

# Gorbatschow Wodka Kg vs John Distilleries Limited on 2 May, 2011

**Author: D.Y.Chandrachud**

**Bench: D.Y. Chandrachud**

VBC

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nms3463.10-2.5

IN THE HIGH COURT OF JUDICATURE AT BOMBAY  
O. O. C. J.

NOTICE OF MOTION NO.3463 OF 2010  
IN  
SUIT NO.3046 OF 2010

Gorbatschow Wodka KG.	...Plaintiff.
Versus	
John Distilleries Limited.	...Defendant.
.....	

Mr.Virag Tulzapurkar, Senior Advocate with Mr.Ramesh Gajaria,  
Ms.Anukriti Parekh and Ms.Deepa Hate and Amol Dixit i/b.

Gajaria & Co. for the Plaintiff.  
Mr.Alankar Kirpekar with Mr.Gautam Panchal i/b. MAG Legal for  
the Defendant.

.....  
CORAM : DR. D.Y. CHANDRACHUD, J.

May 2, 2011.

ORAL JUDGMENT:

1. The shape of a bottle of Vodka gives rise to the controversy in these proceedings. The Plaintiff, in a quia timet action, asserts that the shape of its bottles of Vodka is distinctive and forms an intrinsic part of its goodwill and reputation. The grievance of the Plaintiff is that the Defendant has invaded its intellectual property rights by adopting a deceptive variation of the shape of the bottles of the Plaintiff. The case presents an interesting question, argued with felicity on both sides. Simply put, VBC 2 nms3463.10-2.5 do shapes matter in the law relating to intellectual property ?

2. In the early years of the twentieth Century, Mr. Leontowitsch Gorbatschow owned a distillery which manufactured Vodka in what was then St. Petersburg. Following the October Revolution of 1917 in Russia, the Gorbatschows emigrated to Berlin and received a permit to manufacture Vodka on 28 April 1921. The Plaintiff is a wholly owned subsidiary of Henkell & Co. Sektkellerei KG which has headquarters in Wiesbaden, Germany. The turnover of the group was Euro 628.6 million. The Plaintiff has bottled Vodka in a shape which is distinctive and which is perceived to be visually appealing. The first version of its bottle was introduced in 1958 and was modified in 1984. The present shape of the bottle was devised in 1996. In 1999, a device of a bird was embossed on the bottle. According to the Plaintiff Vodka is synonymous with Russia. The architecture of the Russian Orthodox Church was famous for its onion dome or bulbous structure with a diameter more than that of the tower upon which it is mounted. This, according to the Plaintiff, is the inspiration for the shape of its bottles. The Plaintiff has registered VBC 3 nms3463.10-2.5 the shape of its bottle in various jurisdictions worldwide, including in Germany, Poland, New Zealand, Australia and in several nations governed by the WIPO framework. In India, the Plaintiff applied for registration of the shape of its bottle as a trade mark on 31 January 2008 in Class 33 of the Trade Marks Act, 1999, claiming use since 19 December 1999. The application is pending. The Plaintiff has claimed that the international profile of its brand under the "trade mark shape of the bottle" is impressive as it is one of the top fifteen premium Vodkas in the world. The Plaintiff has numerous awards to its credit. The Plaintiff operates and manages several websites such as [www.gorbatschow.com](http://www.gorbatschow.com), [www.gorbatschow.de](http://www.gorbatschow.de), [www.wodka-gorbatschow.de](http://www.wodka-gorbatschow.de) and [www.wodkagorbatschow.in](http://www.wodkagorbatschow.in). According to the Plaintiff, its bottles of Vodka were available in India since January 1996 initially at duty free shops managed by the India Tourism Development Corporation at major International Airports. The Plaintiff officially launched its product in India in 2008 through a joint venture formed between an Indian Company and the parent of the Plaintiff.

The Plaintiff claims a global goodwill and trans borders reputation transcending geographical barriers.

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3. The Plaintiff claims to have learnt recently through the website of the Defendant that the Defendant claims to be manufacturing Vodka under the trade mark Salute. The case of the Plaintiff is that the bottle which has been adopted by the Defendant bears a deceptive similarity to the bottle of the Plaintiff. The shape of the Plaintiff's bottle has, according to it, acquired a secondary meaning indicative of the Plaintiff's brand. If the Defendant were to succeed in launching its product that, according to the Plaintiff, would lead to a substantial portion of the purchasing public to assume that the product of the Defendant has emanated from or has some connection with the Plaintiff. An

action for passing off has accordingly been instituted.

