

# Eicher Goodearth Pvt Ltd vs Krishna Mehta & Ors on 29 June, 2015

**Author: Manmohan Singh**

**Bench: Manmohan Singh**

. \* IN THE HIGH COURT OF DELHI AT NEW DELHI

% Judgment pronounced on: 29th June, 2015

+ I.A. No.8010/2014 (Order 39 Rule 1 and 2 CPC),  
I.A. No.13372/2014 (Order 39 Rule 4 CPC) in  
CS(OS) 1234/2014

EICHER GOODEARTH PVT LTD ..... Plaintiff  
Through Mrs.Pratibha M. Singh, Sr. Adv.  
along with Ms.Bitika Sharma &  
Mr.Kapil Midha, Advs.

versus

KRISHNA MEHTA & ORS ..... Defendants  
Through Ms.Meenakshi Arora, Sr. Adv. with  
Mr.Tushar Gupta & Mr.Vasav  
Anantharaman, Advs.

CORAM:  
HON'BLE MR.JUSTICE MANMOHAN SINGH

MANMOHAN SINGH, J.

1. The plaintiff has filed a suit for permanent injunction, passing off, unfair competition, dilution, rendition of accounts and damages etc. against the defendants. Along with the suit, the plaintiff has also filed an application for injunction. The matter was listed before Court on 1st May, 2014 when the summons were issued to the defendants. In the interim application, after hearing, the Court restrained the defendants and their family members, partners/promoters, Directors, servants, agents, franchisees or any one acting for on their behalf from making, selling, offering for sale, advertising, directly or indirectly dealing in any kind of products with motifs, logos, patterns and designs being an obvious and fraudulent imitation of the plaintiffs motifs, logos, patterns and designs on products including Serai, Periyar, Vrindavan, Lotus, Bali Mynah, Rose Princess and Falcon or any other such motifs/designs/works of the plaintiff in any manner whatsoever and doing anything to cause confusion or deception amongst the consumers.

2. Upon service, the defendants filed the written statement, reply, counter claim and interim application as well as the application for vacation of interim orders. By this order, I propose to decide the two pending applications; one being I.A. No.8010/2014 under Order 39 Rule 1 and 2 CPC

and another being I.A. No.13372/2014 under Order 39 Rule 4 CPC. Both parties have made their submissions from time to time. They have also filed the written submissions in order to assist the Court.

### 3. The case of the plaintiff as per plaint

a) The plaintiff is a company running renowned chain of retail stores and galleries showcasing and selling unique lifestyle products which are classy and exclusive in design, style, pattern, quality and standard. The plaintiff's stores under the name GOODEARTH sells the lifestyle, home making products and décor items which are exclusively designed at the creative house of the plaintiff Company by a specialized creative team and are unique.

b) Defendants are engaged in the illegal acts of imitating the unique motifs, pattern, art works and designs of the plaintiff and applying the same in various permutations and combinations on their products for sale and thereby are directly engaged in illegal acts of passing-off, unfair competition and dilution. The defendant No.1 was working as a Design Consultant with the plaintiff company on retainer basis. The plaintiff is the originator, inventor and owner of the said motifs, pattern, designs and piece of art and the plaintiff is seeking restrain orders by way of present suit before this Court against the defendants who are adopting and using visually, structurally and deceptively similar motifs, pattern, designs and piece of art of the plaintiff and selling their products with the impugned design on their website [www.indiacircus.com](http://www.indiacircus.com) are clearly violating plaintiff's rights. The defendants' such acts constitutes passing off, unfair competition and dilution.

c) The plaintiff is the original creator, inventor and owner of various designer collections including SERAI, PERIYAR, VRINDAVAN, BALI MYNAH, LOTUS, ROSE PRINCESS and FALCON and have been using the same on a wide range of products. The plaintiff is also the registered owner of copyrights in the art works of Periyar, Vrindavan and Lotus collections under the Designs Act, 2000.

d) A comparison of the motifs, pattern, art works and designs of the plaintiff and the impugned articles visually, structurally and deceptively similar look, art works, pattern, design and get up being sold by the defendants on their website [www.indiacircus.com](http://www.indiacircus.com) are reproduced in para 5 of the plaint.

e) The defendant No.1 was working as a Design Consultant with the plaintiff company on retainer basis and had been associated with the plaintiff for almost 2 years. It is submitted that during these years of employment, the defendant No.1 had no rights in any of the art-work, motifs, patterns, designs he worked upon or dealt with in any manner whatsoever in as much as all the rights therein vested with the plaintiff company only. That in the year 2012 he left the plaintiff company and thereafter is providing for sale of identical patterns that too in relation to identical range of products on the website [www.indiacircus.com](http://www.indiacircus.com) with a malafide intent to encash upon the goodwill/reputation of the plaintiff. He had been employed with the plaintiff-company since 10th May, 2010 and since then his association was renewed from time to time. That the contract with defendant No.1 was renewed for the last time on 1st August, 2012 wherein his contract period was extended till 30th September, 2012. Thereafter, his contract with the plaintiff company was never

renewed as per consent of the parties and he had ceased to be associated with the plaintiff company.

f) The defendants are selling various products with the impugned motifs, art work, look, pattern and designs on their website [www.indiacircus.com](http://www.indiacircus.com). By adopting deceptively similar designs, art works and motifs, the defendants are trying to create confusion in the market and encash upon the goodwill and reputation earned by the plaintiff over the years. They are unfairly competing with the plaintiff by way of adopting the plaintiff's unique art features, pattern, motifs and designs and using them on their articles.

