

# DMW Vs BMW: Unauthorised Usage of Well Known Trademark

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**ABSTRACT:** *It is true that an owner of a well-known trademark has a smooth flowing business and abundant inflow of money through exploitation of the goodwill that a particular well-known brand's trademark possesses and such exploitation is full-fledged legal right of the trademark owner which could be exercised for lifetime. However, in order to earn easy money, often such well known trademarks are exploited by other proprietors without obtaining the license or any permission of any sort in order to use their prestige and goodwill. Such usage of a well-known trademark is illegal as well as an unethical practice. This paper expressly discusses all the legal aspects of the aforesaid usage of a well-known particularly in the automobile industry. This paper also takes into consider essentially all the major recent pronouncements that is pertinent to the unauthorized usage of trademark and closely scrutinizes various incidents concluding the consequences of such unauthorized usage.*

**KEYWORDS:** *Infringement, Intellectual Property Rights, Passing off, Trademark, Well-Known Trademarks.*

## INTRODUCTION

The battle for the defense with trademarks of disappointingly identical trademarks is not new; the comparison between the two trademarks relies on different considerations such as market recognition, the degree of similarity between the trademarks and their products and services, etc. In this case, the significance of a trademark is synonymous with its renowned reputation and it enjoys a relatively high level of defense because of its reputation in the general public. Hence, the judgment provided by High Court stating that DMW is deceptively similar to BMW mark is precise as it can lead to confusion in the mind of prudent individuals. Therefore, it is, acknowledged that trademarks play a vital role in the growth of all business structures across the globe<sup>1</sup>

The Court of Appeal also submitted that BMW was right not to disapprove of the use of Techno sport's term "BMW experts" because it was a completely acceptable use of insight (non-trade mark use). However, the corporation has the right to argue about the other applications of Techno sport, all of which go far further than just explaining that the firm specializes in the maintenance of the engine. The Court made clear that it is not fair to use a different brand name, as is the use of the company logo, in your business style.<sup>2</sup>

The UK decision is beneficial because it examined different ways of use in great depth, addressing some of the issues already addressed in South Africa. The decision is also likely, as is normally the case in UK, to be compelling in South Africa. The Court of Appeal continued that BMW was quite right not to argue that Techno sport had used the word "BMW-Specialist," because this had been completely legal info-making use, whereas the trademark of some business could be used to determine what it is (non-trade mark use). However, the corporation has the right to argue about the other applications of Techno sport, all of which go far further than just explaining that the firm specializes in the maintenance of the engine. The court made it very clear that using a trademark of another corporation in your business style is unethical, as is using the company logo.

BMW firmly protects its trademarks. It is reasonable to say that this has meant that South African trade mark legislation is more influenced than fairly by the business. Therefore it will be of great importance to enterprises in South Africa to adopt a recent UK trade mark decision concerning BMW.

<sup>1</sup> SS RANA, BMW v. DMW- Delhi HC grants interim protection in favour of BMW.

<sup>2</sup> *Ibid.*

In a number of cases involving BMW, South African courts have made it very clear that the registration of marks is infringed only if a third party unauthorized uses the symbol. That might sound a little weird but it means that a trademark licensed can be used by a third party, implying that the third party and the owner of the trade mark have a business relationship. In other terms, third parties must use a licensed trademark as an origin mark.<sup>3</sup>

## DISCUSSION

### 1. Brief about the Case:

In the prominent case of BMW v Verimark, the question was whether BMW's registration of the trademark was violated by the Verimark direct marketing company of a BMW car in an automotive television advert. The Delhi High Court has forbidden an Indian e-rickshaw manufacturer, Om balajee Automotive (India) Private Limited, from using a name that is identical or disappointingly close to that of the main German car manufacturer, BMW.

The Court also rejected the Indian firm's view that e-rickshaws are produced under the DMW; the trademark has been in the market since 2013, following which BMW approached high court only in 2017 after a delay of four years.

According to J. Nath, Bayerische Motoren Werke (BMW) had alleged that the Indian group was infringing on its trademark with "unharmonious intent" to take advantage of the German company's reputation and goodwill. "Albeit if, as alleged by the defendant (Om Balajee), the appellant (BMW) had postponed filing of the present action, the same delay would not have been enough to deter the grant of an injunction to the complainant," the Court said. In its complaint, BMW argued that the DMW label is the same as its registered mark in appearance, sound and structure. In the reply submitted by the defendant, it was argued that the marks were not identical and that, furthermore the type and class of the buyers differed as DMW was involved in the manufacture only of e-rickshaws and not of cars or motorcycles such as BMW. The Court acknowledged that the DMW trademark was developed to mislead an average person of ordinary intelligence and that DMW is identical to the BMW trademark both visually and phonetically.<sup>4</sup>

In addition, BMW is a recognized symbol and a violation of the Trademarks Act entails the accused's use of the aforementioned logo on his merchandise. A temporary injunction against the defendant was then issued in connection with e- rickshaws on the use of DMW or some other BMW-type logo. No difference is made between the latest decisions of the British Court of Appeal in the case BMW v Techno sport. Here, BMW prosecuted a business that functioned as BMW's and Minis restore and used the BMW brand and the roundel logo in various ways. The BMW brands appear on the exterior of the grounds of the firm, on the interior of the premise, on the side of the vans, on Visit Cards, on the Company's website and on T-shirts @Techno sport BMW.

