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Paper : Intellectual Property

Module Intellectual Property and Interface with
Fundamental Freedoms



Development Team

Role	Name	Affiliation
Principal Investigator	Professor (Dr.) Ranbir Singh	Vice Chancellor, National Law University, Delhi
Paper Coordinator	Mr. Yogesh Pai	Assistant Professor of Law, National Law University, Delhi
Content Writer (CW)	Anath Padmanabhan	Advocate, Madras High Court
Content Reviewer (CR)	Yogesh Pai	National Law University, Delhi



Module Detail	
Subject name	Law
Paper name	Intellectual Property
Module name/ Title	Intellectual Property Rights and the Interface with Fundamental Freedoms
Module Id	Law/IP/# 06
Pre- requisites	Basics of law and economics, concepts of IP law, need for IP law, constitutional freedoms
Objectives	<ul style="list-style-type: none">• The understand how monopolies conferred by Copyright and Trade Mark Protection impose restrictions on these fundamental rights• To understand how copyright law balances itself as an instrument by the operation of different doctrines like idea/expression dichotomy, merger and fair use
Key words	Intellectual property, free speech, constitutional law





Introduction:

There are two obvious consequences of any monopoly: one, the tremendous benefit to the monopolist in his search for super profits, and two, the loss to the consumer in the form of price differential between the monopolist's price and the lower price that the demand-supply equilibrium would achieve in a competitive market. There are however not-so-obvious consequences to the conferment of legal monopoly status by the Government through the device of intellectual property rights (IPRs), and this module is about one such, and perhaps the most important, consequence: the impact of IPRs on the constitutional freedoms enshrined in Article 19 of the Constitution.

Article 19 guarantees six fundamental freedoms of which two are relevant to the topic under discussion. Article 19(1)(a) guarantees free speech and expression, and Article 19(1)(g), the freedom to carry on a profession, occupation, trade or business of one's choice. Certainly, these are not absolute rights, and restrictions, reasonable in character, can be placed on these rights for specific purposes as stated in Article 19(2) and 19(6) respectively. In this module, we will attempt to understand the complex interplay between these freedoms and the exclusive monopoly conferred by intellectual property rights. Most of the discussion shall be centred around the free speech right under Article 19(1)(a) because the primary impact of IPRs is on this right. However, when discussing issues pertaining to comparative advertisement and denominative use of a trade mark, the impact on freedom to carry on trade is also discussed.



Learning Objectives

To examine the fundamental Constitutional freedoms granted in India

The understand how monopolies conferred by Copyright and Trade Mark Protection impose restrictions on these fundamental rights

To understand how copyright law balances itself as an instrument by the operation of different doctrines like idea/expression dichotomy, merger and fair use

To understand how trademark law interferes with free speech.

Free Speech and Expression: Interface with Copyright Protection

There are two important ways in which free speech comes into play when enforcing IPRs. One, through the expansive use of copyright, and two, the expansive use of trade mark protection. Of these, the impact of copyright on free speech is more significant as it applies to a wider variety of works, regardless of their commercial or non-commercial character and use. Hence, this issue is taken up first.

Free speech is hampered whenever one wishes to express a thought, and some restriction is placed on the manner or the content of such expression. Copyright protection is made available to works entailing minimal skill and judgment that satisfy the statutory standard of originality. Therefore, its sweep is wide. In order to ensure that the low barrier of originality does not result in a spill over of protection from the realm of expression to the domain of ideas, Courts have made use of the idea-expression dichotomy. This is the point of first contact between free speech and copyright protection. By keeping out ideas from the scope of copyright protection, each individual is given the freedom to develop their own ideas through independent modes of expression. This doctrine, therefore, goes to the scope of copyright protection, and makes the important distinction between the materials which one claiming copyright has worked with, and the product of the application of his skill, judgment, labour and literary talent to these materials. Ideas, information, natural phenomena and events on which an author expends his skill, labour, capital, judgment



and literary talent are common property and are not the subject of copyright.¹ It assumes special significance in the case of works of non-fiction. Though these works easily satisfy the originality requirement, Courts are circumspect to find infringement unless a case of almost literal infringement is strongly borne out. Courts justify this approach by reasoning that a liberal view on infringement would result in extending protection to the underlying ideas from the discipline that the non-fictional copyrighted work pertains to.²

