

CHRISTIAN LOUBOUTIN: TRADEMARK INFRINGEMENT & THE RED SOLE SAGA

Written by *Shivam Goel*
Advocate, High Court of Delhi

I. Preface:

In one of the most primitive decision on the subject, namely, *Singer Manufacturing Co. v. Loog*, (1880) 18 Ch D 395: (1882) 8 App Cas 15 (HL), James, L.J. deliberating on the principle underlying the trade mark law observed that:

“...No man is entitled to represent his goods as being the goods of another man; and no man is permitted to use any mark, sign or symbol, device or means whereby, without making a direct false representation himself to a purchaser who purchases from him, he enables such purchaser to tell a lie or to make a false representation to somebody else who is the ultimate customer. That being, as it appears to me, a comprehensive statement of what the law is upon the question of trademark or trade designation, I am of opinion that there is no such thing as a monopoly or a property in the nature of a copyright or in the nature of a patent, in the use of any name. Whatever name is used to designate goods, anybody may use that name to designate goods; always subject to this, that he must not, as I said, make, directly or through the medium of another person, a false representation that his goods are the goods of another person...”

The view taken by James, L.J. in *Singer* (Supra) lends credence to the fact that trademark rights like all other property rights that accrue upon an individual pursuant to the property in goods that he owns and possesses, have to be safeguarded jealously against infringement and passing off.

There is a marked difference in an action for infringement as against that of passing off. In an action for infringement of trademark, the plaintiff complains that the defendant has infringed

his trademark by taking in its entirety or by taking a substantial portion of it, or by colourably imitating it, and he relies on his statutory title to the exclusive use of the mark in question for goods of a specified kind. However, in a passing off action the plaintiff's case is less specialised, for he complains that the defendant is using means which are calculated to pass off, or cause to pass off, the goods of the defendant as and for those of the plaintiff and the means may or may not comprise or consist of the trademark, either registered or unregistered (See: **Kerley's Law of Trade Marks and Trade Names, 10th Edition, Chapter 15, Para 592, p. 307**). In the matter of: **Ranjit Lal Misra v. Vidya Prakash**, AIR 1951 Simla 176, Harnam Singh, J. opined that, the real question in a passing off case is whether the defendant is passing off his goods as the goods of the plaintiff, whereas in an infringement action the plaintiff has to prove that he has a proprietary right in the trademark and having proved that, he has to prove that the defendant is using either the identical mark or similar mark. Similarly, in the matter of: **Crane Betel Nut Powder Works v. Meena Nut Powder Works**, (1984) APLJ 38, Jayachandra Reddy, J. observed that, an action for infringement is different from an action for passing off, as, for constituting an action of trademark infringement the plaintiff has to make out a *prima facie* case that the defendant's mark is very close either pictorially or phonetically, or otherwise, to that of the plaintiff, and that the essential features of his trademark have been adopted by the defendant, besides this, for considering whether there are such similarities it is not necessary to place each of the mark side by side with a view to find out if there are any differences in the design and if so whether they are of such a nature as to prevent one design from being mistaken for the other; lastly, it would be enough for constituting an action for infringement if the impugned mark bears such an overall similarity to the registered mark as would be likely to mislead a person usually dealing with the one to accept the other, if offered to him. In tort of passing off there is a deliberate attempt on the part of the defendant to pass off his goods as those belonging to the plaintiff so as to capitalise upon the reputation, goodwill and consumer loyalty that the goods of the plaintiff enjoy in the market.

It is settled law that, trademark is a kind of property (intangible/intellectual) and is entitled to protection under the law for time being in force (the Trademarks Act, 1999), irrespective of its value in money, so long as it has some business or commercial value. Not merely the interest of the public but also the interest of the owner is the subject matter of concern for trademark legislation.

