

Intellectual Property Law July 26, 2021



CANADIAN COURT ON AMUL'S TRADEMARK RIGHTS

A. Introduction

The Federal Court of Canada ("Court") in Ontario, Canada, while deciding trademark and copyright dispute in Kaira District Co-operative Milk Producers' Union Limited and Gujarat Cooperative Milk Marketing Federation Ltd. v. Amul Canada & Others, 1 granted a permanent injunction 2 restraining Amul Canada and others ("Defendants") from using the trademark and copyright 'Amul' ("Trademark") on the ground that the Respondent's product is causing or is likely to cause confusion between their goods and the goods of Kaira District Co-operative Milk Producers' Union Limited and others ("Plaintiffs").

B. Brief Facts

- 1. Plaintiffs are in the business of manufacture and marketing of milk products. They are the registered owner of Canadian trademark and copyright owner of the following that are used in Canada:
 - a. Amul, which is used in Canada
 - b. The expression "Amul The Taste of India."
 - c. The expression "Amul Pasteurized Butter utterly butterly delicious."
- 2. Plaintiffs contended/alleged that:
 - a. The trademarks and associated products have become well known and distinctive in Canada and India. They provided evidence of sales of their products in Canada.
 - b. These sales, along with extensive advertising and promotion, have allowed their trademarks to become well known and distinctive.
- 3. Plaintiffs alleged that the Defendants were advertising, marketing, offering for sale, selling, and providing goods identical to the Plaintiffs' goods in Canada with the trademarks and trade names Amul Canada Limited through professional network LinkedIn. They were not only using the exact marks and designs belonging to the Plaintiffs, they were claiming to be the Plaintiff through copying the information available on the websites regarding the Plaintiffs' background and activities.
- 4. Plaintiff filed suit for passing off in the Court.

C. Order and Reasoning

The Court in its Order dated June 22, 2021 ("Order") observed and held as follows:

- 1. As per Canadian Trademarks Act³ the essential elements for 'passing off' are:⁴
 - a. The existence of goodwill.
 - b. The deception of the public due to misrepresentations.
 - c. Actual or potential damages to the plaintiff.



¹ Mohit Rana, Akash Ghosh, Chandu Das, and Patel Patel.

²2021 FC 636 available at https://decisions.fct-cf.gc.ca/fc-cf/decisions/en/item/499505/index.do.

³ Section 7(b) of the Trademarks Act.

⁴ Paragraph 26 of the Order.

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- 2. All the three elements were met, and the Court opined that (verbatim):⁵
 - a. The Plaintiffs have clearly developed goodwill in their brand, design, and company names. Not only has the Amul brand existed for well over 50 years and is advertised globally through online and other channels and thus acquired distinctiveness over time but the sample 2013 and 2020 invoices provided with its motion materials demonstrate importation into Canada of well over \$100,000 of Amul dairy products in each of those years, and the volumes of milk and cheese distribution illustrate that Amul products have a reputation within at least a certain segment of consumers of its dairy products in Canada.⁶
 - b. There is no indication of innocent misrepresentation in this case. Quite the opposite, the Defendants have engaged in intentional misconduct and deliberate deceifful conduct. The Defendants have directed public attention to its business in such a way as to cause confusion in Canada between the goods and business of the Defendants, and those of the Plaintiffs.
 - c. There are clearly potential damages that could have related, whether through sales, marketing, distribution, and/or recruiting employees, through the unauthorized guise of Amul Canada.8
- 3. This unauthorised use of the Trademark by the Defendants is an infringement of the Trademarks Act⁹ as the Plaintiffs being the owner of the Trademark have the exclusive right to its use throughout Canada
- 4. "Defendants have reproduced the Plaintiffs' copyrighted material without their consent and infringed the Plaintiffs' rights to exclusive use of its copyright contrary to section 27 of the Copyright Act." 10
- 5. Granted permanent injunction restraining the Defendants from using the Trademarks and directed them to pay damages to the Plaintiffs within thirty (30) days of the date of the Judgment, ownership and all rights access, administration, and control for and over the LinkedIn pages/accounts, domain names and social media pages registered to or controlled by the Defendants displaying the Plaintiffs' trademark or copyright and provide a listing and contact information for all entities that contacted the Defendants about their business through the LinkedIn pages.

This Counselence Connect contains information in a nutshell on a recent change in law. This is not legal advice and must not be treated so. For legal advice, please contact us at: info@counselence.com.

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⁵ Paragraph 27 of the Order.

⁶ Paragraph 27 of the Order.

⁷ Paragraph 29 of the Order.

⁸ Paragraph 30 of the Order.

⁹ Paragraph 20(1)(a) of the Trademarks Act.

¹⁰ Paragraph 3 of the Judgement in the Order.