The concern was if the use of this in the repair business was descriptive in that it told the public what was being done by the company or whether it mistakenly included the company being connected to BMW. The courts recognized the two uses as "informative use" and "inconvenient" terms analogous to South African non-trademarks and trademark use.

Sees meanings are, in order to add to the confusion, often expressed differently by the European courts.

The Supreme Court of Appeal ruled that the use of the BMW logo, also called as a descriptive or by-equivalent use, was a non-trade mark violation since it was not used as a promotional connection between the car polish and the BMW logo; in other words, Verimark has not used the BMW logo.

In the more modern case of BMW v Grandmark, the motor industry tried to prevent the BMW trademark companies from using BMW trademarks in such cases, by using trademark registrations (parts matching BMW vehicles but not made by BMW).

<sup>3</sup> BMW vs. DMW (Manupatra)

<sup>4</sup> *Supra I.*

## 2. Responsibility on the Registrar

The registrar shall respect the interests of the well-known label against the same ones in the event of a lawsuit and/or violation and must therefore take account of and notify the complainant's mala fide intention and ill-related purpose.

## 3. Well-known TM: Filing

The updated Trademark Rules for 2017 allows an owner of a trademark to submit an application to the registrar unabated. Such proposal submission should be complemented by the already prescribed declaration of case, related documentation, proof and fees of Rs. 1,00,000/-. The application must also be sent on-line through extensive trademark e-filing services. The submission is reflected in accordance with the documentation submitted after the application is received.

The Court clarified his views as follows in the case of GORDON AUTO BODY PARTS CO. LTD: When the label notes that it has a distinct meaning, it cannot be suggested that the trade mark is used as an origin badge. Standards for recognition of famous trademarks Though there are trademarks in the Paris Convention and the TRIPs Agreement, certain countries set out considerations which should be taken into account when recognizing well-known trademarks. The discovery of well-known trademarks in national laws and jurisprudence or proceedings. Table 1 shows different consideration considerations. Table 1.

**Table 1: As per the prescribed guidelines, common factors**

(1) The degree to which the relevant public has knowledge of the mark;
(2) The degree and length of the use of the mark;
(3) The nature and length of the trade mark and advertisement and publicity;
(4) The geographical scale of the field of trade in which the trade mark is used;
(5) the intrinsic or acquired degree of distinctness in the symbol;
(6) the presence of the goods or services and the channels of trade for the goods or services to which the mark was used;
(7) the presence and the extent of the use of the same or similar symbol by third parties;
(8) The state in which the label is registered.

## 4. The register addresses the following things in order to decide whether or not the symbol is known:

- The public is aware of the latter symbol and are capable of recognizing the presumed well-known mark and recognition gained by promotions.
- Time of use or progress of the trademark, extent and geographic location.
- The record of good enforcement of the mark rights, particularly the degree of mark recognition by any Court or registrar in that record as a well-recognized trademark. The number of real or potential consumers of the goods or services.
- Number of buyers of the products or services, either actual or future. The business circle dealing with the goods and devices to which the trademark applies.
- Number of people involved in the delivery systems of the goods or services.
- The market circle that deals with the products and devices that are subject to the trade mark.

- If a mark has been well-known in any tribunal or registrar in India in at least one relevant segment of the public, the Registrar shall regard the mark as a well-known mark for registration in accordance with the Act

### 5. Well- Known Marks in India:

Where famous marks have been convicted of infringement or unfair competition, it is a legitimate prerequisite, that is, whether the trade mark is a well-known concept and justification for recognition or infringement of a trade mark.

Unfair behavior can involve the identification of well-known trademarks. It is hoped that the rules of this judicial framework would involve the interpretation can inhibit the negative phenomena of inappropriate or excessive recognition of well-known trademarks that result in optimizing the judicial security process for a well-known trade mark through judicial means, as well as directing businesses to good creation of brands and technologies.<sup>5</sup>

In order to establish whether or not a symbol is fully recognised, the judicial authority in countries. The well-known trade mark shall be recognised after a trade mark has been adopted by a registrant in good conscience. In addition, it need not be well known in local authority at the time of the filing of the label.

