

Legal Issues in ‘Trademarks’

Issue: What Is the Threshold of Use to Establish Goodwill in a Jurisdiction to Prove Trans-Border Reputation?

Relevant Legal Provisions

❖ **Section 2(1)(zg), Trade Marks Act, 1999 -**

Definitions and Interpretations –

“well-known trade mark”, in relation to any goods or services, means a mark which has become so to the substantial segment of the public which uses such goods or receives such services that the use of such mark in relation to other goods or services would be likely to be taken as indicating a connection in the course of trade or rendering of services between those goods or services and a person using the mark in relation to the first-mentioned goods or services.

Relevant Legal Provisions (Contd.)

❖ **Section 11(6), Trade Marks Act, 1999 -**

Relative Grounds for Refusal of Registration

The Registrar shall, while determining whether a trade mark is a well-known trade mark, take into account any fact which he considers relevant for determining a trade mark as a well-known trade mark including—

(i) the knowledge or recognition of that trade mark in the relevant section of the public including knowledge in India obtained as a result of promotion of the trade mark: (Emphasis supplied)

(ii) the duration, extent and geographical area of any use of that trade mark:

(iii) the duration, extent and geographical area of any promotion of the trade mark, including advertising or publicity and presentation, at fairs or exhibition of the goods or services to which the trade mark applies,

3 *(iv) the duration and geographical area of any registration of or any application for registration of that trade mark under this Act to the extent they reflect the use or recognition of the trade mark;*

(v) the record of successful enforcement of, the rights in that trade mark, in particular, the extent to which the trade mark has been recognised as a well-known trade mark by any court or Registrar under that record

Relevant Legal Provisions (Contd.)

❖ *Section 11(9), Trade Marks Act, 1999 -*

The Registrar shall not require as a condition, for determining whether a trade mark is a well-known trade mark, any of the following, namely:—

(i) that the trade mark has been used in India; (Emphasis Supplied)

(ii) that the trade mark has been registered;

(iii) that the application for registration of the trade mark has been filed in India;

(iv) that the trade mark— (a) is well-known in; or (b) has been registered in; or (c) in respect of which an application for registration has been filed in, any jurisdiction other than India; or (v) that the trade mark is well-known to the public at large in India. (Emphasis Supplied)

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Relevant Judicial Decisions

- ❖ ***Toyota Jidosha Kabushiki Kaisha v. Prius Auto Industries Ltd. & Ors. [(2018) 2 SCC 1, Civil Appeal Nos. 5375–5377 of 2017] - December 14, 2017 - Division Bench (Ranjan Gogoi & Navin Sinha, JJ., Supreme Court Of India)***

“3.....The Plaintiff claimed that various advertisements and news reports about 'Prius' and publications in car magazines in India and across the globe has made 'Prius' a well known trade mark within the meaning of the said expression Under Section 2(1)(zg) of the Trade Marks Act, 1999 (hereinafter referred to as 'the Act').

“29. To give effect to the territoriality principle, the courts must necessarily have to determine if there has been a spill over of the reputation and goodwill of the mark used by the claimant who has brought the passing off action. In the course of such determination it may be necessary to seek and ascertain the existence of not necessarily a real market but the presence of the claimant through its mark within a particular territorial jurisdiction in a more subtle form which can best be manifested by the following illustrations, though they arise from decisions of Courts which may not be final in that particular jurisdiction.” (Emphasis Supplied)

5 “32.... The advertisements in automobile magazines, international business magazines; availability of data in information-disseminating portals like Wikipedia and online Britannica dictionary and the information on the internet, even if accepted, will not be a safe basis to hold the existence of the necessary goodwill and reputation of the product in the Indian market ... particularly having regard to the limited online exposure at that point of time ...” (Emphasis Supplied)

“33.....Consequently, even if we are to disagree with the view of the Division Bench of the High Court in accepting the Defendant's version of the origin of the mark 'Prius', the eventual conclusion of the Division Bench will, nonetheless, have to be sustained.....”

Relevant Judicial Decisions

❖ ***Bolt Technology OU v. Ujoy Technology Pvt. Ltd. & Anr. [FAO(OS)(COMM) 45/2023] - November 30, 2023 - Division Bench (Yashwant Varma & Dharmesh Sharma, JJ., High Court Of Delhi)***

“111. The aforesaid statutory provisions would thus appear to lend credence to both reputation and goodwill, constituting important and independent factors for the purposes of answering a claim of cross border reputation.....”