4. This Court was moved ex-parte for the grant of ad-

interim relief. On 20 September 2010, a Single Judge granted ad-

interim relief in terms of prayer clause (a) of the motion, subject to the clarification that it would be open to the Defendant to market its goods and to sell them under the trade mark "SALUTE", but in "a distinct shaped bottle and packaging". Prayer (a) of the motion VBC 5 nms3463.10-2.5 reads as follows:

"Pending the hearing and final disposal of the suit this Hon'ble Court be pleased to restrain the Defendant, its promoters, assigns, successors-in-interest, licensees, franchisees, partners, directors, representatives, servants, distributors, employees, agents and all persons claiming under the Defendant from using the objectionable bottle and/or any other shape identical/deceptively similar to the Plaintiff's trade mark-shape of the bottle upon and in relation to its products/business in any manner whatsoever so as to pass off or enable others to pass off its goods as that of the Plaintiff or convey that it is in some way connected with the Plaintiff."

5. In the affidavit in reply that has been filed by the Defendant in these proceedings, the Defendant states that it is the owner of a design registration for the bottle by virtue of a registration of 5 February 2008 under the Designs Act, 2000.

According to the Defendant, the design has been granted by the Controller General of Patents, Designs and Trademarks, after an extensive search for bottles with a similar design available prior to the date of the application. Registration, it is submitted, was granted after the authorities were duly satisfied that there was no identical or similar bottle design which is registered. The Defendant claims that its adoption of the shape of the bottle is honest as it made an application for registration prior to the VBC 6 nms3463.10-2.5 adoption of the bottle and it was only thereafter that the Defendant decided to use the bottle in relation to its product to be sold under a distinctive trade mark. According to the Defendant, its bottles of Vodka coupled with a distinctive trade mark "SALUTE" and a differently coloured, distinctive label can never be confused by the general public with the bottles of the Plaintiff. The product of the Plaintiff is stated to be a premium Indian Manufactured Foreign Liquor (IMFL) selling at a price of Rs.650/- to Rs.750/- per 750 ml bottle. The target consumer is, according to the Defendant, highly educated, rich and discerning and the test of passing off which must be applied is different as compared to a situation where a product would be purchased by a consumer of average intelligence and imperfect recollection. A consumer who buys Vodka in India, it has been submitted before the Court, can never be equated to the person of average intelligence who buys fast moving consumer goods of a cheaper variety. The Defendant averred that it had applied for registration of its bottle in February 2008 after it was conceived in 2007 and this was prior to the launch of the Plaintiff's product in India in June 2008. Furthermore, it has been averred that there are two channels through which sale of Vodka takes VBC 7 nms3463.10-2.5 place: (i) pubs, bars and lounges where a consumer would select a particular brand

from the Bar Menu; and (ii) across the counter of excise- permitted liquor shops, in which the consumer will purchase an IMFL bottle of Vodka by placing an order for a particular brand. Hence, it has been urged that the chance of deception is excluded having regard to the nature and class of consumers who would be in the market for the product. The Defendant has stated that though the Plaintiff was aware that the goods of the Defendant were not available in the market when the application for ad-interim relief was made, the Plaintiff chose to move ex-parte without notice.

6. On behalf of the Plaintiff, Counsel submitted that (i) Under Section 2(zb) of the Trade Marks Act, 1999, the expression "trade mark" is now expressly defined to include the shape of goods; (ii) The shape of the bottle of the Plaintiff forms part of the trade dress and has an established reputation in India; (iii) The Plaintiff has extensive trans border reputation as well; (iv) The product of the Plaintiff was sold initially in the form of a distinctive bottle since January 1996 at duty free shops while general sales VBC 8 nms3463.10-2.5 commenced, following a formal launch in the Indian market in 2008; (v) No one else in the global market uses the shape which has been adopted by the Plaintiff for the sale of Vodka; (vi) The cumulative effect of the conduct of the Defendant is (a) a dilution of the distinctive shape under which Vodka bottles of the Plaintiff are marketed and sold; (b) a dilution of the goodwill and reputation of the Plaintiff in relation to the distinctive shape of the bottle; (c ) passing off at common law; (d) unfair competition; and

(e) a mushrooming effect, in that unless the Defendant were to be stopped other potential infringers may be emboldened to encroach upon the rights of the Plaintiff; (vii) The registration obtained by the Defendant under the Designs Act, 2000 does postulate that it is the novel shape of the bottle which renders it registrable; (viii) Registration under the Designs Act, 2000 is no defence to an action for passing off because there is no procedure in the Act for advertising and for receipt of oppositions and since an action for passing off is governed by common law; (ix) The Defendant has absolutely no valid justification in law or even a plausible explanation for adopting a shape which is strikingly similar to the shape of the bottle of the Plaintiff.