Let's have a look current well known marks recognised in India and acknowledged by the controllers so as to publish their names on the IP India website. Whosoever is keen to access to the complete list of all well-known trademark may visit the IP India website. A just of that list is herein under in Table 2:

**Table 2: Considering the Adoption of a Well in Good Conscience**

Well Known Marks					
Serial No.	Trademark	Proprietor	Determining Authority	Report	Observation
1	7 O'CLOCK for shaving razors	Gillette U.K. Ltd., England	Bombay High Court	1998 PTC 288 DB	It is recognized that trade mark 70'Clock is well known. As such the use of the mark in respect of tooth brush will lead to passing-off.
2	AIWA	Sony Corpn., Japan	TMR, Chennai	Decision dated 26-09-2007	AIWA is a well-known trade mark in India in respect of electronic goods. Use of this mark without due cause for any other products would be likely to deceive or cause confusion, unfair advantage and be detrimental to the distinctive character and repute of mark.
3	BAJAJ	Bajaj Electrical Limited	High Court, Bombay	AIR 1988 BOM-167	The use of a family name Bajaj by defendants was held to be an act of passing-off. The goodwill and reputation of Plaintiff company was recognized.
4	BATA & BATA FOAM for footwear	Bata India Ltd.	Allahabad High Court	AIR 1985 ALLAHABAD 242	The plaintiff company Enjoy a reputation for its products.
5	BENZ	Daimler Benz	High Court Delhi	1994 PTC 287	Reputation extends worldwide.
6	BISLERI	Acqua Minerals Ltd.,	High Court of Delhi	2001 PTC 619	BISLERI is well-known in the Indian market and one of the first marks introduced for bottled mineral water. The defendant who was held to have adopted the domain name Bisleri with the intention to trade on the plaintiffs reputation and goodwill, was restrained.
7	CARREFOUR	Carrefour Society Anonyme, organized under the laws of France	High Court of Madras	2007 (35) PTC 225	The trade mark /name used by the applicant for 47 years throughout the world has to be protected, in order to promote commercial morality and discourage unethical trade practices. Plea of well-known trade mark is accepted.
8	CARTIER for wide variety of goods including jewellery, watches, perfumes etc.	Cartier International, B.V, Netherlands	High Court, Delhi.	2003(26) PTC 160(Del)	Trade Mark Cartier in respect of various consumer goods have acquired a reputation for quality not only in India, but throughout the world. Plaintiff company has acquired brand image and personality in respect of their products. Permanent injunction granted.
9	CATERPILLAR	Caterpillar Inc., USA	Madras High Court (DB)	1998IPLR 326	Name Caterpillar in respect of heavy vehicles and the name has earned reputation & goodwill world wide.
10	CHARLIE	Revlon Inc.	High Court of Delhi	1997 PTC 394	Defendants intention was fraudulent and dishonest to encash upon reputation and goodwill of products of plaintiff. Injunction granted.

The recognised trade mark could provide consumers with a probability of confusion or dilution of the well-known trade mark. Several Countries will ask the registrant to insert certain distinctive words into the label, resulting in the registrant and incorporation into the mark. This demonstrates the intensity of the distinctions between the two trademarks. Informally, the term trade mark is often used to refer to any distinctive characteristic by which a person is readily recognized. Recognized, such as the well-known features of celebrities.

<sup>5</sup> BMW V. DMW- Delhi HC Grants Interim Protection In Favour Of BMW.

Fundamental principles. The fundamental role of a trade mark is to define solely the commercial source or root of the trade mark. Products or services in such a way as to show the source of the trade mark, duly named, or to function as a badge of origin. In other countries, words and trademarks are used to describe a specific entity as the source of products or services.

All special protections attached to a registered mark and can, for the purposes of a violation of a mark, be imposed by a registered mark appeal, whereas unregistered trade-mark rights can be enforced by common law. Note that trade mark rights are normally derived by using or maintaining proprietary rights to this sign in relation to certain products or services, provided that no other trade mark exists. The Court added that the usage by Om Balajee on his goods "binds violation" under the trade mark law is likely to fool a normal man of ordinary intelligence.

After an extensive examination of the above factors the scope of shield of well-known trademarks will be decided, as stated in the procedure. The registry is very particular about considering the trademark of Well-Known Market, and if the trade mark is in the list of Well-Known marks nobody will take the mark in goods and services, so the registry goes through enormous documents and a lot of evidence is taken into account. For this reason, clear argument should be presented in order to secure rights for certain famous trademarks about the degree of importance of the products in question, the degree to which this well-established trademark is recognized and the applicant's purpose to file the request to confirm the trade mark as a known mark.

### **JUDGEMNET OF THE CASE**

The High Court of Delhi ruled that the DMW's name was the same in both visual and phonic terms and thus confused the cautious.

The Court has declared that the Indian firm "will not manufacture, sell, import or give for sale, advertise or deal in any way with e-rickshaws that carry the DMW mark or any other trade mark which is identical or disappointing to the BMW mark of the appellant."

### **CONCLUSION**

The battle for the defense with trademarks of disappointingly identical trademarks is not new; the comparison between the two trademarks relies on different considerations such as market recognition, the degree of similarity between the trademarks and their products and services, etc.

In this case, the significance of a trademark is synonymous with its renowned reputation and it enjoys a relatively high level of defense because of its reputation in the general public.

Hence, the judgment provided by High Court stating that DMW is deceptively similar to BMW mark is precise as it can lead to confusion in the mind of prudent individuals. Therefore it is, acknowledged that trademarks play a vital role in the growth of all business structures across the globe.