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Delhi High Court: passing-off action relating to registered design used as trademark is maintainable

India - [Khaitan & Co](#)

- Crocs filed six passing-off suits based on shape mark for Crocs shoe, as well as six suits for infringement of registered design for Crocs shoe
- Single judge dismissed all six trademark suits on ground that alleged passing off pleaded in these cases regarded subject matter that was registered as design
- Division bench granted interim relief, holding that single judge's reliance on *Carlsberg* was *prima facie* incorrect

In *Crocs Inc v Bata India* (RFA(OS)(COMM) 22/2019 & CM App No 22655/2019, along with other connected matters against various defendants), a Division Bench of the Delhi High Court, in an interim decision on appeals filed by Crocs Inc, has held that a passing-off action relating to a "registered design used as trademark" is maintainable.



Crocs' product



One of the defendants' products

Background

Crocs filed these appeals against the single judge's dismissal of six suits filed by Crocs to restrain the defendants from passing off their footwear as that of Crocs by adopting the shape trademark and trade dress of Crocs (the 'shape trademark suits'). Crocs had also filed separate suits to restrain the defendants from infringing the registered designs for its Crocs footwear (the 'design infringement suits'), but the applications for interim relief were rejected.

Separate suits for infringement and passing off were filed since these actions were prior to the decision of the Special Bench (five judges) in *Carlsberg Breweries v Som Distilleries*, which held that a composite suit for design infringement and passing off is maintainable. The *Carlsberg* decision did not concur with the Full Bench's (three judges) view on this aspect in *Mohan Lal v Sona Paint*.

The interim applications in the design infringement and shape trademark suits were initially dismissed and adjourned by the single judge. Crocs appealed but the Division Bench again dismissed the appeals; however, it directed the single judge to hear the design infringement and shape trademark suits together. The interim applications in the shape trademark suits came up again before the single judge. The shape trademark suits were dismissed on the following grounds, among other:

- The passing off pleaded in the matters was on the basis of use by the defendants of what was registered by Crocs as a design; under *Carlsberg* and *Mohan Lal*, such a plea was "not permissible in law"; and
- Such a plea was maintainable only in relation to the registered design's use as trade dress, get-up, presentation of the products through its packaging and so on.

In coming to this conclusion, the single judge relied on the observation made in *Carlsberg* that the *Mohan Lal* decision was inaccurate in finding that, post-registration of a design, there can be no limitation on its use as a trademark since such use is not a ground for cancellation of a design under the Designs Act 2000. The court in *Carlsberg* pointed out this inaccuracy since the definition of a 'design' under the Designs Act specifically excludes a 'trademark'.

Aggrieved by this decision, Crocs appealed and also sought a limited interim relief that the impugned decision of the single judge should not constitute a precedent to prevent Crocs from filing similar shape trademark suits against other parties.

Decision

After hearing the parties, the court granted the interim relief and held that the single judge's reliance on the observation made in *Carlsberg* was prima facie incorrect, since it was issued in the limited context of considering whether a composite suit for design infringement and passing off can be filed. Further,

the only qualification in *Carlsberg* was that, if a registered design is used as a trademark, then it can lead to the cancellation of the registration of such design.

Comment

The decision raises questions since the court stated, on the one hand, that there is protection for a registered design used as a trademark but, on the other, that the same could lead to the cancellation of the design. If such actions are maintainable, one may wonder what will happen to the cause of action for design infringement should the design be cancelled.

The views of the authors in this article are personal and do not constitute legal/professional advice of Khaitan & Co.

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