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7. On the other hand, it has been submitted on behalf of the Defendant that essentially the Court would have to address itself to four issues: (i) Whether the Plaintiff has established, prima facie, goodwill and reputation in relation to the shape of the bottle by virtue of long, extensive and open use in the market; (ii) Whether the Defendant has copied the shape of the bottle in such a way as to cause deception and confusion in the market; (iii) Whether the Defendant had an intent to deceive when it adopted a particular shape for its bottles; and (iv) Whether the use of the rival bottles simultaneously in the market will cause actual deception in the minds of a consumer considering the class of consumers.

8. As regards (i), it has been submitted that the device of the bird came to be embossed on the bottles of the Plaintiff for the first time in the year 1999. The product of the Plaintiff was officially launched in India in 2008 and prior thereto, the public at large had no access to the product which was sold in duty free shops. The Plaintiff has applied for registration of the shape of its VBC 10 nms3463.10-2.5 bottle on 31 January 2008, but that has been objected to by the Examiner. Under

Indian law, the bottle cannot be advertised in relation to the sale of liquor. Hence, the Plaintiff can only claim a goodwill in sales. The Plaintiff has only relied upon a few invoices from which it is difficult to ascertain goodwill at the interlocutory stage;

9. As regards (ii) above, it is urged that there are evident differences between the bottle of the Plaintiff and the Defendant.

There are similarities between the bottles, but the differences are striking. The majority of the sales of Vodka take place through Bars where consumers would ask for a drink with reference to a particular brand. There is absolutely no possibility of a confusion resulting despite a striking similarity in the shape of the bottle;

10. As regards (iii), the Defendant has taken extensive search when it submitted an application for the registration of its design. The registration of the design was prior to the first use of the Plaintiff. Hence, the duty cast upon the Defendant to make a reasonable enquiry was duly discharged;

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11. As regards (iv), there is not even a reasonable possibility of deception taking place. A consumer who drinks Vodka at a Bar would ask for a brand by name. The product of the Plaintiff falls in the premium category and is a luxury product. The class of consumers who would purchase such a product consists of the affluent and educated, who would never be deceived merely by the shape of a bottle.

12. The rival submissions now fall for determination.

13. The action before the Court is a quia timet action which seeks to injunct the Defendant from launching its product in India.

The basis and foundation of the action is that the Defendant has adopted a bottle for the sales of its product which in its shape bears a striking resemblance to the bottle of the Plaintiff. Under the Trade Marks Act, 1999, the shape of goods is now statutorily recognized as being a constituent element of a trade mark. Section 2(zb) of the Trade Marks Act, 1999 defines the expression 'trade mark' to mean "a mark capable of being represented graphically VBC 12 nms3463.10-2.5 and which is capable of distinguishing the goods or services of one person from those of others" and to include the "shape of goods, their packaging and combination of colours". Parliament has, therefore, statutorily recognized that the shape in which goods are marketed, their packaging and combination of colours form part of what is described as the trade dress. A manufacturer who markets a product may assert the distinctive nature of the goods sold in terms of the unique shape through which the goods are offered for sale.

14. The certificate of registration that has been obtained by the Defendant under the Designs Act, 2000 is of some significance.

The representation sheet which forms part of the certificate of registration contains a categorical statement that "the novelty resides in the shape, configuration, surface and ornamentation of the bottle". In the Designs Act, 2000, the expression 'design' is defined in Section 2(d) to mean "only the features of shape, configuration, pattern, ornament or composition of lines or colours applied to any article whether in two dimensional or three dimensional or in both forms, by any industrial process or means, VBC 13 nms3463.10-2.5 whether manual, mechanical or chemical, separate or combined, which in the finished article appeal to and are judged solely by the eye". Section 4 contains a prohibition of a design which is not new or original or which has been disclosed to the public anywhere in India or in any other country by publication in tangible form or by use or in any other way. Section 19(1) enunciates the grounds for cancellation of the registration of a design. A design may be cancelled if it has been previously registered or published in India or in any other country prior to its date of registration or when the design is not new or original or is not registrable under the Act.