g) The plaintiff-company is in the business of manufacturing and selling creative, exclusively designed and unique lifestyle retail products such as home, décor, furniture, apparel and other related goods and has various retail stores located all across India. The plaintiff also has franchise arrangement in other countries like Singapore, Turkey and Nepal. The brand GOODEARTH is well-known in the world of lifestyle and art. The plaintiff has over 9 retail stores in India and an online store under the website [www.goodearth.in](http://www.goodearth.in). The plaintiff is the registered proprietor of the trademark GOODEARTH in several classes in India and abroad by virtue of the prior adoption.

h) It is submitted by the plaintiff that the design team of the plaintiff creates unique designs with an inspiration from natural beauty like botanical images of flowers, leaves, mountain, trees or with an inspiration from lifestyles like Mughal images, luxury living etc. These motifs, logos, patterns, art-works and designs with painstaking efforts are tried in permutation and combinations over fabrics, cutlery items, paper items, glass etc. and thus after long process a designed article is conceived and introduced to the market.

i) The strength of the plaintiff lies in making innovative and catchy patterns of designs, keeping in mind the various preferences and requirements of consumers across classes. The plaintiff is constantly innovating new designs, patterns and motifs to cater to the changing needs and tastes of consumers. In fact since the beginning of the year 1996, the plaintiff has attained a turnover of around Rs.91 crores for the Financial Year 2012-2013.

j) The plaintiff created, conceptualized and designed various designs including SERAI, PERIYAR, VRINDAVAN, LOTUS, BALI MYNAH, ROSE PRINCESS and FALCON to be used on various products including bath sheets, table cloths, mugs, bowls, teapots, etc. under their GOODEARTH'S Collection. The aforesaid collections are one of the most famous collections of GOODEARTH.

k) The products of GOODEARTH have been extensively written about in various press articles, magazines and news letter. The public at large recognize the unique products of the GOODEARTH with them owing to their classy and memorable art work. Various such articles discussing the plaintiff's range of products and their popularity in the market are being filed with the present plaint.

l) Plaintiffs' products are even sought after by foreign tourists who have heard about the plaintiffs due to the unparalleled reputation which has spilled beyond the geographical boundaries of India. The plaintiff's design house at Khan Market (Delhi) is visited by foreign tourists on a daily basis. The

reputation of the plaintiff has travelled both by being covered in print media and by word of mouth due to the high quality and enormous effort put into the designing of the products. The products of the plaintiff are also used extensively for gift purposes.

m) The defendants through their website [www.indiacircus.com](http://www.indiacircus.com) are allegedly providing for sale of various products including cushion cover, mugs, bed sheets etc. with the motifs, art works, patterns, designing and prints which are a blatant copy of the plaintiff's creativity. Undoubtedly, the defendants are subsequent adopters of the said motifs, art works, patterns and design and are using the same in respect of identical products range as that of the plaintiff in gross violation of the plaintiff's rights.

n) The defendants allegedly being in the similar business marketing various products in India, are obviously well aware of the worldwide reputation of the plaintiff. The sole endeavour of the defendants is to ride on the goodwill created by the plaintiff in its well known designs including Serai, Periyar, Vrindavan, Lotus, Bali Mynah, Rose Princess and Falcon Cushion to be used on various products including bath sheets, table cloths, mugs, bowls, teapots, etc. Infact three designs of the plaintiff, i.e. PERIYAR, LOUTUS and VRINDAVAN are registered designs of the plaintiff under the Designs Act, 2000.

o) The defendants by creating confusion in the market thereby attempting to passing off its designs as that of the plaintiff thereby not only violating valuable common law rights of the plaintiff but also causing substantial loss and damage to the plaintiff's business and reputation at large.

p) Since the purchase of the impugned products of the defendants is done online, the buyers are often confused with the products sold by the defendants as that of the plaintiff as the bare look of the products with the impugned design looks exactly the same. As the buyers do not have the opportunity to physically see and inspect the quality of the product when they purchase the same through the website, they are easily deceived as and when they receive the products as the same is not of the quality and standard that is maintained by the plaintiff company.

q) The proliferation of identical motifs, logos, patterns and designs would lead to complete tarnishment and blurring of the plaintiff company's goodwill which would be irreparable and uncompensable in the form of damages. The intention of the defendants is to ride piggy back on the success of the plaintiff company's motifs, logos, patterns and designs. Such acts of unfair competition are also liable to be enjoined.

#### Defence

4. As already mentioned, the defendants have filed the reply, written statement, counter claim as well as application for vacation of the interim order. The defence and all pleas raised by the defendants are common in the pleadings, the same is narrated as under:

a) All the plaintiff's designs in question are inspired by work of art available since centuries and the same are not being original designs as claimed by the plaintiff who

is not the owner, inventor or creator of the same and no one can claim exclusive right on the Heritage/ Indian Tradition / Nature.

