The class of purchasers who are likely to buy the goods bearing the marks they are likely to exercise in purchasing and/or using the goods.
- 6. The mode of purchasing the goods or placing orders for the goods.
- 7. Any other surrounding circumstances which may be relevant in the extent of dissimilarity between the competing marks."

#### Defences to a passing off action:-

In a suit for passing off, apart from denying the plaintiff's allegations generally, the defendant may be able to plead the following in defence in his case:-

1. The defendant may prove that the plaintiff's business is either fraudulent or forbidden by law. If any particular business could be shown to be a fraudulent business or one forbidden by law or one which the public policy of law was to prevent, then in those cases

the proprietor cannot claim protection of the court. For example, if a trader who sells through street markets counterfeit versions of sound recordings and DVD's bearing a famous trademark might not be allowed to rely on his sales to maintain a passing off action against another counterfeiter who has come into the market after him.

- 2. A false representation contained in the mark itself did furnish a defence at law and at equity. Where a trademark is used exclusively in connection with a trade which was itself fraudulent, the fraud in the trade which was itself carried on by the trademark is a defence.
- 3. The mark complained of is not distinctive of the plaintiff's business and there is no likelihood of passing off by reason of defendant's use of the mark.
- 4. The plaintiff is guilty of acquiescence, latches, etc. or the defendant has prior used the mark.
- 5. The defendant's mark represents his own name which he has the right to use. 'A man is entitled to carry on his business in his own name so long as he does not do anything more than that to cause confusion with the business of another, and so long he does it honestly'.
- 6. The field of activities of the parties are completely different.
- 7. The defendant claims right of concurrent use of his mark of his mark. Honest and concurrent user of a trademark when established will constitute a defence.
- 8. The defendant's use of the mark is the bona fide description of the character or quality of goods or services. However, the defence of the name being 'surname' or 'personal name', though available to individuals, is not applicable to a corporate body.
- 9. Innocent misrepresentation by the defendant also constitutes a valid defence against passing off action. Under Section 135 (3)27, where the defendant satisfies the court that he was unaware of the existence and nature of plaintiff's trademark, and that when he became aware he ceased to use the trademark complained of, the Court shall not grant relief by way of damages or an accounts of profit.
- 10. The defendant is using the Plaintiff's mark by way of a license. Under Section 12 an honest concurrent user would be protected. Under Section 30 (2)(c)(i), a defence is always open that the proprietor of a registered trademark has expressly or impliedly consented to the use of the said trademark by the defendant. This defence, if laid, would need a trial.

- 11. The defendant may successfully plead and establish that the alleged misrepresentation was made by his employee outside the scope of his authority and contrary to express instructions.
- 12. Lastly, the defendant may plead that the plaintiff has abandoned his mark and that the defendant has either already moved for rectification of register for removal of mark or proposed to do so. Where a mark is abandoned, it may become common to trade. When abandoned, the mark may be appropriated by another person. The onus is on the defendant to prove abandonment.

#### Difference between Passing-Off and Infringement

An action for passing off is a Common law remedy, being in substance an action for deceit, that is, a passing off by a person of his own goods as those of another. But that is not the gist of an action of infringement. The action for infringement is a statutory remedy conferred on the registered proprietor of a registered trade mark for the vindication of the exclusive right to use the trade mark. Following are the differences between Passing-Off and Infringement:

- 1. Passing off action is based on common law principle that nobody has any right to represent his goods as somebody else. Such action is recognised both in respect of unregistered as well as registered trademark. An action for infringement on the other hand is based on the right acquired by registration and is possible only in respect of registered trademarks.
- 2. An action for infringement is a statutory right. It is dependent upon the validity of the registration and subject to other restriction laid down in the Act. On the other hand, in a passing off action registration of trademark is not relevant. It is based on property in goodwill acquired by use of the mark.
- **3.** The proprietor of an unregistered trademark whose mark is unauthorisedly used by another cannot sue for infringement of a trademark. His only remedy lies in bringing a passing off action.
- **4.** In an infringement action, the plaintiff is not required to prove the reputation of his mark, which is not the case in case of passing off. In passing off action, the plaintiff has to prove that his mark has acquired reputation in relation to any goods dealt with by him.
- **5.** An infringement action can result in the restraining of defendant from using the registered trademark whereas in a passing off action the defendant is restrained from selling the article without clearly distinguishing from the goods of the plaintiff.

- **6.** In an action for infringement, the use of trademark of the plaintiff, in relation to goods is a sine qua non for the action. In contradiction, in a passing off action, it is deceit as practiced on the public and not the use of the trademark that is to be shown.
- 7. An infringement action does not require the use of the mark. The proprietor could have never used the mark in the course of the business and still bring an action for infringement whereas in a passing off action the plaintiff must establish that the mark by usage has become distinctive of his goods i.e. the goods are identified by the mark.
- **8.** In case of a passing off action, the defendant's goods need not be same as that of the plaintiff; they may be allied or even different. In case of an action for infringement, the defendant's use of the offending mark may be in respect of the goods for which the mark is registered or similar goods.

#### Conclusion

Where a mark is registered, the plaintiff may combine his action for infringement along with an action for passing off, where the plaintiff has used his mark and can establish goodwill and reputation in connection with his business. This provides for a better protection of trademark.