The Designs Act, 2000, it has not been disputed, does not contain any procedure for the advertising of an application before its registration as a design.

15. The fact that the Defendant has obtained registration under the Designs Act, 2000, does not impinge the right of the Plaintiff to move an action for passing off. Section 27(2) of the Trade Marks Act, 1999 provides that nothing in the Act shall be deemed to affect the right of action against any person for passing off goods or services. Section 27(2) is a statutory recognition of VBC 14 nms3463.10-2.5 the principle that the remedy of passing off lies and is founded in common law.

16. Now, in the present case, the material which has been placed on the record by the Plaintiff, *prima facie* indicates that the Plaintiff has an established trans border reputation and that an integral part of that reputation lies in the shape of the bottle in which Vodka is sold. The shape of the bottle which the Plaintiff has adopted has no functional relationship with the nature of the product or the quality required of the container in which Vodka has to be sold. The shape, to use the language of a leading authority on the subject, is capricious. It is capricious in the sense that it is novel and originated in the ingenuity and imagination of the Plaintiff.

17. *Prima facie*, a comparison of the shape of the bottle which has been adopted by the Defendant with the bottle of the Plaintiff would show a striking similarity. As a matter of fact, Counsel appearing on behalf of the Defendant did, during the course of the submission, concede that there are similarities.

VBC 15 nms3463.10-2.5 Counsel, however, sought to urge that there are differences between the shape of the bottle which has been adopted by the Plaintiff and the shape of the bottle that has been adopted by the Defendant and these differences would emerge if the bottles were to be compared, as it were, side by side.

18. Now, it is a well settled principle of law that in considering as to whether the mark of the Defendant bears a distinctive similarity to the mark of the Plaintiff, the Court must have due regard to the overall impact of the rival marks. In *Hiralal Prabhudas vs. Ganesh Trading Co.*,<sup>1</sup> a Division

Bench of this Court, after citing precedents formulated the test that must be applied thus:

"What emerges from these authorities is (a) what is the main idea or salient features, (b) marks are remembered by general impressions or by some significant detail rather than by a photographic recollection of the whole,

(c) over similarity is the touchstone, (d) marks must be looked at from the view that first impression of a person of average intelligence and imperfect recollection, (e) overall structure, phonetic similarity and similarity of idea are important and both visual and phonetic tests must be applied, (f) the purchaser must not be put in a state of wonderment, (g) marks must be compared as a whole, microscopic examination being impermissible, (h) 1 1984 (4) PTC 155 VBC 16 nms3463.10-2.5 the broad and salient features must be considered for which the marks must not be placed side by side to find out difference in design and (i) overall similarity is sufficient. In addition, must also be taken into consideration the nature of the commodity, the class of purchasers, the mode of purchase and other surrounding circumstances."

Consequently, what the Court must consider, *prima facie*, at this stage, are the broad and salient features of the two rival shapes. A meticulous attempt to find differences in the two shapes on a comparison side by side is impermissible. The essential feature of the shape of the bottle of the Plaintiff is a bulbous dome. The inspiration for adopting that design is according to the Plaintiff, the architecture of the Russian Orthodox Church. To some that may sound incongruous. That indeed is capricious, but it is this element that imparts to the shape of the bottle a novelty and uniqueness.

The Defendant has adopted a shape which relies principally on the same bulbous structure. The Defendant has no explanation whatsoever for adopting that design. The fact that the Defendant made enquiries prior to the registration of the mark can provide no answer in the facts of this case. The Defendant is engaged in the same trade and it is impossible to accept that the Defendant would VBC 17 nms3463.10-2.5 not have been conscious of the shape which was used by the Plaintiff for its bottles of Vodka both internationally and in India.

The adoption of the shape by the Defendant is *prima facie* not honest. Counsel appearing on behalf of the Defendant asserts that the colour of the label adopted by the Defendant is different from that of the Plaintiff. But that again is of no consequence for, if the Defendant were to be allowed to use the bottle, there would be no control over how the bottle would be used. The Defendant cannot be compelled to use only a green coloured label, nor can the Plaintiff be confined to the use of the label which is blue in colour.