b) It is the version of plaintiff that its designs namely Vrindavan, Periyar, Lotus are registered for being used on CUSHIONS and as such the said designs used by the defendants on the cushions, amounts to infringement of its rights. But the plaintiff has failed to place on record any registration certificate and secondly the product CUSHIONS falls under Class 6 as mentioned in the Design Rules, 2001 whereas the plaintiff is claiming its registration under Class 5 and 7 of the Designs Rules, 2001. It is the case of the plaintiff that three designs of the plaintiff i.e. Periyar, Lotus and Vrindavan are registered designs of the plaintiff under the provisions of the said Act, though no documents in support of the same has been produced by the plaintiff. Apart from the said three designs, the plaintiff has also alleged imitation of other four designs i.e. Falcon, Rose Princess, Seria and Bali Mynah. No relief can be claimed or can be granted to the plaintiff in respect of all the seven designs i.e. Falcon, Rose Princess, Periyar, Seria, Lotus, Bali Mynah and Vrindavan as the alleged designs of the plaintiff are not new or original. The registered designs (i.e. Periyar, Lotus and Vrindavan) were in public domain prior to the date of claim of the plaintiff and the products have been previously published.

c) Since November, 2011 the defendant No.1 has started the defendant No.2 Company who has acquired an excellent reputation in its field with having over a few hundred products on its website and various designs. The defendant No.2 was established in November, 2011 who is engaged in designing, marketing, selling and retailing lifestyle products and also offering design label and sophisticated designs. The defendant No.2 (India Circus) is closely associated with defendant No.1, a well established and renowned designer who has also been associated with a number of lifestyle brands like 'The Elephant Company', 'The Bombay Store', 'Good Earth' (i.e. the plaintiff), Zeba, Godrej and Metro. Defendant No.3 offers defendant No.2 a technological backbone with his trail-blazing skills and experience with software. In the past defendant No.3 has worked on a handful of projects, crafting software meticulously tailored for each brand's management.

d) The defendants have compared each design with the plaintiffs design as well. The details of inspiration by the defendants in order to also show that the plaintiffs' all designs are pre-known, prior published and some of them are in public domain for the last many centuries. The comparison chart is reproduced herein below:

A. Design - Falcon

Plaintiff's Design	Defendant's Design	Defendant's Inspiration
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Prince with a Falcon

India, Mughal empire,  
circa 1600-1605  
From the Nails and  
Alice Heeramanek  
Collection, Museum  
Associates Purchase  
(M.83.1.4) The Los  
Angeles County Museum  
of Art

Perusal of the aforesaid would demonstrate that though the design has been named as Falcon it is a picture of an emperor with a falcon in his hand. The design of the plaintiff - emperor standing with a falcon in his hand is a copy of an Indian Mughal painting dated around 1600-1605. The actual painting is presently kept at the Los Angeles County Museum of Art.

The plaintiff is aware of the same and hence it is not even the case of the plaintiff that the said design has been registered by them under the provisions of the said Act. However, the plaintiff is not claiming any right on the basis of registration of the said design, thus no case for infringement has been made out.

B. Design - Rose Princess

Plaintiff's Design

Defendant's Design

Artwork used

Portrait of a Princess, c.  
17th/18th century  
Gift of Emily Crane  
Chandbourne 1929.890

Art Institute of Chicago

The said design is of a princess with a rose in her hand. The painting which is not on display but available on the web site of the Art Institute of Chicago. The design of the defendants apart from a princess with a rose has various other features and combination of colours.

In view of the aforesaid there is no way that the plaintiff can be heard to say that the plaintiff is the creator of the said design. The plaintiff is aware of the same and hence it is not even the case of the plaintiff that the said design has been registered by them under the provisions of the Design Act. As the plaintiff is not claiming to be the registered owner of the said design, no case for infringement of

design or passing off is made out.

C. Design - Periyar:

Plaintiff's Design	Defendant's Design	Defendant's Inspiration
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The design of the plaintiff demonstrates that the same consist of two palm trees. A part of the design of the defendants also consists of Palm trees but there is a distinct difference even as far as the palm trees are concerned. The leaves of the palm trees in the design of the plaintiff and that of the defendants are of a different style. The design of the defendants apart from two palm trees has various other features like the elephant, flowers and a jail window and combination of colours. An identical painting of two palm trees is also available on wayfair.com called the Tropical Dance III by Megan Duncanso. A design of a palm tree cannot be said to be a new or an original design or a design which has not 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 prior to the application for registration by the plaintiff.

D. Design - Serai:

Plaintiff's Design	Defendant's Design	Artwork used
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The window in the both the designs is a window as found on Humanyun's Tomb and various other tombs. No proprietary in respect of the same can be claimed by the plaintiff. The design of the Plaintiff has the said window with a picture of an elephant standing in front of the window. No proprietary can be claimed by the plaintiff either in respect of the window or an elephant. The design of the defendants is an inspiration taken from the window which is found on various tombs and an elephant inside the window. The two designs are not familiar. The two elephants in question are also not identical.

A design of a window found in a tomb or an elephant cannot be said to be a new or an original design or a design which has not 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 prior to the application for registration by the plaintiff. In view of the aforesaid, no case for passing off is made out.

E. Design - Lotus:

The comparison of the design of the plaintiff and the defendants demonstrates that there is nothing in common or identical. There is no lotus in the design of the defendants as found in the design of

the plaintiffs. The design of a lotus flower cannot be said to be a new or an original design or a design which has not 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 prior to the application for registration by the plaintiff.

