

An unusual and challenging Journey of “HALDIRAM’S” from Household Name to a Well-Known Trademark

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A recent development in India has highlighted the necessity for all trademark owners regardless of the popularity of the trademark to maintain vigilance, proper documentation, and records, as well as the importance of having a strong trademark portfolio and trademark management practices.

The case involved “**Haldiram’s**”, a name familiar to almost every Indian household and deeply entrenched in the Indian market for decades. Astonishingly, it was discovered that “**Haldiram’s**” lacked valid trademark registrations in certain relevant classes, leading to serious allegations against its namesake and adversely affecting its case and reputation. Despite “**Haldiram’s**” longstanding presence and substantial brand recognition, the absence of a formal trademark registrations exposed the brand to legal vulnerabilities and potential misuse by unauthorized entities. **The implications of this precedent extends beyond “Haldiram’s” brand, serving as a cautionary tale for other prominent brands operating in India. It emphasizes the need for robust legal frameworks, strategies and proactive measures to ensure that all trademarks are adequately protected, thereby preventing any potential damage to their goodwill and reputation.**

Background and Genesis of the Well-Known Trademark Journey for Haldiram’s:

On April 3, 2024, the Delhi High Court rendered a landmark decision in the matter of *Haldiram India (P) Ltd. v. Berachah Sales Corpn., [2024 SCC OnLine Del 2265]* declaring that the “**Haldiram’s**” mark is legally recognized as a well-known trademark for food products and services in India and globally. This pivotal case centered around the **Haldiram’s** trademark in India, triggered by the emergence of various imitations in the market that closely resemble the original “**Haldiram’s**”. One notable instance involved a company from Ambala, Haryana, selling similar food products such as ghee, salt, rice, and flour under the brand name “**Haldiram Bhujawala**”. These products were perceived as very similar to the authentic “**Haldiram’s**”, raising significant concerns about consumer confusion and brand dilution. The images of the impugned products of the Ambala based company are produced herein below:



The court’s decision emphasized the necessity of stringent trademark protection for well-known brands, ensuring that their unique identity and reputation are preserved. By officially recognizing “**Haldiram’s**” as a well-known trademark, the court provided a robust legal safeguard against infringement and counterfeit products, thereby protecting the brand’s integrity and the interests of consumers. **This ruling also serves as a precedent for other prominent brands in India, emphasizing the critical importance of securing comprehensive trademark protection to prevent similar issues.**

While “**Haldirams**” took proactive legal steps by filing a request to protect its trademark under the designation of a “*well-known*” trademark as per the provisions of the Trade Marks Act of 1999, their primary objective

was to obtain a permanent injunction against the defendants, thereby preventing them from selling goods under the disputed marks such as **“Haldiram Bhujiawala”** or any other similar names / trade marks.

During the legal proceedings, the defendants argued that many firms who are operating in the same sector, are using names similar to one another and are incorporated under the Companies Act without facing any objections or restrictions on their use of these marks. However, the unlawful activities of the defendants were verified by the Court and their goods were locally seized, after due investigation, report of local commissioner, collation of concrete evidences meeting the triple-identity tests, wherein, banners and other marketing collaterals were discovered which were apparently being used for promotion of the infringing goods since January 2019. The court while deciding on the quantum of damages observed that, the defendants tried to dodge legal proceedings and decided to remain silent in order to avoid the disclosure of their financial statements.

Expanding Trademark Rights Beyond Traditional Boundaries:

The **“Haldiram’s”** case highlights the evolving landscape of intellectual property rights, particularly for brands of significant fame and reputation in an interconnected global market. It emphasizes the necessity for an adaptable approach to territorial rights, especially in the light of doctrines like the spill-over reputation and broader trademark principles. In the context of well-known trademarks like **“Haldiram’s”**, which have achieved widespread recognition across India, there is a growing recognition that their protection should extend beyond traditional geographical boundaries, where exclusive rights were historically exercised. **The spill-over reputation doctrine recognizes that a trademark’s reputation can transcend its registered territory, influencing consumer perceptions and market dynamics even in regions where formal trademark rights were not previously enforced.** This evolution reflects the need for legal frameworks that can accommodate the complexities of modern commerce, ensuring that brands with established fame can maintain their identity and market position across diverse geographic areas. The **“Haldiram’s”** case also highlights the importance of proactive trademark strategies that anticipate and address potential challenges arising from global connectivity and market shifts.

Protecting Trademark Proprietorship, Title and Rights:

In the contentious issue surrounding the ownership of the **“Haldiram’s”** trademark, several arguments were adduced, with a key contention being the challenge to establish sole proprietorship over the entire brand, due to insufficient proof. Moreover, the trademark in question was unfortunately not filed or pending registration in the relevant class. This case illustrates the critical need for traditionally renowned brands to safeguard their trademarks from exploitation and prevent unauthorized profit-making by market creepers, through extensive advertising and wide distribution networks. Meeting the criteria for a “well-known” trademark, as defined under **section 11(6)** of The Trademark Act, requires establishing awareness, acknowledgment, geographical extent of use, and duration of the mark.

Ensuring Comprehensive Trademark Protection: Lessons from the “Haldiram’s” Judgment

It is important for a brand to stay vigilant and consistently oppose any unauthorized use of similar trademarks. The **“Haldiram’s”** case underscores the necessity for brands to actively monitor the market and take prompt legal action against infringements. This vigilance helps maintain the brand’s distinct identity and prevents dilution of its reputation. The company should swiftly address any potential violations, ensuring their rights are consistently enforced.

Actively registering trademarks in all relevant or potentially relevant classes is crucial. In the “**Haldiram’s**” case, the lack of comprehensive trademark registration initially exposed the brand to legal vulnerabilities. A Brand must anticipate potential areas of expansion and register their trademarks across various classes to secure their rights comprehensively. This proactive approach not only protects the brand’s current market position but also paves the way for future growth and diversification.

A company should maintain and safeguard all documents related to trademark registration and usage. The “**Haldiram’s**” case highlighted the importance of having concrete proof of trademark ownership and usage to defend against infringement claims effectively. Brands should implement robust document management systems to ensure all relevant documents, such as registration certificates, usage evidence, title deeds and legal correspondences, are securely stored and easily accessible. This meticulous record-keeping can be pivotal in legal disputes, providing the necessary evidence to uphold the entity’s intellectual property rights.

Further, the trademark owners must consider international registration to mitigate exploitative opportunities and unfair competition that could undermine their established reputation and goodwill. The concept of a “well-known” trademark not only protects a company’s reputation but also ensures consumer confidence by safeguarding them from inferior goods associated with the legacy of well-known brands like “**Haldiram’s**”.

In conclusion, the “**Haldiram’s**” case highlights the critical importance of proactive trademark protection strategies, comprehensive registration, and vigilant legal monitoring for brands, particularly those with significant market presence and reputation. It sets a precedent for the enforcement of trademark rights in India and highlights the evolving nature of intellectual property laws in response to global market dynamics.