II. Whether a trademark is to be governed by the ‘territoriality principle’ or by the ‘universality principle’?

There can be a possibility whereby an international company seeking to expand into a new territory may find itself blocked by a business house already trading under the same name and style as that of the international company, perhaps on a miniscule scale and perhaps to ensure the blocking of the anticipated expansion of the international company to the new territory or else to compel the international company to acquire the commerce of the business house already operating locally for a large sum of money to ensure its hassle free venture into the new territory. Now, if in such a scenario the international company initiates an action for infringement and passing off against the abovementioned business house in the new territory then it is incumbent upon the court operating in the realm of common law regime to determine if at all there has been a spill over of the reputation and goodwill of the mark used by the international company to that particular new territory which the international company fathoms to venture into. If the answer to the above question is in the affirmative, then, the international company would be able to successfully corner the business house operating locally by relying upon and evidencing the fact that the customers residing in the new territory not only recognise and acknowledge the trademark of the international company but are also using the products of the international company by availing them through imports from the international market. Therefore, it is the territoriality principle which is to be given preference over the universality principle regards being had to common law countries like that of India. Hence, if there are customers for the products of the international company in the new territory then the international company is to stand on the same footing as that of a domestic trader albeit the new territory. Further, it is essential to note that in the matter of: *Toyota Jidosha Kabushiki Kaisha v. M/s. Prius Auto Industries Ltd & Ors*, Civil Appeal Nos. 5375-5377 of 2017 (Supreme Court), Date of Decision: 14.12.2017, it was held that, a passing off action can lie even against a registered proprietor of the mark. The fact that a claimant is using a mark registered by another party (or even the defendant) does not of itself prevent goodwill being generated by the use of the mark, or prevent such a claimant from relying on such goodwill in an action against the registered proprietor. Such unregistered marks are frequently referred to as ‘common law trademarks’.

III. Christian Louboutin: Background

Christian Louboutin SAS is a company incorporated under the laws of France and this company derived its name from Mr. Christian Louboutin, the famous designer of high end luxury products known world over for his signature 'red sole' high heel shoes. Mr. Christian Louboutin unbolt his first shop in Paris in the year 1991, and he played crucial role in bringing stilettos back into fashion in the yester era of 1990 to 2000. Presently, the company (Christian Louboutin SAS) runs more than 120 stores worldwide, with two stores operating in India, one in Delhi and the other in Mumbai. Since, 1992 all foot wears that are manufactured by the company have a signature mark in the form of a red outsole. The red outsole signature mark of the company became famous in the world of fashion only after it was introduced by Christian Louboutin SAS as its insignia. The specific tone of colour red that is applied by the company on the outsole of the shoes that are manufactured by it is Pantone No. 18.1663 TP. The red outsole signature mark has been registered by the company in several countries including India. It will not be out of place to state that the 'red sole' trademark of the company enjoys trans-border reputation in India by virtue to plentiful factors including: tourist travel, in-flight magazines, internet and broadcasting of various films and television programmes.

IV. Trademark Infringement: Christian Louboutin SAS v. Mr. Pawan Kumar & Ors, High Court of Delhi, CS (COMM) No. 714/2016 (Date of Decision: 12.12.2017), Coram: Mukta Gupta, J.

In the above captioned matter a suit for permanent injunction, declaration and damages was instituted at the behest of the company (Christian Louboutin SAS) by its Authorised Representative against one, Mr. Pawan Kumar who was carrying out business in the name and style of: 'Kamal Family Footwear' and 'Kamal Footwear' from Main Ajmal Khan Road, Karol Bagh, New Delhi, and another, Mr. Vijay Kumar who was carrying out business in the name and style of: 'Adara Steps' from Beadon Pura, Ajmal Khan Road, New Delhi, respectively. The principal grievance of the plaintiff in the above captioned matter was that the defendants were in the business of selling female footwear having design and make similar to that of the plaintiff's product with red outsoles. Plaintiff prayed before the Hon'ble High Court of Delhi

that the defendants must be put to peril for the tort of trademark infringement and passing off as the defendants tried to dilute the intangible property rights that the plaintiff had in products manufactured by it.

The Hon'ble High Court of Delhi took judicial notice of the fact that, plaintiff is not only a well known luxury brand with presence in over 60 countries including India, but is also known to consumers in India having regard to its 'red sole' trademark which it has been continuously using and promoting since 1992. The Hon'ble High Court of Delhi also took note of the fact that, the plaintiff was the sole recognised licensor of the Christian Louboutin trademarks and it has been successfully and uninterruptedly enforcing its rights in the said trademarks in India ever since it opened its outlets in Delhi and Mumbai respectively. Lastly, the Hon'ble High Court of Delhi took cognizance of the widespread presence of the plaintiff's trademarks over the internet and concluded that the plaintiff has been serving its customers in India not only through its outlets in Delhi and Mumbai but also through its official website which not only puts to display (and advertises) all the products which the plaintiff has to offer but also facilitates the 'online shopping' of the products of the plaintiff.

Thus, upholding the contention of the plaintiff that it has an exclusive right in red colour on the soles of its ladies footwear, the Hon'ble High Court of Delhi decreed the suit for permanent injunction, declaration and damages in favour of the plaintiff as against the defendants.