F. Design - Vrindavan:

The perusals of the design of the plaintiff and the defendants demonstrate that the two are completely different. The trees in both the designs are placed differently and the designs of the palms are also different. The design of the defendants apart from palm tree has various other features like the Gateway of India and people standing thereon and combination of colours. A design of a tree cannot be said to be a new or an original design or a design which has not 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 prior to the application for registration by the plaintiff. A similar design of Palms is also available on the website of Exotic India which is a part of a painting called Akbar and Tansen visit Haridas.

G. Design - Bali Mynah:

The design of the plaintiff i.e. Bali Mynah, no comparative chart has been provided by the plaintiff either in the suit or in the present application but a relief in respect of the same has been claimed. A perusal of the design of the plaintiff and the defendants demonstrates that there is nothing in common. The plaintiffs have not made out any case in the plaint or the present application as to what is the infringement committed by the defendants. In any event it is not the case of the plaintiff that the said design in question has been registered by them.

So far as the claim of the Plaintiff regarding passing off is concerned, merely imitation and the similarity would not be sufficient and unless the intention to pass off is established the case of passing off is made out. The defendants have their own website [www.indiacircus.com](http://www.indiacircus.com) where the products of the defendants are sold. Any person buying the products manufactured by the defendants from their website will always be aware that they are buying the products of the defendants.

5. It is stated on behalf of the defendants that the website of the defendants is [www.indiacircus.com](http://www.indiacircus.com) where as the website of the plaintiff is [www.goodearth.in](http://www.goodearth.in). It is stated that there cannot be any confusion in the minds of a person who is browsing the said two websites. A person browsing the website of the defendants will be well aware that the products shown therein are the products of the defendants. The defendants are not selling their products in the name of the plaintiff or in any other name which is identical to or similar to the name of the plaintiff or one which would cause confusion and or deception amongst the consumers.

6. The defendant No.1 is a free lance professional with the signature design style in retail industry and the plaintiff had employed the defendant as a consultant on retainership basis. The defendants have denied that they are using visually or structurally or deceptively similar motifs or patterns or



designs or piece of art as that of the plaintiff as alleged or at all and selling those products on their website or it constitutes passing off or unfair competition or dilution.

7. It is admitted that the defendant No.1 was working on retainership basis with the plaintiff, however along with it the defendant no.1 was working with many other companies as well as Design Consultant. The work and designs in respect of which disputes have been raised by the plaintiff are not new or original and has been disclosed to public in India and in other countries by publication much prior to the plaintiff. The designs of the plaintiff as well as the defendants draw inspiration from art work available since centuries; hence neither the plaintiff nor the defendants can claim any right over the same. There are several other companies and persons dealing in similar kind of business as the plaintiff and the defendants, just because the defendant No.1 had worked for the plaintiff do not mean that the defendant No.1 cannot deal in identical business.

8. Reply on behalf of the plaintiff to the defence raised by the defendants The plaintiff has filed the rejoinder as well as reply to the application filed by the defendants for vacation of the interim order already granted on 1st May, 2014. The gist of the same are mentioned hereunder:

i) The instant suit is a suit for passing off/ acts of unfair competition and not a suit for infringement of designs registered under the Designs Act, 2000 as the defendants have throughout in their reply tried to allege that (a) the design registration certificates have not been produced (b) the designs of the plaintiff are not registrable under the Designs Act, 2000 as the same are not original designs.

ii) The position with regard to passing off in designs has been settled by this Court in Mohan Lal, Proprietor of Mourya Industries vs Sona Paints & Hardwares and Micolube India Limited vs Rakesh Kumar Trading as Saurab Industries & Ors. 200(2013) DLT 322. It was held that in a passing off action the Plaintiff would have to establish the following ingredients:-

(i) that there is goodwill or reputation attached to the goods or services which the plaintiff offers, in the mind of the purchasing public, i.e., the consumers, who associate or are in a position to identify such goods or services by virtue of trademark used, which could include the get-up, trade-dress, signs, packaging, label, etc.

(ii) that the defendant has employed misrepresentation which has made the consumers believe that the defendant's goods are those of the plaintiff.

(iii) And lastly, that the defendant's action has caused damage or is calculated to cause damage;

iii) All the aforesaid conditions are satisfied in the present suit. It is submitted that the plaintiff enjoys formidable goodwill and reputation in respect of its unique designs, motifs and patterns. It is further submitted that motifs, logos, patterns and designs of the plaintiff have become so popular over the years that the purchasing

public always associates or identifies such designs with the plaintiff only and none else. The defendants are using such identical motifs, patterns and designs merely to take unfair advantage of plaintiff's design and create confusion in the minds of the consumer with respect to such designs, motifs and patterns.

iv) The defendant No.1 was a part of the plaintiff's company when most of these designs were designed and created by the creative team of the plaintiff company. The defendant No.1 was aware of the sources from where the inspiration was drawn.

