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COCA-COLA COMPANY VS. BISLERI INTERNATIONAL PVT. LTD

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ABSTRACT

A landmark legal battle, known as the “Maaza War,” ensued over the coveted “Maaza” trademark, pitting prominent beverage giants against each other. Initially, Bisleri held the rights to the “Maaza” name, but they were later transferred to Coca-Cola. Despite this, Bisleri continued to sell “Maaza” branded drinks in Turkey, prompting Coca-Cola to take legal action against them for trademark infringement. The central issue in the dispute was whether Bisleri’s use of the “Maaza” name outside of India violated the terms of their agreements and assignment deeds. The Delhi High Court ultimately ruled in favor of Coca-Cola, finding that Bisleri had indeed breached Coca-Cola’s trademark rights. As a result, Bisleri was prohibited from using the “Maaza” mark within India via an injunction. However, they were permitted to continue producing “Maaza” for export purposes. This historic case has significant implications for trademark and intellectual property rights in India, unequivocally establishing Coca-Cola as the sole owner of the trademark rights and prohibiting Bisleri from using the mark in any capacity.

KEYWORDS: Maaza, Trademark, Bisleri, Rights, Coca-Cola, Trademark Infringement.

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INTRODUCTION

In a landmark Intellectual Property Rights ruling, the Delhi High Court in 2009 deliberated on a contentious case involving beverage giants Coca-Cola Company and Bisleri International Pvt. Ltd. & Ors. On October 15, 2009, the court heard arguments from Coca-Cola, a multinational corporation, and Bisleri International, a prominent Indian company renowned for its bottled water and beverages. The central issue revolved around the ownership rights of “Maaza,” a popular mango-flavored drink initially owned by Bisleri but subsequently sold to Coca-Cola. Despite the sale, Bisleri continued to manufacture and market “Maaza” in Turkey, prompting Coca-Cola to initiate legal proceedings for trademark infringement. The lawsuit primarily centered on allegations of trademark violation and the interpretation of the contract signed by both parties, giving rise to critical questions about jurisdiction, trademark ownership, and the scope of intellectual property agreements.²

FACTS

In a significant intellectual property dispute, the Coca-Cola Company and Bisleri International Pvt. Ltd. & Ors. clashed in 2009 over the rightful ownership of the “Maaza” trademark, a popular mango-flavored beverage. Initially, Bisleri held exclusive rights to the brand, but in 1993, they entered into a Master Agreement with Coca-Cola, transferring the trademark, production rights, proprietary information, patent rights, and associated goodwill.³

However, despite this transfer, Bisleri continued to manufacture and distribute “Maaza” in Turkey. In 2008, Coca-Cola attempted to register the trademark in Turkey, prompting Bisleri to serve a legal notice terminating the agreement, citing Coca-Cola's alleged loss of rights to the brand.

The central issue in this dispute was whether Bisleri's use of the “Maaza” trademark outside of India constituted infringement and whether the assignment deed permitted Bisleri to continue using the trademark beyond Indian borders. Coca-Cola sought legal recourse, demanding a permanent injunction to prohibit Bisleri from further using the “Maaza” trademark.

The Delhi High Court was tasked with resolving this dispute, determining whether Bisleri's actions breached the assignment deed and whether Coca-Cola's rights to the “Maaza” trademark

² “Coca-Cola Company v. Bisleri International Pvt. Ltd. & Others” 2 Journal of Legal Research and Juridical Sciences 533 (2023).

³ Krishna Raj Sharma, “Case Analysis: Coca-Cola Company v. Bisleri International Pvt. Ltd. & Ors. (2009) | Trademark Infringement”, Legal Bites, Dec. 07, 2023, available at: <https://www.legalbites.in/category-intellectual-property-rights/case-analysis-coca-cola-v-bisleri-2009-979310> (last visited on July 22, 2024).

were being violated by Bisleri's ongoing use of the brand outside of India.⁴

ISSUES RAISED

- **Jurisdiction:** Whether the Delhi High Court had the jurisdiction to entertain the case, given that the alleged trademark infringement occurred outside India.
- **Trademark Infringement:** Whether Bisleri's continued use of the "Maaza" trademark in Turkey constituted trademark infringement, despite the assignment deed transferring all rights to Coca-Cola.
- **Permanent Injunction:** Whether Coca-Cola was entitled to a permanent injunction to prevent Bisleri from using the "Maaza" trademark in India and potentially other jurisdictions.
- **Export and Infringement:** Whether the export of products bearing the "Maaza" trademark by Bisleri constituted trademark infringement in the exporting nation, considering the assignment deed's terms.⁵