A second, and related, point of contact is the merger doctrine. This is different from the idea-expression dichotomy in one important way. This doctrine does not address the scope of copyright protection, but instead goes to the very copyrightability of the work in question. As a consequence, once merger doctrine stands attracted, there is no copyright protection even for the expression. This doctrine is therefore attracted to the limited situations where there are only few ways of expressing a thought and it is almost impossible to innovate new modes of expression.³ In such instances, there is no copyright protection for any of these modes of expression because granting monopoly over any one of them could potentially stifle the very expression of that idea by others. The Court's policy when applying the merger doctrine is not to wait till the point of adjudicating on infringement to hold that only literal infringement would qualify, but to disentitle all forms of expression of that idea from copyrightability in the first place. The Court considers these different forms of expression to be "merged" with their underlying idea.⁴

The third, and possibly most important, point of contact between free speech and copyright is in the application of the fair use doctrine, or the fair dealing provisions found in Section 52 of the Indian Copyright Act, 1957. While the doctrines of idea-expression dichotomy and merger apply to disentitle the plaintiff from copyright protection, either by restricting the scope or by effacing copyrightability, the fair use doctrine applies once it is shown that the defendant has committed an act of

¹ *Indian Express Newspapers (Bombay) Pvt. Ltd v Jagmohan Mundhara*, AIR 1985 Bom 229.

² *Miller v. Universal City Studios*, 650 F.2d 1365 (5th Cir. 1981); *A. A. Hoehling v. Universal City Studios, Inc.*, 618 F.2d 972 (2d Cir. 1980); *Chase-Riboud v. Dreamworks, Inc.*, 987 F. Supp. 1222 (C.D. Cal. 1997); *Baker v. Selden*, 101 U.S. 99 (1879).

³ *Emergent Genetics India Pvt. Ltd v Shailendra Shivam*, 2011 (47) PTC 494 (Del); *Morrissey v. Proctor & Gamble*, 379 F.2d 675 (1st Cir. 1967).

⁴ *Herbert Rosenthal Jewelry v. Kalpakian*, 446 F.2d 738 (9th Cir. 1971).



infringement. Yet, the law excuses certain conduct from amounting to infringement, and many of them find their normative justification in the free speech interests that they secure. Below, we examine each of those exceptions that implicate free speech concerns, and how Indian courts have recognised the free speech concerns permeating them.

A major concern with copyright monopoly is that the owner may use it to satisfy an orthogonal purpose, ie. one unconnected with the purpose of incentivising creativity, which this monopoly is intended to fulfil. The owner may instead use the copyright to stifle criticism of his work, thus using this law as an engine of censorship. Section 52(1)(a)(ii) directly addresses this concern by providing an exception from infringement for all fair dealing of any work for the purpose of “criticism or review”, whether of that work or any other work. The free speech rationale for this provision was recognised in *Civic Chandran v Ammini Amma*.⁵

The exercise of free speech and expression can only be nurtured through the creation of public opinion, which in turn relies heavily on dissemination of news. It is with this objective that Section 52(1)(a)(iii) provides a similar fair dealing exception for “the reporting of current events and current affairs, including the reporting of a lecture delivered in public”. In *Delhi Television Limited v. ICC Development (International) Ltd.*,⁶ the Delhi High Court has however clarified that this exception does not extend to the commercial use of footage from sporting events by news broadcasters, to create special programmes based exclusively on that event. The Court was particularly sensitive to the profit motive that had crept into the broadcasting industry, and felt that they should take a license from the official broadcaster if the agenda was to merely augment their revenue through such programmes. However, the Court reiterated the statutory exception when confirming that no such license would be required to run “breaking news” of turning points within the main sporting event, as long as they were part of the general news coverage.⁷

The dissemination of “live scores” for a fee is a commercial model that the Court has however put an end to, despite competitors to the officially anointed service running

⁵ 1996 (16) PTC 670 (Ker).

⁶ 2013 (53) PTC 71 (Del).