After leaving the plaintiff company, the defendant No.1 had started designing the products using the same inspiration and using it in an identical manner as that of the plaintiff.

v) The defendant No.1 being aware of the same is still using the said design in order to ride on the goodwill and reputation of the plaintiff company and to encash upon the goodwill of the plaintiff and to compete with the plaintiff.

vi) One of such designs is the PERIYAR design of the plaintiff which was created by the plaintiff's team in the year 2003 and the defendant No.1 has always been aware of the originality of the said design and the rights of the plaintiffs' vesting therein, there is no reasonable explanation whatsoever which has been given by the defendants in the reply for adopting such identical motifs.

vii) The fact that the inspiration of Mughal art and architecture was never defendant No.1's style of designing prior to joining the plaintiff's Company i.e. May, 2010. The material placed on record would show that the defendant No.1 had not created any designs deriving inspiration from Mughal art and architecture prior to starting the defendant No.2 company. The defendant No.1 used to create designs deriving inspiration from household things, surroundings and even Bollywood. In fact, the website of defendant No.1, i.e. [www.krsnamehta.com](http://www.krsnamehta.com) shows the designing style of the defendant No.1. The entire range of products and designs that has been provided on the website are design which are inspired from flora and fauna, surroundings and household. It was only after the termination of defendant No.1 that the defendant No.1 had started using such inspiration and designs identical to the plaintiff's design merely to ride on the goodwill of the plaintiff.

viii) The defendants stated that they had started the defendant No.2 company in November, 2011. However, defendant No.1 left the plaintiff company only in the year 2012. The defendant No.1 had never disclosed it to the plaintiff company that the defendant No.1 had started a new company and it was only in the year 2012 that the defendant No.1 had written an email to the plaintiff stating that he had accepted the role of Creative director in the defendant No.2 Company. There was a mutual understanding between the plaintiff and the defendant No.1 that the defendant No.1 would not work independently without seeking prior permission from the plaintiff company. Thus, act of defendant No.1 is unfair but is also guilty of breach of trust. Print out from the website of Ministry of Corporate Affairs, Government of India showing the date of incorporation of the defendant No.2 company is already placed on record.

ix) The defendant No.1 has not only copied the designs of the plaintiff Company but is also guilty of copying various other successful designs in the market and misappropriating the same in trade. An actual instance has been brought to the notice of the plaintiff company by way of an email dated 10th July, 2014 from Mr. Karan, Chief Coordinator of an Export Company wherein he showed his concern to the plaintiff about the defendant No.1's conduct towards copying their patented system and various designs. The copy of the said email is placed on record.

9. It is the case of the plaintiff that the plaintiff enjoys substantial turnover from the sale of the said designs under the brand name GOODEARTH. The sales turnover of the plaintiff in respect of its various designs are set out hereunder:-

Design Name	Year	Product Type	Sales turnover (in rupees)
PERIYAR	2005-2014	Crockery Cushions Cutlery Furniture Upholstery	10.53 crores
		Mirrors Pots Spa Décor Towels	
VRINDAVAN	2008-2014	Trays Bed Linen Teacosy Crockery Cushions	1.5 crores
		Stoneware Bed Linen Table Linen	
LOTUS	2009-2014	Crockery	1.76 crores
SERAI	2013-2014	Candle Bases Crockery Cushions Glasses	3.68 crores
		Spa Décor Trays Table Linen Wallpaper	
FALCON	2010-2014	Cushions	24.42 lakhs
ROSE	2013-2014	Cushions	10.46 lakhs

PRINCESS

BALI MYNAH

2013-2014

Cushions

4.97 lakhs

10. It is submitted that the products of the plaintiff and the defendants are in fact identical and are sold to the same class of consumers. The documents filed by the defendants would show that the products of the plaintiff and defendants are sold to the same class of consumers.

11. It is alleged that the defendants are subsequent users of the impugned designs and are using such identical designs merely to ride on the reputation and goodwill of the plaintiff. The defendants have no defense and hence the interim injunction granted in favor of the Plaintiff on 1st May, 2014 is liable to be made absolute.

12. It is submitted that the plaintiff does not need to file any such registration certificate as the present suit is a suit for passing off, unfair competition and dilution of their designs, motifs, patterns and not for infringement of designs. In a passing off action the plaintiff is to establish the following ingredients:-

(i) that there is goodwill or reputation attached to the goods or services which the plaintiff offers, in the mind of the purchasing public;

(ii) that the Defendant has employed misrepresentation which has made the consumers believe that the defendant's goods are those of the plaintiff and the defendant's action has caused damage or is calculated to cause damage.

13. It is argued that all the aforesaid conditions are satisfied in the present suit. It is submitted that the plaintiff enjoys formidable goodwill and reputation in respect of its unique designs, motifs and patterns. It is submitted that motifs, logos, patterns and designs of the Plaintiff have become so popular over the years that the purchasing public always associates or identifies such designs with the plaintiff only and no one else.

14. The plaintiff submits that it is not denied that the website of the defendants is [www.indiacircus.com](http://www.indiacircus.com) where as the website of the plaintiff is [www.goodearth.in](http://www.goodearth.in). It is denied that there cannot be any confusion in the minds of the person browsing the said two websites. It is submitted that the products of the plaintiff and the defendants are sold to the same class of consumers and in fact the documents filed by the defendants would show that the products of the plaintiff and defendants are sold to the same class of consumers. Further, the documents filed by the defendants would show that in many of the magazines and articles, the products of the plaintiff and the defendants are shown on the same page. Thus, the acts of defendants are inevitably causing confusion and deception amongst the consumers.

15. The argument addressed by Ms.Meenakshi Arora, learned Senior counsel appearing on behalf of the defendants is that the ornamentation, motifs, jalis etc. allegedly used by the plaintiff as 'layering' on the pre-existing Mughal Designs, are 'common place' design elements such as flowers, lotuses.