The true test is not as to whether the Defendant took a search from the Design Register. As the first user of the shape, the Plaintiff was not bound to register it under the Designs Act, 2000. If the Defendant knew that the bottles of the Plaintiff with a distinctive shape were in the market - as a prudent person in the trade would know upon a diligent enquiry - no amount of search in the Register would bring it within the purview of an honest adoption.

19. In a number of judgments, the law has recognized the importance of the shape in which the trader sells his goods. In VBC 18 nms3463.10-2.5 John Haig And Company Limited vs. Forth Blending Company Limited,<sup>2</sup> a claim for passing off was made by the Plaintiff to protect its 'Dimple' bottle of whisky which had come to be associated with the product of the Plaintiff. The Court observed as follows:

"A container such as a bottle may be part of the get-up of goods of a trader if it is of a peculiar shape which catches the eye and is retained in the memory of the ordinary purchaser, and is associated in the mind of the purchasing public with the goods of that particular trader alone and of no other.

...

If the goods of a trader have, from the peculiar mark or get-up which he has used, become known in the market by a particular name, the adoption by a rival or second trader of any mark or get-up which will cause his goods to bear the same name in the market is a violation of the rights of the first trader.

...

The action of a trader who copies a rival's established get-up need not be fraudulent, and he need have no intention of obtaining any benefit from his rival's goodwill and reputation - indeed he may be ignorant of his existence - but if the result of his innocent action are that the public are likely to be misled, he will be interdicted, per Halsbury, L.C., in Cellular Clothing Coy.

Ltd. v. Maxton & Murray (supra) at p. 31. If, however, the Court is satisfied that the trader who is sued intended to obtain some benefit from his rival's established get-up and was thus fraudulent, the Court will be more ready to grant interdict, "Kerly", p.576."

2 70 RPC 259 VBC 19 nms3463.10-2.5 The same principle was applied by the House of Lords in Reckitt & Colman Products Limited Vs. Borden Inc.<sup>3</sup> In a judgment of the High Court of Ontario in Jay-Zee Food Products Inc. vs. Home Juice Co. Ltd.,<sup>4</sup> a similar principle was applied while granting an interlocutory injunction:

"In my view, there is really no doubt that the use of the two bottles in the same area for the same business must cause confusion between the wares and business of the two companies. The combination of the ears, the shape of the bottle and the circle with the leaves would lead any but the most sophisticated observer to the conclusion that the products in either bottle emanated from the same source."

20. In F. Hoffmann-La Roche & Company A.G. vs. D.D.S.A. Pharmaceuticals Limited,<sup>5</sup> the Plaintiffs manufactured and marketed a drug under the registered mark 'LIBRIUM' in distinctive black and



green capsules. The Defendant who was also a pharmaceutical manufacturer, applied for and was granted a compulsory licence in respect of the Plaintiffs' patent and proceeded to market and advertise the drug in black and green capsules which were identical to those of the Plaintiffs except that they bore letters different from those of the Plaintiffs. An 3 1990 (13) R.P.C. 341 4 32 C.P.R. (2d) 265 5 (1972) 1 R.P.C. 1 VBC 20 nms3463.10-2.5 injunction was granted.

21. Mr. Justice R.M. Lodha (as His Lordship then was), as a Single Judge of this Court, in *Kemp and Company vs. Prima Plastics Ltd.*,<sup>6</sup> considered an action where the Defendants were alleged to have infringed the registered design of a chair manufactured by the Plaintiff and for passing off by the Defendants by adopting a similar design, shape and configuration. The Learned Single Judge cited with approval the following extract from *Copinger and Stone James on Copyright* :

"There may, indeed, be cases where an article itself is shaped in an unusual way, not primarily for the purpose of giving some benefit in use or for any other practical purpose but capriciously in order purely to give the article a distinctive appearance characteristic of that particular manufacturer's goods. In such a case the manufacturer might be able, in the course of time, to establish that he has a reputation and goodwill in the distinctive appearance of the article itself which will give him a cause of action in passing off if his goods were copied. In those circumstances, the putting of a copy on to the market with the distinctive feature or combination of features in question would amount to a misrepresentation that it emanated from the plaintiff."