V. Trademark Infringement: Christian Louboutin SAS v. Abu Baker & Ors, High Court of Delhi, CS (COMM) No. 890/2018 (Date of Decision: 25.05.2018), Coram: Valmiki J. Mehta, J.

The facts and the reliefs sought in the above captioned matter were on a similar footing as those delineated in the matter of *Mr. Pawan Kumar* (Supra), however, in this matter the Hon'ble High Court of Delhi through Valmiki J. Mehta, J. disagreed with the view taken in the report rendered in *Mr. Pawan Kumar* (Supra) on the following grounds among others:

- i. The word 'trademark' consists of two words, namely, "trade" and "mark". The purpose of 'trademark' is to distinguish the goods or services of one person from those of the others. For a mark to become a 'trademark' it has to first satisfy the

definitional aspect of the word ‘mark’ as defined in Section 2 (1) (m) of the Trademarks Act, 1999.

Section 2 (1) (m) states that, “*mark*” includes a device, brand, heading, label, ticket, name, signature, word, letter, numeral, shape of goods, packaging or combination of colours or any combination thereof.

Once a mark qualifies the test of Section 2 (1) (m), it has to further qualify the test of Section 2 (1) (zb) of the Trademarks Act, 1999 to finally become a ‘trademark’.

Section 2 (1) (zb) states that, “...“*trademark*” means a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others and may include shape of goods, their packaging and combination of colours...”.

To constitute ‘mark’ there has to be ‘combination of colours’ and one single colour cannot constitute ‘mark’ as defined in Section 2 (1) (m). Thus, red coloured outsole in ladies footwear cannot be claimed as a trademark by Christian Louboutin SAS.

- ii. One single colour cannot be exclusively appropriated by a manufacturer or seller for use of that single colour as its trademark.
- iii. Unless there are combinations of colours, that is, more than one colour is sought to be used as a trademark, it cannot be held that a single colour is a ‘mark’, and since a single colour cannot be a ‘mark’, it therefore cannot be a ‘trademark’ under the Trademarks Act, 1999.
- iv. Section 30 of the Trademarks Act, 1999 through its various sub-sections provides for exceptions to the rights which a registered owner of a trademark can ordinarily claim. Section 30 of the Trademarks Act, 1999 provides that although plaintiff may be an owner of a particular trademark, yet if the registered trademark of the plaintiff is used by any other person, whose use of the registered trademark is as per the entitlements of the different sub-sections of Section 30, then such use cannot be vetoed by the registered owner of the trademark. As per Section 30 (2) (a) of the Trademarks Act, 1999 if a person is a registered owner of a particular trademark and that trademark is in the nature of a ‘characteristic feature’ albeit the product manufactured and sold by the trademark owner, then, if any other person uses the aforesaid ‘characteristic feature’ as his trademark then the erstwhile original owner of the trademark cannot object to such usage of the trademark by such other person.

- v. If one single colour is applied to a good and it serves as a ‘characteristic feature’ qua that good since it enhances the look and appeal of that good, then, even though the usage of the aforesaid single colour serves as a functional aspect qua that good, it cannot be exclusively claimed by any particular person who gets that exclusive colour trademarked as his intellectual property right for that will be in breach of the mandate contained in Section 30 (2) (a) of the Trademarks Act, 1999.
- vi. According to Section 31(1) of the Trademarks Act, 1999, registration of a trademark is only *prima facie* evidence of its validity and therefore, once what has been got registered as a trademark, could legally not have been got registered as a trademark results in an illegality because what is registered as a trademark could legally not have been got registered as a trademark, thus, when that matter comes up before the court then the court is surely entitled to reject the claim of ownership and entitlement to a trademark which is not capable of being a trademark under the provisions of the Trademarks Act, 1999.

VI. Takeaways:

1. For a mark to constitute as a trademark, it first has to satisfy the definitional requirement of the word ‘mark’ as contained in Section 2 (1) (m) of the Trademarks Act, 1999 which employs the words “combination of colours” as against the use of one single colour.
2. One single colour applied to a specific portion of a product so as to make it a characteristic feature of that product to enhance its aesthetic value (look and appeal), even if trademarked would be hit by the provision of Section 30 (2) (a) of the Trademarks Act, 1999.
3. Registration of a trademark is only *prima facie* evidence of its validity and is not conclusive evidence of its legality.