⁷ See also *ESPN Star Sports v. Global Broadcast News Ltd.*, 2008 (38) PTC 477 (Del).



revenue models of their own. In *Akuate Internet Services Pvt. Ltd. v. Star India Pvt. Ltd.*,⁸ the Board of Control for Cricket in India (BCCI) had exclusively licensed “Mobile Value Added Services” (a term of art for providing “live scores” on minute-to-minute basis to subscribers through the mobile network in SMS format) to Star India. Competitors soon entered the fray without authorisation from BCCI. BCCI and Star India relied on the “hot news” doctrine to protect their interest because there was no copyright in events *per se*, a necessary consequence of the idea-expression dichotomy. They contended that there was limited exclusivity they enjoyed in respect of the “live scores” of matches organised by BCCI, and such exclusivity would enjoin free riders who kept a watch on the scores in the stadium and transmitted them to their own subscribers.

The Division Bench found this action to be an indirect attempt to attain what could not be done under copyright law. Section 16 of the Copyright Act pre-empted this by providing that no person shall be entitled to copyright or *any similar right* in any work, whether published or unpublished, otherwise than under and in accordance with its provisions. Though the Court agreed that this pre-emption, and the express rejection of the “hot news” doctrine, would suffice to dispose the case, it went on to discuss the free speech implications of the claim brought forth by the plaintiff, a matter of concern for the discussion here. The Court observed in this regard:

While pronouncing upon a principle of law (especially one as potent as the doctrine of 'unfair competition'), the Court must keep in mind the constitutional implications of the right sought to be created, in this case, upon the right to freedom of speech. Recognizing the doctrine of unfair competition would inevitably restrict the defendants' (as also others rights in future cases) ability to disseminate information, undoubtedly a crucial component of Article 19(1)(a). This is not to say that the doctrine of 'unfair competition' is to be rejected in Indian law on account of an Article 19(1)(a) violation, nor to say that the defendant's freedom of speech cannot be curtailed by the doctrine under any circumstance, but only to make the limited, but crucial, point that Courts must be cautious in creating doctrines and rights that have such clear implications for constitutional rights, better leaving such matters to the law-making domain of the legislative branch, that may result in a coherent legislation that creates a framework within which any curtailment of Constitutional rights is to take place.....In other words, the Constitution visualizes that restrictions, saved by virtue of Articles 19(2) and 19(6) are in terms of enacted law, and not judge-

⁸ MIPR 2013 (3) 1.



declared fiat Doing what the plaintiff invites this court to do would be to enclose from the public much facts and information which are not protectable in any manner known to law. Such an injunction would tend to insidiously, and in a creeping manner, denude the fundamental right to free speech and dissemination of topical information to members of the public.

This decision reveals a definitive tendency on the part of Courts to place free speech concerns above exclusive monopoly interests, especially where the plaintiff is seeking to create a new property right in addition to the statutorily conferred copyright protection.

Another exception to propagate the dissemination of news is contained in Section 52(1)(m), which exempts the reproduction of any article on current economic, political, social or religious topics in a newspaper, magazine or other periodical, from the purview of infringing conduct, unless the author of such article has expressly reserved to himself the right of such reproduction.

The other set of exceptions in Section 52 that are meant to further free speech and expression by enhancing access to knowledge are the teaching and learning exceptions. There is a direct correlation here because one could argue that the purpose of copyright protection is ultimately to teach through the creation of new ideas, while the purpose of free speech and expression is to learn new ways of thinking.⁹ Section 52(1)(a)(i) itself sets the tone for this by excusing fair dealing of any work for the purpose of private or personal use, including *research*. Section 52(1)(i) is even wider as it exempts the reproduction of any work by a teacher or a pupil in the course of instruction from the purview of infringing conduct, without placing any sort of express fair dealing requirement. In the controversial Delhi University Photocopying case, the argument of the students and academics in support of free speech is that even entire works can be photocopied so long as done for learning purposes.¹⁰ In addition, Section 52(1)(j) permits the performance of a literary, dramatic or musical work by the staff and students of an educational institution in the course of its activities, or the communication of a cinematograph film or a sound recording to an

⁹ As put forth in L. Ray Patterson & Stanley F. Birch, Jr., *Copyright and Free Speech Rights*, 4 J. Intell. Prop. L. 1 (1996).

¹⁰ For more on this litigation, see Shamnad Basheer, Why Students Need the Right to Copy, *The Hindu*, 26/04/2013, available at <http://www.thehindu.com/opinion/op-ed/why-students-need-the-right-to-copy/article4654452.ece> (last visited 26th June, 2014).



audience limited to such staff and students, the parents and guardians of the students, and persons connected with the activities of the institution.