The Learned Single Judge held as follows:

6 2000 PTC 96 VBC 21 nms3463.10-2.5 "If the Plaintiff has to succeed on the ground of passing off, he must show something more than mere similarity between the goods. Exceptions apart, where an article is shaped in an unusual way not primarily for giving some benefit in use or for any other practical purpose, but capricious in order purely to give an article a distinctive appearance, characteristic of that particular manufacturer's goods, a case may be made out by the Plaintiff that he has reputation and goodwill in the distinctive appearance of the article itself which could provide him a cause of action in passing off if his goods were copied."

22. The test is whether the shape that has been adopted by the Plaintiff is one that is adopted capriciously, purely to give the article a distinctive appearance or characteristic of the goods of the manufacturer. If that be so, the manufacturer may be able to establish that he has a reputation and goodwill in the distinctive appearance of the article itself which would furnish a cause of action in passing off. In a judgment of the Division Bench of this Court in *Aktiebolaget Volvo vs. Volvo Steels Limited*,<sup>7</sup> the Division Bench has laid a considerable amount of emphasis on the reason for the adoption of the mark. If the Defendant has no plausible explanation, then that is certainly a circumstance which must weigh in the balance. In *R.R. Oomerbhoy Pvt. Ltd. vs.* <sup>7 1998 PTC (18) (DB) VBC 22 nms3463.10-2.5</sup> Court Receiver,<sup>8</sup> a Division Bench of this Court adverted to the fact that the shape of the container and of the plastic bottle in which the Defendant had sold its product,

had a striking resemblance to those of the Plaintiff. In a judgment of the Delhi High Court in Colgate Palmolive Company vs. Anchor Health and Beauty Care Pvt. Ltd.,<sup>9</sup> a Learned Single Judge observed that "trade dress is the soul for identification" of goods to their source or origin and a customer forms an overall impression of the source of origin of the goods from a visual impression of the colour combination as well as from the shape of the container and packaging. A conscious imitation of the colour combination, get up or layout of the container would lead to the design of the Defendant to cause confusion in the mind of the customer.

23. The Supreme Court in its judgment in Khoday Distilleries Limited vs. Scotch Whisky Association,<sup>10</sup> emphasized that the class of purchasers who are likely to buy the goods by their education and intelligence and the degree of care which they are likely to exercise in purchasing or using the goods would be 8 2003(27) PTC 580 (DB) (Bom) 9 2003(27) PTC 478 10 2008(10) SCC 723 VBC 23 nms3463.10-2.5 required to be considered. In that context, the Supreme Court relied on the earlier judgment in Cadila Health Care Ltd. vs. Cadila Pharmaceuticals Ltd.<sup>11</sup> The Supreme Court inter alia emphasized that when the class of buyers is educated and rich, the test is to be applied is different from one where the product would be purchased by villagers or by the illiterate and poor. The Supreme Court held in that case that had the test been applied, the matter might have been different and in a given case probably the Court would not have interfered. The Court was, however, inclined to interfere because a wrong test had been applied which had led to a wrong result. In the present case, the Court must undoubtedly place in the balance the fact that both the Plaintiff and the Defendant are selling Vodka which has a distinctive clientele. For the purposes of the application for interlocutory relief one can well proceed on the basis, as was suggested by the Defendant, that the purchasers of Vodka are primarily educated and well placed in life. But that by itself is not dispositive of the issue as to whether the conduct of the Defendant does or does not amount to passing off. In the present case, there are several 11 (2001) 5 SCC 73 VBC 24 nms3463.10-2.5 circumstances, which must equally be placed in the balance by the Court. Firstly, the Plaintiff has prima facie established both a trans border reputation as well as a reputation in the market in India and the fact that the unique shape of the bottle is an important element in tracing the source of origin of the product to the Plaintiff;

Secondly, under the Trade Marks Act, 1999, the shape of goods and their packaging is statutorily recognized as a constituent element of a trade mark as distinguishing the goods or services of a person with those of others; Thirdly, the submission of the Plaintiff that no other manufacturer either globally or in India has adopted the shape of the bottle of the Plaintiff (save and except for the Defendant) has not been disputed in the course of submissions by counsel for the Defendant; Fourthly the shape which has been adopted by the Plaintiff is unique to the point of being capricious.