Mere floral designs/Ornamentations/jails admittedly taken from nature are not protectable as they don't satisfy the test of original artistic work, nor is such right claimed. This Court has held that such elements are not protectable in *Servewell Products Pvt. Ltd. & Anr. vs. Dolphin* -- (2010) 43 PTC 507 (Del) -- Para 18 which reads as under:-

"18. There are two aspects which require consideration, even at the prima facie stage. One, whether there is the minimum creativity element, in the depiction of colours and their positioning, and if so, whether their combination with elements, for which no copyright protection can be claimed, (i.e. the flowers) would render them original artistic works. The kind of colours depicted, and the shapes in which they are shown horizontal yellow bars or strokes, (in A-84938/09); blue stripe/ strokes forming the background for a pale yellow and white flower, (in A- 84944/09) Golden flora set in yellow (A-84940/09); violet flower petals set against horizontal violet and white stripes (A-84942/09) and tulips in vase, set in yellow (A- 84943/09) are commonplace. The colour depictions are in the form of broad lines or stripes, and appear to have been created by using some computer software, or else are plain brush strokes, matching the colours of the flowers and floral designs they underlay. They do not fulfil the new originality or creativity standard spelt out in *Eastern Book Co.* Such being the case, the mere combination of two non-copyrightable elements by itself

- at least in this case, does not result in a new copyrightable artistic work. So far as A-84919 is concerned, no claim to any colour combination is made; in fact the copyright registration certificate attaches only a pink flower depiction. This Court is also mindful of the circumstance that copyright, based on originality or uniqueness is inadmissible to mere colours or colour combinations. For these reasons, the Court does not prima facie discern any copyright infringement."

16. It is also argued that the protection, as is claimed, is for artistic work in public domain already published such as the Mughal Paintings, together with ornamentations, jalis etc. and over which monopoly cannot be claimed. Allowing a relief of passing off in the present suit would result in creation of monopoly on artistic works in public domain which do not have any right of protection. Each one of the paintings on the cushion covers along with ornamentations does not have any copyright protection, as more than 60 years have elapsed from the death of the original artists together with the fact that those have been used as an industrial design for more than 50 times, as such no copyright protection is available. Even otherwise, all designs are already published. The same are without any originality or novelty, they cannot be registered under Designs Act, 2000.

17. The impugned products being 'luxury' products, it would necessarily mean rich/well off persons having the requisite knowledge to distinguish brand names, and fully knowing that GOODEARTH products are available exclusively through GOODEARTH stores, the price difference in the products etc. The documents filed by the plaintiff to show that the products of the parties are being displayed next to each other in various interior decor and fashion magazines are irrelevant. The plaintiff admits that "the people and customers who are familiar are immediately able to identify the Plaintiffs products without even without the name being depicted on it."

18. The following decisions are also referred by the defendants' counsel:

(i) In *Benchairs Limited v. Chair Centre Limited*, (1972) FSR 397, Mr. Justice Graham of Chancery Division summed up the principles as follows:-

"The essence of passing off is, it is said by Mr. Watson, and I agree, the false representation by the defendant that his goods are those of the plaintiff, as has been laid down by the authorities for well over a century in numerous cases. This is for example, noted by Harman, L.J. in *in Hoffmann -- La Roche v. D.D.S.A.* [1972] R.P.C. 1 at 18, where he quotes the words of Lord Halsbury in *Powell v. Birmingham Vinegar Brewery Co. Ltd.* [1897] A.C. 710, who in his turn is quoting the words of Turner, L.J. in *Burgess v. Burgess* (1853) 3 De G, M & G. 896. If there is no such false representation there can be no passing off, and the mere copying of the shape of the plaintiffs' article is not in itself such a representation. Anyone is entitled, subject to some monopoly or statutory right preventing him, to copy and sell any article on the market, and false representation and passing off only arises when a defendant does something further which suggests that the article which he is selling is that of the plaintiff. This he may do by a direct representation to that effect such as by the use of the plaintiffs' name or mark, or by an indirect representation such as by imitation of get-up by enclosing the article in a distinctive package which is similar to that used by the plaintiff: "

(ii) In *Hodgkinson & Corby Limited v. Wards Mobility Services Ltd.*, (1995) FSR 169, it was held as under:-

"Now the ingredients of passing off are the "classical trinity" namely, (1) goodwill of the plaintiff (2) misrepresentation by the defendant, (3) consequent damage. The plaintiff's problem of proof when there is no manifest badge of trade origin such as a trade mark becomes hard. This is so in the case of a descriptive or semi-descriptive word such as "Camel Hair". It is perhaps even more so where one is concerned simply with the appearance of the article with no self-evident trade origin frill or embellishment. For people are likely to buy the article because of what it is, not in reliance on any belief of any particular trade origin. This is so whether they buy it for its eye-appeal (e.g. glass dogs) or for what it does (e.g. the copy Rubik cube of *Polytechnika etc. v. Dallas Print Transfers Ltd* [1982] F.S.R. 529)."

(iii) In the same tone, Halsbury (Trade Marks, 4th Ed., 1984 Vol.48, para 187) says that in a passing off action the "degree of similarity of the name, mark or other features concerned is important but not necessarily decisive, so that an action for infringement of a registered trademark may succeed on the same facts where a passing off action fails or vice versa". As to vice-versa, Kerly says (para 16.12), an infringement action may fail where plaintiff cannot prove registration or that its registration extends to the goods or to all the goods in question or because the registration is invalid and yet the plaintiff may show that by imitating the mark or otherwise, the defendant has done what is calculated to pass off his goods as those of plaintiff.