Interestingly, judicial opinion¹¹ also goes to the extent of observing that a more general standard of fair use, akin to that applied in the United States, is applicable in India despite the specific fair dealing clause in Section 52. This standard takes into account four different factors: (1) the purpose and character of the use; (2) the nature of the copyrighted work; (3) the substantiality of the portion used in relation to the copyrighted work as a whole; and (4) the effect on the potential market for, or value of, the copyrighted work. All these factors can operate in different ways to ensure the protection of free speech.¹² The first factor for instance allows for the creation of transformative works that cover within their sweep parodies,¹³ critical commentaries and even the Google Books project.¹⁴ Here, the central enquiry is to see if the work merely superseded and supplanted the original work or instead added something new, with a further purpose or different character, altering the first with new expression, meaning, or message;¹⁵ in other words, whether and to what extent the new work was ‘transformative’.¹⁶ Similarly, the second factor can be used to enhance free speech when the work in question is non-fictional. While the nuances of the fair use doctrine fall outside the scope of this module, the essential point is this: Indian law is perhaps no longer confined to the enumeration of exempted purposes in the fair dealing clause but accommodates a more flexible fair use standard too in cases that may not strictly fall within the statutory fair dealing exceptions.¹⁷

Apart from the fair use doctrine, there are some compulsory and statutory licensing mechanisms too in the Copyright Act meant to enhance widespread dissemination of information, and through such process, nurture the pool of free speech and expression.

¹¹ *The Chancellor Masters and Scholars of The University of Oxford v Narendera Publishing House*, 2008 (38) PTC 385 (Del).

¹² Pamela Samuelson, *Unbundling Fair Uses*, 77 *FORDHAM L. REV.* 2537 (2009).

¹³ *Campbell v Accuff- Rose Music*, 510 US 569 (1994).

¹⁴ *Authors Guild Inc. v. Google Inc.*, 954 F.Supp.2d 282 (S.D.N.Y. 2013).

¹⁵ John Tehranian, *Whither Copyright? Transformative Use, Free Speech, And An Intermediate Liability Proposal*, 2005 *B.Y.U. L. Rev.* 1201, 1207 (2005).

¹⁶ Pierre N. Leval, *Toward a Fair Use Standard*, 103 *Harv. L. Rev.* 1105 (1990).

¹⁷ For a detailed discussion of this issue, and a contrary view, see Ananth Padmanabhan, *Intellectual Property Rights: Infringement and Remedies* 334 (LexisNexis Butterworths Wadhwa, 2012).



These mechanisms are discussed in detail in the module on Compulsory and Statutory Licenses.

On an overall analysis, we could conclude that the Indian Copyright Act provides for sufficient safeguards to ensure that the low standard of originality required for copyright protection, coupled with the wide variety of works to which such protection extends, does not lead to a chilling effect on free speech and expression. In the few cases, such as *Civic Chandran v Ammini Amma*¹⁸ and *The Periyar Self Respect Propaganda Institution v Periyar Dravida Kazhagam*¹⁹ where copyright protection was used orthogonally to stifle review or criticism, or perpetrate sectarian agenda through a freeze on the spread of political ideas, Courts have used the fair dealing provisions discussed above to uphold free speech. The transformative work doctrine and the four-factor test, used for the purpose of determining fair use outside the confines of the fair dealing provision, can also be effectively used to curb the tendency to use copyright monopoly to stifle free speech. Finally, as the U.S. Supreme Court reasoned in *Harper & Row v Nation Enterprises*,²⁰ copyright is also an “engine of free expression”: without copyright, a great deal of speech would not exist. The incentive granted through copyright was instrumental in producing speech that would otherwise not be created.²¹ Hence, we need to tread carefully when deploying free speech to curb copyright monopoly, using as much as we can the doctrines and mechanisms already provided within copyright law to enhance free speech or restrict the possibility of monopolistic misconduct.²²

This understanding of copyright is also important for a separate reason: Article 19(2), which permits reasonable restrictions on the right under Article 19(1)(a) in the

¹⁸ 1996 (16) PTC 670 (Ker).

¹⁹ 2009 (41) PTC 448 (Mad). Here, the plaintiff association attempted to stop a rival organisation from publishing the works of Periyar, their common teacher and a leading social reformist of his time, by claiming copyright over his writings. The defendant relied on Section 52(1)(m) of the Act, which contention the Court upheld eventually.