The Defendant has absolutely no plausible or bona fide explanation for adopting a shape which is strikingly similar; Even though the ad-interim order of the Court permitted the Defendant to sell Vodka, though in a 'distinct shaped bottle' the Defendant has chosen not to do so. The Defendant has no explanation of how this particular design was adopted; and Fifthly, the attempt of the VBC 25 nms3463.10-2.5 Defendant if it is allowed would result in diluting the distinctiveness and exclusivity of the mark of the Plaintiff which has as an essential ingredient, the distinctive shape of the bottle in

which Vodka is sold. This would only embolden other infringers to invade upon the proprietary right of the Plaintiff and would ultimately result in a destruction of the goodwill associated with the mark of the Plaintiff.

24. The submission of the Defendant is that because the purchasers of the Plaintiff's product are educated and affluent, they have within them a discerning capacity which renders the possibility of a deception unlikely. The submission involves a basic fallacy. The fallacy lies in assuming that while those who are educated or affluent have the ability to discern, since they have higher disposable incomes, persons who do not belong to that category are more likely to be deceived. Gullibility as a trait of human character does not necessarily possess social or economic attributes. The ability of a consumer to discern is not necessarily relatable to social class or economic status and to make such an assumption would lead the Court to an unwitting stereotype. At VBC 26 nms3463.10-2.5 least the Court must not accept such stereotypes. An ordinary consumer with a lower disposable income may well be concerned, as much as a consumer of high end products is, about the quality of what she consumes. But the point which has been urged before the Court is that an unwary consumer of low priced, fast moving consumer goods is more likely to be deceived than a purchaser of a premium commodity. The inference sought to be drawn is that passing off is more likely in the former and improbable in the case of the latter. Stretched to its logical conclusion, the submission of the Defendant would lead to a result where the remedy in passing off becomes available only in respect of goods which the average consumer purchases for the daily necessities of life. For, it is the submission of the Defendant that it is in the case of such goods that the consumer makes a decision to purchase without a careful and discerning mind. The remedy in passing off would be rendered illusory if such an argument were to be accepted. The law has not restricted the remedy only in relation to goods of a particular nature or quality but across the spectrum of trade and business.

As contemporary experience shows goods and services across the spectrum are subject to imitation and piracy. The protection of the VBC 27 nms3463.10-2.5 remedy in passing off is as much available to a manufacturer who invests capital, time and ingenuity in producing premium goods or services or those styled as fast moving consumer goods. The Court will not readily assume that because consumers of premium goods and services have higher disposable incomes or, as the Defendant states are educated, that the likelihood of deception is minimal. If the law were to accept such a position, it would only open a pathway for deceit. Less than honest competitors in business would carefully grind away at the features of an existing mark with an established reputation so that eventually nothing will be left of the uniqueness of the mark. The protection of intellectual property will be a writ in sand if such a submission is accepted. The class of purchasers is undoubtedly a relevant consideration, but the Court must have due regard to all the relevant circumstances including that.

25. Perhaps the point may well be stated in the following expression of principle in the judgment in *Slazenger & Sons v.*

*Feltham & Co.*<sup>12</sup> which emphasizes "the honesty of the case":

12 Nov.6, 1889 R.P.Design 531 VBC 28 nms3463.10-2.5 "...There is sufficient nearness, sufficient neighbourhood, in the one word to the other, to justify me in coming to the conclusion that it is calculated to deceive. I shall, no doubt, be assumed to conclude- and I make no secret that I do conclude that that finding is at least consistent with the honesty of the case."

As Lord Justice Lindley held in that case :

"Well, what is that for? One must exercise one's common sense, and, if you are driven to the conclusion that what is intended to be done is to deceive if possible, I do not think it is stretching the imagination very much to credit the man with occasional success or possible success.

Why should we be astute to say that he cannot succeed in doing that which he is straining every nerve to do?"

26. Applying the same test in the present case as well, the Court would not be justified in being astute to presume that the Defendant would not succeed in doing what he has strained every nerve to do. The Plaintiff has, in these circumstances, made out a strong prima facie case for the grant of injunction. The balance of convenience must necessarily weigh in favour of the Plaintiff which has an established reputation. Irreparable injury would be caused to the established reputation and goodwill of the Plaintiff if the Defendant is allowed to proceed ahead. The Defendant is still to commence business in the use of the disputed product, this not being a position in dispute at the hearing.

VBC 29 nms3463.10-2.5 In the circumstances, the Notice of Motion is made absolute in terms of prayer clause (a).

( Dr.D.Y.Chandrachud, J.)