

**LAWS RELATING TO MISLEADING TRADEMARK IN UAE WITH SPECIAL  
REFERENCE TO RED BULL CASE OF UAE**

In this modern era trademarks are not just considered as plain marks. In order to create a brand name and gain goodwill in the market, trademarks play a vital role. It helps in increasing brand value among the customers who recognizes the product through its trademark and this ultimately results in the revenue generation. Nowadays, everyone tries to gain reputation in the market against their competitors in order to make more money and for that purpose some businesses have started using fake or misleading trademark which resembles almost with the original brand having huge demand in the market. By adopting such practices, many consumers likely to believe that both trademarks (original as well as fake) belongs to the same trade person. At the end, it somehow affects the business of the original trademark owner. Such kind of trademark is known as "misleading" trademark and it amounts to infringement.

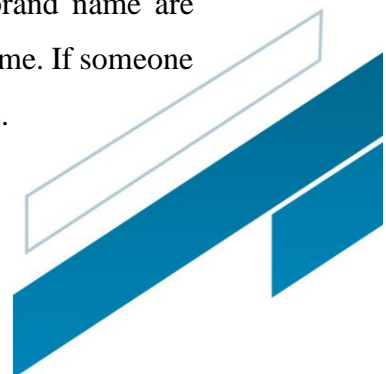
The Red Bull case is one such example happened in Dubai wherein, the competitor was misleading the customers to believe that its product was a Red Bull product or was endorsed by Red Bull due to its similar name and packaging, and carried the benefits and qualities that Red Bull offers. This article attempts to provide general information regarding misleading trademark, laws relating to misleading trademark in UAE and how UAE court has protected the rights of Red Bull's trademark owner.

**Trademark as per Article (2) of FEDERAL LAW NO. (37) OF 1992**

A trade mark is anything having a distinctive form such as names, words, signatures, letters, figures, drawings, logos, titles, hallmarks, seals, pictures, engravings, advertisements, packs or any other mark or group of marks if used or intended to be used either to distinguish goods, products or services from one trader to another or indicating that the goods or services belongs to a particular trade mark's owner'.

**Meaning of Misleading Trademark**

Misleading trademark is a mark which is almost similar or look alike of an existing trademark so as to deceive or mislead the public on the geographic origin, quality or nature of the products. When consumers are misled into purchasing products believing that it belongs to the original owner of the goods, but which are in fact poor imitations of the famous brand name are considered as Misleading Trademark. For example, Levis is a famous brand name. If someone starts using the same mark for different product, then it may mislead the public.



### **Provision relating to misleading Trademark under Federal Law on Trademark**

As per **Article 3 (9)** of the said law marks are not entitled to be registered as Trademark, if it may:

- a. mislead the public or include misstatements on the origin or source of products or services or their other properties
- b. include a fictitious, imitated or forged trade name.

It means that those marks which may be deceptive in nature so as to mislead the public regarding the origin of the products or services for example **false indication about geographical origin of a product**. Further, even if a mark is forged, fictitious or imitated trade name of other brand having reputation in the market for example using **LIKEME** for Cosmetics is an imitated or deceptively similar trademark of **LAKME** brand and therefore are not entitled to be registered.

### **Legal Sanction for intentionally using misleading mark as Trademark**

**Article (37)** of **Federal Law on Trademark** provides that any person who:

1. forges a trade mark registered according to law or imitates same in a way misleading the public
2. uses with bad faith a forged or imitated trade mark
3. uses such mark without right
4. deliberately sells, offers for sale or negotiation or acquires for sale products having a forged, imitated or illegally placed trade mark

Shall be sentenced to imprisonment and a fine of at least Dh. 5000 (Five Thousand) or either.

### **Jurisdiction of Court and remedy available**

As per **Article 40** of Trademark Law of UAE ‘any person who is prejudiced as a result of any of the acts provided in Article (37), may file an action before the competent civil court to claim a proper compensation for the damages sustained by him from the person who is responsible for such act.



### **International treaties on Trademark**

The United Arab Emirates is a signatory party to the following two international treaties for the protection of Intellectual Property Rights:

1. Paris Convention for the Protection of Industrial Property and
2. The Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPs).

### **Provision relating to deceptive trademark in Paris Convention**

If we read Article 10 of Paris Convention, it talks about the unfair competition. Further, (3) of the

said Article clearly says that indications or allegations the use of which in the course of trade is liable to mislead the public as to the nature, the manufacturing process, the characteristics, the suitability for their purpose, or the quantity, of the goods are to be prohibited.

### **Provision relating to deceptive trademark in TRIPs Agreement**

Article 16(1) of the TRIPs Agreement mentions that the owner of a registered trademark shall have the exclusive right to prevent all third parties not having the owner's consent from using in the course of trade identical or similar signs for goods or services which are identical or similar to those in respect of which the trademark is registered where such use would result in a likelihood of confusion.

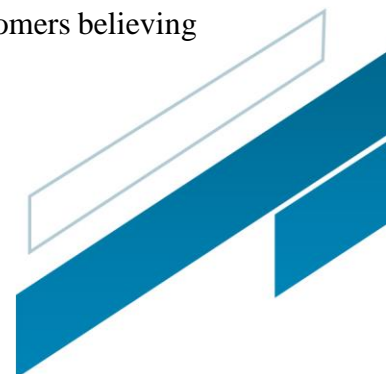
Therefore, after reading international treaties on trademark it is clear that those trademarks which cause confusion or likely to be deceptive in nature must be prohibited from registration and owner of the mark has full right to prevent the other party from using the same mark.

### **Analysis of RED BULL'S CASE of UAE**

Deceptive or misleading trademark can be very well explained with the help of one of the famous trademark infringement case decided by UAE court in 2003.

### **Facts of the Case**

Red Bull is a registered trademark in the UAE. It reserves exclusive rights towards its distinctive logo, name, symbol and design, which identify and distinguish it from other products. The plaintiff argued a United Arab Emirates' (UAE) importer was selling a competitor product under the brand name of "Bullfighter" so as to mislead customers believing



that its product was a Red Bull's product or was endorsed by Red Bull due to its similar name and packaging.

### **Court's Verdict**

The court took the view that the competitor had intentionally adopted a product, which appropriated part of the trade or reputation of Red Bull, and had attempted to exploit Red Bull's reputation, effective marketing and significant market share. Further, the competitor was fined AED 15,000 (\$4,088) for committing such offense.