²⁰ 471 US 539 (1985).

²¹ Lawrence Lessig, *Copyright's First Amendment*, 48 UCLA L. Rev. 1057 (2001); Rebecca Tushnet, *Copyright as a Model for Free Speech Law: What Copyright Has in Common with Anti-Pornography Laws, Campaign Finance Reform, and Telecommunications Regulation*, 42 B.C. L. Rev. 1 (2000).

²² For a contrary view, see Neil Weinstock Netanel, *Locating Copyright Within the First Amendment Skein*, 54 Stan. L. Rev. 1 (2001); Jed Rubenfeld, *The Freedom of Imagination: Copyright's Constitutionality*, 112 Yale L.J. 1 (2002).



interests of the sovereignty and integrity of India, the security of the State, friendly relations with foreign States, public order, decency or morality, or in relation to contempt of court, defamation or incitement to an offence, does not by its own terms extend to copyright protection as one such permissible ground for restriction. Yet, if we could justifiably continue using copyright law as a tool of speech control, it is for two important reasons. One, freedom of speech only covers the right to use one's own and not the expression of another. This explains why the transformative work doctrine succeeds in placing limits on the monopolistic abuse intrinsic to copyright. The moment one contributes creatively to transform an existing work, it is no longer the expression of another. Two, because copyright itself creates new expression by incentivising their production, it is not so much a restriction as a facet of the right under Article 19(1)(a). Perceiving copyright in this fashion, it is easier to see why doctrines such as "hot news" are precluded from the property basket, and idea-expression dichotomy and merger exist to curtail the scope of this basket. Were this not the case, we would be clamping down on the creation of new expression, thus defeating the very rationale that immunizes copyright from a constitutional attack on the ground of infringing Article 19(1)(a).

Free Speech and Trade Mark Use

There are two types of use of a trade mark by another ("the mark user") that implicates free speech concerns. The first is where the mark is used in denominative capacity as part of a parody or a critical work, and the second, where the mark is used as part of comparative advertisement, ie. comparing the product of the mark owner with the product of the mark user. In the first situation, the conduct of the mark user fits within the conventional idea of speech covered under Article 19(1)(a) - political or social commentary. In the second situation, the mark user is normally a commercial entity that wishes to get one up on its rival, the mark owner. Here, the user relies on the Supreme Court's decision in *Tata Press Ltd. v. Mahanagar Telephone Nigam Ltd.*²³ where the Court has considered the free speech right to extend to commercial speech as well. The mark user would therefore contend in cases of comparative advertisement that reference to the mark is imperative as part of his right of

²³ (1995) 5 SCC 139.



commercial speech to provide complete product information and comparison for the benefit of the consumer.

The Delhi High Court was confronted with the first type of scenario in *Tata Sons Ltd. v Greenpeace International*.²⁴ Here, the issue was whether the defendant committed trade mark infringement by floating an online game titled 'Turtle v TATA'. Delving on the permissibility of a parody that made use of a trade mark, the High Court referred to the decision of the South African Constitutional Court relied on by the defendant, *Laugh It off Promotions CC v Freedom of Expression Institute*.²⁵ The Constitutional Court, here, had observed that the relevant examination, in the context of a trade mark parody, was whether, looking at the facts as a whole, and analyzing them in their specific context, an independent observer who was sensitive to both the constitutional value of free speech as well as the property protection objectives of trade mark law, would conclude that the harm done by the parody to the property interests of the trade mark owner would outweigh the free speech interests involved. It was material, in this regard, to see whether the defendant's activity was primarily communicative in character or commercial. Thus, some degree of commerce would not in itself exclude the activity from free speech protection. By necessary corollary, an element of social criticism on its own would not save an inherently commercial activity from a charge of unfairly causing detriment. Similarly, the fact that the message could have been conveyed by means other than parody would not be decisive or even significant. Greater the degree to which the trade mark itself assumed the role of the target as well as the instrument, the more justifiable its incorporation within a parody would be. Conversely, the more the trade mark was used in arbitrary fashion

²⁴ 2011 (45) PTC 275 (Del). Hereinafter *Greenpeace*.