ARGUMENTS

Coca-Cola's Claims:

Coca-Cola asserts its exclusive ownership of the "Maaza" trademark, encompassing all intellectual property rights, recipe secrets, proprietary knowledge, and brand reputation. The company alleges that Bisleri's continued use of the "Maaza" trademark in Turkey constitutes a breach of their agreement, thereby infringing on Coca-Cola's rights.⁶

Coca-Cola is seeking a court order to halt Bisleri's use of the "Maaza" trademark in India and other countries, citing potential consumer confusion and harm to its brand reputation. Furthermore, Coca-Cola accuses Bisleri of violating the agreement by exporting products bearing

⁴ "Coca-Cola Company V/S Bisleri International Pvt. Ltd. & Others", Lextechsuite, Oct. 20, 2009, available at: <https://lextechsuite.com/Coca-Cola-Company-Versus-Bisleri-International-Pvt-Ltd-and-Others-2009-10-20> (last visited on July 22, 2024).

⁵ "The Battle Between the Coca Cola Company v. Bisleri International Pvt. Ltd for Trademark Infringement", Compliance Calender, available at: <https://www.compliancecalendar.in/learn/coca-cola-v-bisleri-trademark-infringement-conflict> (last visited on July 23, 2024).

⁶ Legal Lock Admin, "The Coca-Cola Company v. Bisleri International Pvt. Ltd.", The Legal Lock, Nov. 13, 2021, available at: <https://thelegallock.com/the-coca-cola-company-vs-bisleri-international-pvt-ltd/> (last visited on July 24, 2024).

the “Maaza” trademark, which is not permitted for international purposes.⁷

Bisleri’s Counterarguments:

Bisleri contests the Delhi High Court's jurisdiction, arguing that the alleged infringement occurred outside India, specifically in Turkey, and therefore falls outside the court’s authority. Bisleri claims that the assignment deed granting them the right to use the “Maaza” trademark does not impose geographical limitations, allowing them to use it globally.

Moreover, Bisleri asserts that Coca-Cola’s filing for the “Maaza” trademark in Turkey constitutes a breach of the agreement, thereby justifying the termination of the licensing deal and Bisleri’s continued use of the trademark.⁸

DECISION

In the seminal case of Coca-Cola Company v. Bisleri International Pvt. Ltd. & Ors. (2009), presided over by Justice Manmohan Singh of the Delhi High Court, a landmark judgment was delivered on October 15, 2009. The court ruled in favor of Coca-Cola Company, issuing a permanent injunction against Bisleri International Pvt. Ltd. & Ors. for their continued use of the “Maaza” trademark in Turkey, despite a transfer deed that had legally assigned all rights of the “Maaza” brand to Coca-Cola.

The court held that Bisleri’s actions constituted a violation of Coca-Cola's trademark rights, as the transfer deed was comprehensive and covered all intellectual property rights, formulation rights, know-how, and goodwill associated with the “Maaza” brand. The court's decision underscored several critical issues, including jurisdiction, trademark infringement, permanent injunction, and export and infringement.⁹

Notably, the court affirmed its authority to hear the case, as the infringement had an impact on India, given the execution of the transfer deed in the country. The court also found that Bisleri’s ongoing use of the “Maaza” trademark in Turkey amounted to trademark infringement, as the transfer deed explicitly granted all rights to Coca-Cola. Furthermore, the court issued a permanent injunction, prohibiting Bisleri from using the “Maaza” trademark within India, to safeguard Coca-Cola's exclusive rights to the trademark and prevent further unauthorized use.

⁷ Shreyak Patnaik, “Coca Cola v. Bisleri International Pvt. Ltd. & Ors.: Case Study”, Law Essentials, Apr. 06, 2022, available at: <https://lawessential.com/ip-case-laws/f/coca-cola-v-bisleri-international-pvt-ltd-ors-case-study> (last visited on July 24, 2024).

⁸ Anumay Sethi, “Coca-Cola Company v. Bisleri International Pvt. Ltd. & Others” 2 Journal of Legal Research and Juridical Sciences 535-536 (2023).