(iv) In *Schweppes Ltd. v. Gibbons*, (1905) 22 RPC 601(HL) Lord Halsbury said, while dealing with a passing off action that "the whole question in these cases is whether the thing - taken in its entirety, looking at the whole thing - is such that in the ordinary course of things a person with reasonable comprehension and with proper insight would be deceived". Defendant's name on his goods is an indication of there being no case of passing off. In the present case, defendant's goods contain the words 'Cadbury' on their wrapper. As per the principle laid down in *Fisons Ltd v. E.J. Godwin* [(1976) RPC 653], the occurrence of the name 'Cadbury' on the defendant's wrapper is a factor to be considered while deciding the question of passing off. Similarly in *King & Co. Ltd vs. Gillard and Co. Ltd.*, [22 RPC 327] and *Cadbury-Schweppes Pvt. Ltd. vs. The Pub. Squash Ltd.*, (1981) RPC 429, it was held that the presence of defendant's name on his goods was an indication that there was no passing off, even if the trade dress was similar. The fact that the defendant's wrapper contains the word 'Cadbury' above the words PICNIC is therefore a factor which is to be taken into account."

(v) In *S.M. Dyechem Ltd. vs. Cadbury Ltd.*, (2000) 5 SCC 573, the Supreme Court has held that in a passing off action, additions, get-up or trade-dress might be relevant to enable the defendant to escape. In infringement cases, such facts do not assume relevance. (It is pertinent to mention here that the above said decision referred by the defendants has been overruled by the subsequent judgment of *Cadila Health Care Ltd. v. Cadila Pharmaceuticals Ltd.*, 2001 (21) PTC 300 (SC)).

19. Lastly, it is argued by Ms.Arora, learned Senior counsel that the plaintiff is not the "originator, inventor and owner of the said motifs, patterns, designs and piece of art" for the entire design. The source of most of the designs is taken from the earlier art work and the same has been used by the plaintiff for commercial purpose by adopting and using. Some of the designs used by the defendants are deceptively similar and they are selling their products with the impugned designs on their website [www.indiacircus.com](http://www.indiacircus.com) one of the modes and mediums of selling the products in the entire world.

20. As far as the decisions referred by the counsel for the defendants are concerned, the principles of law laid down cannot be disputed. However, it is to be examined whether it is applicable to the facts of the present case or not. Let me first deal with the aspect of passing off and unfair competition, the relief claimed by the plaintiff.

21. It is also recognized principle in common law jurisdiction that passing off right is broader remedy than that of infringement. This is due to the reason that the passing off doctrine operates on the general principle that no person is entitled to represent his or her business as that of business of other person. The said action in deceit is maintainable for diverse reasons other than that of registered rights which are allocated rights under the Act.

21. In the case of *Century Traders vs. Roshan Lal Duggar* 15(1979) DLT 269 the said aspect to some extent has been discussed in para 14. The extract of the same reads as under:

"(14) Thus, the law is pretty well-settled that in order to succeed at this stage the appellant had to establish user of the aforesaid mark prior in point of time than the impugned user by the respondents. The registration of the said mark or similar mark

prior in point of time to user by the appellant is irrelevant in an action passing off and the mere presence of the mark in the register maintained by the trade mark registry did not prove its user by the persons in whose names the mark was registered and was irrelevant for the purposes of deciding the application for interim injunction unless evidence had been led or was available of user of the registered trade marks. In our opinion, these clear rules of law were not kept in view by the learned Single Judge and led him to commit an error."

22. (i) In the case of *Laxmikant V. Patel vs. Chetanbhat Shah & Anr.*, (2002) 3 SCC 65, the Court in paras 8 and 10 held as under:

"8. It is common in the trade and business for a trader or a businessman to adopt a name and/or mark under which he would carry on his trade or business. According to Kerly (Law of Trade Marks and Trade Names, Twelfth Edition, para 16.49), the name under which a business trades will almost always be a trade mark (or if the business provides services, a service mark, or both). Independently of questions of trade or service mark, however, the name of a business (a trading business or any other) will normally have attached to it a goodwill that the courts will protect. An action for passing-off will then lie wherever the defendant company's name, or its intended name, is calculated to deceive, and so to divert business from the plaintiff, or to occasion a confusion between the two businesses. If this is not made out there is no case. The ground is not to be limited to the date of the proceedings; the court will have regard to the way in which the business may be carried on in the future, and to its not being carried on precisely as carried on at the date of the proceedings. Where there is probability of confusion in business, an injunction will be granted even though the defendants adopted the name innocently.

10. A person may sell his goods or deliver his services such as in case of a profession under a trading name or style. With the lapse of time such business or services associated with a person acquire a reputation or goodwill which becomes a property which is protected by courts. A competitor initiating sale of goods or services in the same name or by imitating that name results in injury to the business of one who has the property in that name. The law does not permit any one to carry on his business in such a way as would persuade the customers or clients in believing that the goods or services belonging to someone else are his or are associated therewith. It does not matter whether the latter person does so fraudulently or otherwise. The reasons are two. Firstly, honesty and fair play are, and ought to be, the basic policies in the world of business. Secondly, when a person adopts or intends to adopt a name in connection with his business or services which already belongs to someone else it results in confusion and has propensity of diverting the customers and clients of someone else to himself and thereby resulting in injury."