²⁵ 2006 (1) SA 144 (CC), 2005 (8) BCLR 743 (CC) sourced from <http://www.saflii.org/za/cases/ZACC/2005/7.html> (last visited on 27/06/2014). In this case, a journalism graduate named his enterprise 'Laugh it Off' and came out with T-shirts bearing parodied images and words brazenly pilfered from various organisations. One of his victims, South African Breweries [SAB], saw one of its well-known trade marks reproduced on T-shirts for public sale. The words 'Black Label' and 'Carling Beer', which accompanied the logo, were transformed into 'Black Labour' and 'White Guilt'. In smaller lettering, SAB's slogans, 'America's Lusty Lively Beer' and 'Brewed in South Africa' were converted into 'Africa's Lusty Lively Exploitation Since 1652, No Regard Given Worldwide'. SAB filed the equivalent of a suit for injunction alleging trade mark infringement. Holding against them, the South African Constitutional Court reasoned that the private interests of the trade mark owner had to be balanced against the free speech interests of the citizenry, and upon such balance, parodies would be in furtherance of free speech and not to be curbed using trade mark protection.



and simply as a mere attention-seeking device for the lazy or the deceitful, the less justifiable would it be. Another relevant factor articulated by the Constitutional Court was the medium used and the context of its use. Thus, illustrations in satirical columns, or editorial cartoons in newspapers or magazines, or a satirical programme on TV, were likely to enjoy a large measure of protection. The very same images in another context could be regarded as unfair. The High Court concluded that if the user's intention was to focus on some activity of the mark owner, and thus "denominative" in character, i.e. drawing the attention of the reader or viewer to such activity, such use would prima facie constitute "due cause" under Section 29(4) of the Trade Marks Act, 1999. On the facts of the case at hand, the use of TATA, and the 'T' device or logo, was held to be clearly denominative. Similarly, describing the Tatas as having demonic attributes was only hyperbolic and parodic, and through the medium of the game, the defendants were seeking to convey their concern and criticism of the project and its perceived impact on the turtles' habitat. The Court thus placed the free speech interests of the public over the private interests of the mark owner in the case of trade mark parodies.

In a more recent issue involving conflict between these interests, the Supreme Court passed an order striking a somewhat easy compromise. In *Bata India Ltd. v. Prakash Jha Productions*,²⁶ the defendant's production house had released a film with naxalism as its central theme, which contained a song carrying critical references to the plaintiff, a leading shoe manufacturer, and other industrial houses. The purpose of the reference was to question the capitalist development model that these bellwethers had come to symbolise. In the suit filed by the plaintiff seeking to restrain the defendant from airing this song, the Supreme Court passed an interestingly worded interim order, directing the defendant to run the following disclaimer along with the song: *Use of the names in the song are merely as example. No injury or disrespect is intended to any particular person or brand.*

The Delhi High Court, in *Hamdard National Foundation v. Hussain Dalal*,²⁷ took a much more stringent view of a reference to "Rooh Afza", a product of the plaintiff,

²⁶ (2013) 1 SCC 729. Hereinafter *Prakash Jha*.

²⁷ 2013 (55) PTC 216 (Del). Hereinafter *Hamdard*.



than any reasonable member of an audience for Bollywood films would. Here, the defendant had cracked a joke at the expense of this product through one of the lead actors in its blockbuster movie. Perhaps because the Court perceived this conduct as the defendant literally laughing its way to the bank at the plaintiff's expense, or perhaps because it did not refer to the earlier decision in *Greenpeace* or articulate any other clear standard for drawing the line between free speech and trade mark rights except merely remark that the joke was in poor taste, the Delhi High Court granted an injunction restraining that particular scene / dialogue in the film. The Court referred, however, to the Supreme Court decision in *Prakash Jha* and distinguished the same on the ground of specificity of reference to the plaintiff's product, being the case here, versus generality of reference to several industrial houses with the plaintiff being just one of them as was the case there.

As a result of these conflicting approaches, the contours of an exception to trade mark parodies on the ground of free speech is still hazy. Is the distinguishing factor in *Greenpeace* the fact that it was non-commercial use of the mark by an activist organisation to further its own campaign, as opposed to *Prakash Jha* and *Hamdard* where commercial film producers had simply appropriated the trade mark for effect and commercial gain?²⁸ Should the extent of permissible social commentary depend on the stature of the mark user and the extent to which it will be taken seriously by the targeted audience? As the law currently stands, answers are not easily forthcoming.