“113. We further find that a mere global reputation or asserted goodwill has neither been accorded a judicial imprimatur nor accepted as being sufficient by our courts to answer a claim of transborder reputation. In order to succeed on this score, it is imperative for the claimant to prove and establish the existence of a significant and substantial reputation and goodwill in the concerned territory. Unless a sizeable imprint of the presence of the mark is established amongst the consuming public, a claimant would not be entitled to protection. In fact, knowledge amongst a sizeable and noteworthy number of the concerned segment would be a sine qua non for proving reputation itself.”
(Emphasis Supplied)

“133. Insofar as app downloads are concerned, the appellant had alluded to the two lakh instances when persons in India had downloaded its app. The appellant had also in this connection referred to various reviews of its BOLT mobile app on the Apple App Store and the Google Play Store. We are constrained to observe that the mere downloading of an app would not be sufficient to accept the contention of a sizeable consumer base.”

“136. We thus come to conclude that while the appellant may have been able to establish a limited knowledge and awareness of its app and the bouquet of services offered on its platform, it clearly, as the learned Single Judge has correctly found, failed to meet the test of significant and substantial reputational spill over.”

Relevant Judicial Decisions

❖ ***Major League Baseball Properties Inc. v. Manish Vijay & Ors. [C.O. (COMM.IPD-TM) 279/2023] - July 1, 2025 - Single Judge Bench (Mr. Justice Saurabh Banerjee, J., High Court Of Delhi)***

“12.4. The petitioner is the ‘prior adopter’ and ‘prior user’ of the ‘BLUE JAYS’ marks, as the respondent nos.1 and 2’s application for registration of a deceptively similar/ nearly identical mark ‘BLUE-JAY’ was filed almost 22 years after the petitioner adopted and continuously using its mark. By that time, the petitioner’s ‘BLUE JAYS’ marks had already acquired significant reputation and goodwill in India and the only plausible reason for the respondent nos.1 and 2 for adopting nearly identical impugned mark ‘BLUE-JAY’ and that too in respect of identical goods, was to ride upon the goodwill and reputation of the petitioner and to confuse the consumers as to the source of the goods.”

“26. In any event, the petitioner’s trademark ‘BLUE JAYS’ has a worldwide presence since its adoption in the year 1976. The same is used/ consistently depicted on the uniform of the MLB franchise/ Club for the city of Toronto as well as on goods and services associated with the Club, thereby acquiring a substantial, irrefutable, and insurmountable reputation and goodwill globally. The petitioner was/ is also the holder of the trademark ‘BLUE JAYS’ in India under various Class(s), a few of which were applied well before the respondent nos.1 and 2 applied for registration of the impugned mark. Moreover, the petitioner has placed sufficient material like the presence of ‘BLUE JAYS’ marks on its websites, which are accessible in India since the year 1996, proof of its products under the ‘BLUE JAYS’ marks being available in India since the year 1996 and the broadcasting of the MLB matches in India at least since the year 1997. The same are sufficient for the petitioner to have established ‘use’, which need not be actual/ physical, in India.”

“38. In view of the foregoing analysis, this Court finds merit in the case/ submissions of the petitioner and is satisfied that the petitioner has been able to make out a case for cancellation of the trademark ‘BLUE-JAY’ registered in favour of the respondent nos.1 and 2 vide trademark application no.815236 in Class 25.

Relevant Judicial Decisions

- ❖ ***Sumit Vijay & Anr. v. Major League Baseball Properties Inc. & Anr. [2026 SCC OnLine Del 2 : (2026) 327 DLT 341] - January 5, 2026 - Division Bench (C. Hari Shankar And O.P. Shukla, JJ., High Court Of Delhi)***

“12.8.12. Firstly, there is no presumption that a mark, howsoever wide or global its reputation might otherwise be, has trans border reputation in India. Trans border reputation in India has to be positively proved. This is especially shown in the case of marks which may be associated with activities which are not popular or well known in India.”