⁹ Shrutika Garg, “The Coca Cola Company Vs. Bisleri International Pvt. Ltd and Ors”, Lexquest, available at: <https://www.lexquest.in/wp-content/uploads/2016/01/COCA-COLA-CASE.pdf> (last visited on July 24, 2024).

The court's ruling also addressed the issue of export, deeming Bisleri's export of products bearing the "Maaza" trademark to be trademark infringement. The court clarified that the transfer deed explicitly prohibited the use of the trademark for export purposes, and such actions were in breach of the agreement.

This verdict highlights the importance of well-defined and comprehensive trademark agreements, as well as the need for strict adherence to the terms of such agreements. The court's decision sets a significant precedent in the field of intellectual property rights in India, establishing a guideline for future cases involving trademark assignments and defining the scope of rights transferred. Moreover, it serves as a warning to businesses to ensure their trademark agreements are carefully drafted and adhered to, in order to avoid similar legal challenges.¹⁰

ANALYSIS

The landmark case of *The Coca-Cola Company v. Bisleri International Pvt. Ltd. & Ors.* (2009) offers a pivotal examination of trademark law and intellectual property rights enforcement in India. The Delhi High Court's decision in this matter underscores the significance of precise contractual agreements and the protection of trademark rights across different jurisdictions.

The court's ruling was heavily influenced by the comprehensive assignment agreement between Coca-Cola and Bisleri, which transferred not only the trademarks but also the rights to the "Maaza" brand, including its formulation, know-how, and goodwill. This assignment was deemed broad and left no room for Bisleri to continue using the trademark, either within India or abroad. This interpretation aligns with the primary objective of trademark law, which is to prevent consumer confusion and safeguard the brand's goodwill.

A crucial aspect of the case was whether the Delhi High Court had jurisdiction to deal with a case involving trademark use in Turkey. The court affirmed its authority, citing that the assignment deed was signed in India and the alleged infringement occurred in India, thereby granting it the power to rule on the matter. This decision highlights the court's willingness to assert its authority in situations where the terms of the contract and the actions of the parties are closely linked to India.

The court determined that Bisleri's continued sale of products under the "Maaza" trademark in Turkey constituted trademark infringement. By violating the conditions of the assignment deed, Bisleri breached the agreement that had transferred all rights to Coca-Cola. This determination reinforces the principle that once trademark rights are assigned, the assignor cannot use the

¹⁰ Vidit Singh, "Case Study: Coca-Cola Company Vs. Bisleri International Pvt. Ltd.", *Desi Kaanoon*, May 11, 2021, available at: <https://desikaanoon.in/case-analysis-on-the-coca-cola-company-vs-bisleri-international-pvt-ltd-2009-164-dlt-59/> (last visited on July 24, 2024).

trademark for any purpose, including export.

The court granted a permanent injunction, prohibiting Bisleri from using the “Maaza” trademark in India. This injunction was crucial to protecting Coca-Cola’s exclusive rights to the trademark and preventing further unauthorized use by Bisleri. The decision to grant a permanent injunction underscores the court’s commitment to upholding trademark rights and preventing ongoing infringement.

The court also addressed the issue of export, ruling that Bisleri’s export of goods bearing the “Maaza” trademark was trademark infringement. The court clarified that the assignment deed did not permit Bisleri to use the trademark for export purposes, and doing so was a violation of the agreement. This aspect of the decision highlights the importance of clear contractual terms regarding the extent of trademark rights and the permissible uses of a trademark after assignment. This judgment is a landmark decision in the realm of intellectual property rights in India, establishing a precedent for similar cases concerning trademark assignments and the extent of rights transferred. The decision serves as a warning to businesses to ensure their trademark agreements are carefully drafted and followed to prevent similar legal issues. Furthermore, it emphasizes the importance of businesses adhering to the territorial scope of trademark rights and the necessity of clear contractual terms to avoid misunderstandings and legal disputes.

The legal dispute between Coca Cola Co. and Bisleri International Pvt. Ltd. bears striking similarities to two landmark cases: *Tata Iron & Steel Co. Ltd. v. Mahavir Steels & Ors.* and *J.N. Nichols (Vimto) Ltd. v. Rose and Thistle and Anr.*

In *Tata Iron & Steel Co. Ltd. v. Mahavir Steels & Ors*¹¹, the Delhi High Court was faced with the question of whether it had the jurisdiction to hear the case, given that the alleged infringement had not occurred within its territorial boundaries. However, the court ruled in favor of Tata Iron & Steel, citing the phonetic similarity between “TISCO” and “FISCO” and the potential for consumer confusion. Similarly, in the *Coca Cola Co. vs. Bisleri International Pvt. Ltd.* case, the Delhi High Court asserted its jurisdiction, as the trademark registration and alleged infringement had taken place within its territorial boundaries.