Keeping this discussion aside for a moment, we now address the second issue of free speech *vis a vis* comparative advertisement. Here, the Courts have taken an even more stringent view and held that an advertiser is only entitled to puffing the reputation or quality of his own goods, and not carry on any comparative advertisement painting the rival's goods in an inferior light. The Calcutta High Court decision in *Hindustan Unilever Ltd. v. Reckitt Benckiser (India) Ltd.*²⁹ comes most recently in this line of

²⁸ A principle to this effect would however be difficult to square with the very idea of denominative use, where if the mark is used as a point of reference rather than an indicator in the course of trade, there is no trade mark infringement regardless of the commercial or non-commercial character of such denominative use. A classic example is the decision in *ICC Development (International) Ltd. v. Arvee Enterprises*, 2003 (26) PTC 245 (Del), where the International Cricket Council's attempt to restrain the defendant from referencing the Cricket World Cup in its promotional scheme (free tickets to the event) fell flat.

²⁹ 2014 (57) PTC 78 (Cal).



cases on the balance between “commercial speech” and the rights of the mark owner. Here, the Court has summarised the balance thus:

The right to “commercial speech”, in my opinion, gives a right to a trader to advertise his product, to give all kinds of information regarding it to the consumers to highlight its qualities and benefits and so on. But I find nothing in the existing law to permit a serious comparison by a trader of his product with the product of another. This would invariably result in the denigration of the latter product or in the consumer being prejudiced by it against the other product, as held earlier. When this happens, immediately the “commercial speech” becomes unfair.

There is no justifiable basis for this sort of a restriction on the right under Article 19(1)(a), or for that matter even on the right under Article 19(1)(g). Though Article 19(6) which permits restrictions on the right to carry on trade is wider than Article 19(2), and accommodates the possibility of a restriction “in the interests of the general public”, it is difficult to see how providing “serious” (as opposed to frivolous?) comparative information about rival products or services satisfies even this broader window of restriction. Moreover, advertising is an important component of any trader’s right to carry on business, almost assuming the status of a concomitant right under Article 19(1)(g). Courts have also held that Article 19(1)(a), similarly, carries within it the right to information, and as discussed in the context of copyright law, this right forms the basis for enhancing access to content, especially in the educational setting. Though there are differences between pure commercial activity and instructional activity, the principle applies equally: consumers are entitled to maximum information.

Another angle from which we can analyse this issue is the reasonableness of the restriction. It is not enough that we find a ground under Article 19(2) or 19(6) which correlates to the restriction in question. The restriction has to be reasonable. Reasonableness is eventually judged on the basis of the balance struck between the mischief and the remedy. No remedy can be excessively harsh. In *State of Madras v. VG Row*,³⁰ it was held that various factors such as the nature of the right alleged to have been infringed, the underlying purpose of the restriction, the extent and urgency of the evil sought to be remedied, the *disproportion* of the restriction, and the

³⁰ AIR 1952 SC 196. Hereinafter referred to as *VG Row*.



prevailing conditions at the time of imposition of the restriction, would all be relevant in determining the reasonableness of the restriction. Though the restriction in this case related to Article 19(2), the same principle was held applicable to Article 19(6) in *Collector of Customs, Madras v. Nathella Sampathu Chetty*.³¹

Applying this test, if the judiciary's concern is indeed the presence of a gullible public who may be taken for a ride through misleading advertisements, the solution for that already exists. The affected vendor can always institute defamation proceedings (which in the context of products would imply an action for injurious falsehood). Affected consumers already enjoy protection under the Consumer Protection Act, 1986, against misleading advertisements, and the Trade Marks Act, 1999 also dedicates an entire chapter to false trade descriptions.³² There is no reason to restrict the airing or display of any comparative advertisement whatsoever to meet the stated objective, and such blanket restrictions being excessively harsh are constitutionally impermissible. They impose a chilling effect on the trader from revealing sordid truths about the competitor, under the guise of intellectual property protection. Similarly, even with trade mark parodies, there is no reason to confine denominative use because something is in poor taste. The very idea of Article 19(1)(a) is to encourage the nurturing of the marketplace of ideas with views and thoughts that are strikingly divergent, disagreeable to many and even disparaging at times. In the case of trade mark protection vis a vis free speech concerns, Courts seem to have failed in their duty to guarantee the correct balance.

³¹ AIR 1962 SC 316.

³² Chapter XII of the Act, Sections 101 -104.