“12.9. Secondly, the availability of a mark on websites can again be no indicator of trans-border goodwill or reputation percolating into a particular country such as India. Websites are globally accessible. If the principle that accessibility of a mark on a website is to be treated as an indicator of trans-border reputation, every mark of every entity would have trans border reputation in every country in the world. It is not enough”

The same principle applies to publication of marks in periodicals, magazines, etc. With the proliferation of the internet, most magazines, periodicals and the like are now available globally.” (Emphasis Supplied)

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“12.12. Goodwill and reputation, it has to be remembered, is a two-way street. One cannot claim to have goodwill and reputation, unless others feel the same. Thumping one's own chest, and claiming to be famous, is mere false hope, and nothing more. Goodwill and reputation are positive attributes, relative to others. The purpose of requiring establishment of goodwill and reputation, in passing off actions, has to be remembered. They are not empty incantations.”

Relevant Judicial Decisions

- ❖ ***Toyota Jidosha Kabushiki Kaisha v. Tech Square Engineering Pvt. Ltd. & Anr. [LPA 176/2023, CM APPL. 11804/2023]***
- May 4, 2026 - Division Bench (C. Hari Shankar & Om Prakash Shukla, JJ., High Court Of Delhi)

“73. It is crucial to recognize that the nature of the goods in question, high-value luxury automobiles, necessarily influences how market presence and reputation should be assessed. Unlike mass-market products, the penetration of such goods is inherently limited to a niche, specialised consumer segment. Consequently, the indicia of reputation must be evaluated accordingly, considering the targeted consumer base rather than broad public penetration.”

“77. While it is true that the imports of the Appellant's vehicle were effected by private individuals, this circumstance does not diminish their evidentiary value. On the contrary, voluntary importation by consumers strongly indicates pre-existing awareness and demand. The act of importing a luxury product is not undertaken in the absence of recognition of the product's source or reputation.” (Emphasis Supplied)

“79. The test, therefore, is not one of mere visibility, but of recognition, whether the mark had, prior to the relevant date, acquired a discernible association in the minds of the relevant section of the public within India. In this case, the relevant section comprises consumers and market participants in the luxury automobile segment, for whom recognition of the ALPHARD mark is both meaningful and significant.”

“80. The Respondent has sought to characterise the Appellant's evidence as sporadic and insufficient. However, this submission proceeds on an incorrect standard. The law does not require mass-market penetration or extensive commercial sales to establish reputation. As recognised under Section 11(6) and (7) of the Act, it is sufficient if the mark is known within the relevant section of the public.”

Relevant Judicial Decisions

- ❖ ***Toyota Jidosha Kabushiki Kaisha v. Tech Square Engineering Pvt. Ltd. & Anr. [LPA 176/2023, CM APPL. 11804/2023]***
- May 4, 2026 - Division Bench (C. Hari Shankar & Om Prakash Shukla, JJ., High Court Of Delhi) (Contd.)

“82. The learned Single Judge appears to have proceeded on the erroneous assumption that the absence of widespread or mass-market presence is fatal to the Appellant's claim. In our view, this amounts to applying a standard of general public recognition, which is not contemplated under Section 11(6) or under the doctrine of trans-border reputation. The law acknowledges that reputation in a niche market, even without mass penetration, is sufficient to establish a well-known mark.” (Emphasis Supplied)

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“101. We are further satisfied that the mark ALPHARD was a ‘well known’ trade mark at the time of Respondent's application. The evidence presented by the Appellant sufficiently establishes the mark's international reputation, which had spilled over into India, qualifying it for protection under the applicable provisions of Indian trademark law.”

10 “102. In light of the above findings, we deem it appropriate to order the removal of the impugned registration for the mark ALPHARD in favour of the Respondent, specifically under Registration Nos. 3093216, 3093218, and 3093219, in respect of Classes 9, 12, and 27, respectively, dated 17.09.2016, 17.09.2016, and 13.09.2016. These registrations are hereby declared to be invalid and are to be removed from the Register of Trade Marks.”

Conclusion

- ❖ Section 11(9) of the Trade Marks Act, 1999 makes clear that a mark may be “well-known” and protected without any actual use or registration in India; the enquiry is whether the mark's reputation has genuinely spilled over into the Indian market, per the territoriality principle affirmed by the Supreme Court in Prius.
- ❖ The courts, however, have applied this spillover threshold inconsistently. Advertisements, website accessibility, and app downloads were held insufficient in Prius, Bolt and the Sumit Vijay appeal, while niche-market imports and website/broadcast presence sufficed in Alphard and Manish Vijay, with a Single Judge and Division Bench of the same High Court even reaching opposite conclusions on the same BLUE JAYS facts within six months. The threshold, therefore, is settled in principle but remains highly fact-sensitive in application.

THANK YOU!
Questions?

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