The *Tata Iron & Steel* case also centered on trademark infringement, with the court ruling that the defendants’ use of “FISCO” was deceptively similar to “TISCO”. In a similar vein, the *Coca Cola Co. vs. Bisleri International Pvt. Ltd.* case involved the unauthorized use of the “Maaza”

¹¹ *Tata Iron v. Mahavir Steels*, 47(1992) DLT 412

trademark in Turkey, which constituted trademark infringement.

The J.N. Nichols (Vimto) Ltd. v. Rose and Thistle and Anr.¹² case, on the other hand, revolved around the unauthorized application of the “Vinto” trademark. The court ruled that the trademark should be struck off the register due to non-use and lack of intent to utilize it. In contrast, the Coca Cola Co. vs. Bisleri International Pvt. Ltd. case highlighted the importance of protecting trademark rights and preventing unauthorized use.

While these cases share similarities, they also have distinct differences. The type of violation varied, with the Tata Iron & Steel case involving phonetic similarity, the Coca Cola Co. vs. Bisleri International Pvt. Ltd. case involving unlawful application of a trademark abroad, and the J.N. Nichols case focusing on non-use and intended use of a trademark. The outcomes of the cases also differed, with the Tata Iron & Steel case resulting in a temporary restraining order, the Coca Cola Co. vs. Bisleri International Pvt. Ltd. case resulting in a final restraining order, and the J.N. Nichols case leading to the trademark being struck off the register.

These comparisons underscore the complexities of trademark regulations and the significance of legal issues related to geographic jurisdiction in intellectual property disputes.

CONCLUSION

The landmark case of The Coca-Cola Company v. Bisleri International Pvt. Ltd. & Ors. (2009) has left an indelible mark on India’s intellectual property rights landscape. The Delhi High Court’s ruling, which permanently barred Bisleri from utilizing the “Maaza” trademark, underscores the imperative of meticulous and comprehensive trademark agreements.

This pivotal judgment sheds light on various crucial aspects of trademark law and its enforcement. Notably, the court’s assertion of jurisdiction over the case, despite the infringement occurring outside India, sets a significant precedent. This move demonstrates the court’s willingness to establish jurisdiction in instances where substantial ties to India exist, providing a legal framework for multinational corporations to protect their intellectual property rights globally.

The court’s interpretation of the assignment deed was instrumental in determining the extent of rights transferred, including trademarks, formulations, know-how, and the intangible value of the “Maaza” brand. This ruling serves as a cautionary tale for companies to ensure that their trademark agreements are precise, detailed, and strictly adhered to, lest they face legal repercussions.

The court’s injunction, prohibiting Bisleri from using the “Maaza” trademark in India, safeguarded Coca-Cola’s exclusive rights over the mark. This ruling reinforces the court’s

¹² M/S. J.N. Nichols (Vimto) Limited v. Rose, AIR1994CAL43

commitment to upholding trademark rights and preventing continued infringement.

Furthermore, the decision regarding the use of the “Maaza” trademark in export transactions emphasizes the importance of clear contractual provisions outlining the scope of trademark rights and permissible uses post-assignment. This aspect of the judgment highlights the need for businesses to respect territorial limits of trademark rights and to draft precise contractual provisions to avoid misunderstandings and legal disputes.

In essence, *The Coca-Cola Company v. Bisleri International Pvt. Ltd. & Ors.* (2009) case emphasizes the critical importance of meticulous and exhaustive trademark agreements in the realm of intellectual property rights. The Delhi High Court’s verdict not only reinforces the principles of trademark law but also provides valuable insights into the application of trademark rights across different jurisdictions, setting a precedent for future cases involving trademark assignments and the range of rights conferred.¹³

¹³ Admin Lawnn, “IPR Case- the Coca Cola Company v. Bisleri International Pvt. Ltd”, Lawnn, Nov. 19, 2018, available at: <https://www.lawnn.com/ipr-case-the-coca-cola-company-v-bisleri-international-pvt-ltd/> (last visited on July 24, 2024).