(ii) In the case of *B.K. Engineering Co. vs. Ubhi Enterprises*, 1985 (5) PTC 1, the Court in paras 49, 51 and 52 held as under:



"49. A fair and honest trader will not give misleading name to his product to the continuing detriment of a plaintiff who has built up his goodwill in the business after years of hard work for example, 13 or 14 years, as in this case. It is this intangible right to property which the law seeks to protect.

XXXX XXXX XXXX

51. The modernisation of the tort of passing off lies in this that what was previously a misrepresentation of goods has now become a misappropriation of another man's property in the business or goodwill, or misappropriation of another's personality. You cannot make use of the plaintiff's expensive labour and effort. You cannot deliberately reap where you have not sown. You cannot filch a rival's trade. Passing off is thus a remedy for injury to goodwill.

52. ....The modern character of the, tort of passing off was clearly brought out in Cadbury (supra). At p. 218 Lord Searman said:

"THE tort is no longer anchored, as in its early nineteenth century formulation, to the name or trade-mark of a product or business. It is wide enough to encompass other descriptive material, such as slogans or visual images which radio, television or newspaper advertising campaigns can lead the market to associate with the plaintiff's product, provided always such descriptive material has become part of the goodwill of the product. And the test is whether the product has derived from the advertising a distinctive character which the market recognizes."

(iii) Salmond & Heuston in Law of Torts (20th Edn., at p.395) call this form of injury as "injurious falsehood" and observe the same having been "awkwardly termed" as "passing off" says as under:

"The legal and economic basis of this tort is to provide protection for the right of property which exists not in a particular name, mark or style but in an established business, commercial or professional reputation or goodwill. So to sell merchandise or carry on business under such a name, mark, description, or otherwise in such a manner as to mislead the public into believing that the merchandise or business is that of another person is a wrong actionable at the suit of that other person. This form of injury is commonly, though awkwardly, termed that of passing off one's goods or business as the goods or business of another and is the most important example of the wrong of injurious falsehood. The gist of the conception of passing off is that the goods are in effect telling a falsehood about themselves, are saying something about themselves which is calculated to mislead. The law on this matter is designed to protect traders against that form of unfair competition which consists in acquiring for oneself, by means of false or misleading devices, the benefit of the reputation already achieved by rival traders."

(iv) As per Kerly (Law on Trade Marks and Names, para 16.16) passing off cases are often cases of deliberate and intentional misrepresentation, but it is well-settled that fraud is not a necessary element of the right of action, and the absence of an intention to deceive is not a defence though proof of fraudulent intention may materially assist a plaintiff in establishing probability of deception. Christopher Wadlow in Law of Passing Off (1995 Edn., at p.3.06) states that the plaintiff does not have to prove actual damage in order to succeed in an action for passing off. Likelihood of damage is sufficient.

23. A Full Bench of this Court, in Mohan Lal, Proprietor of Maurya Industries vs. Sona Paint and Hardwares (supra), has held "that a design can be used as a trade mark and if by virtue of its use, goodwill is generated in the course of trade or business, it can be protected by an action in the nature of passing off." The relevant findings of this Court are reproduced hereunder:-

"20.2 What follows therefore is, that a design can be used as a trade mark and if by virtue of its use, goodwill is generated in the course of trade or business, it can be protected by an action in the nature of passing off"

xxx 22.1 ...As is obvious, such a passing off action would be based on a plea that: the design, which is an unregistered mark, was being used by the plaintiff for the purposes of business, and that the plaintiff's goods and/or services had acquired a reputation and/or goodwill, which were identified in the minds of the consumers, by associating the design/the mark, with the goods and/or services. In other words, the plea would be that the design which was being used as a mark identified the plaintiff as the source of the goods supplied or services offered"

24. Thus, as laid down by this Court, an action for passing off of a design requires firstly that the design "be used as a mark", and such design/mark "identified the Plaintiff as the source of goods supplied or services offered" as the plaintiff in the present matter has claimed that the design used by them as a mark which is associated by the public and the same have unique goodwill and reputation; the same is not disputed by the other side.

25. It is the admitted position that the plaintiff's designs Falcon, Rose Princess, Periyar, Serai, Vrindavan and Lotus are not created or invented by the plaintiff and it is incorrectly mentioned in many paras in the plaint. However, it is also mentioned in the plaint that the plaintiff has been using the same in commercial manner and there was no prior-user of the same by third party prior to the plaintiff why the defendant should copy the same when defendant No.1 has admitted that he was earlier dealt with the plaintiff. The argument of the plaintiff mainly on the conduct of the defendants. It is submitted by the plaintiff that the defendants have intentionally and deliberately using the same in order to harm the business of the plaintiff and furnish the goodwill and reputation. It is also argued that it is often the hallmark of all the well known designers that they use different sources of inspiration to come up with a new collection. It is submitted that what has to be considered is the creative manner in which the inspiration is used and the manner in which such designs are applied to

the products. In order to create an aesthetic design, the creative team of the plaintiff company travels to different parts of the world to understand the various aspects of the theme, creates the mood board and then works on the design. It is admitted by the plaintiff company that it has cautiously taken inspirations from various sources including Mughal art and architecture, flora and fauna, rich heritage of India etc. to create such aesthetic designs and such inspirations are only used to guide the designers to understand the theme. The plaintiff company also has placed on record the journals which depict the story and inspirations for each collection of the plaintiff. The creative team of the plaintiff company draws inspiration from different sources including Mughal art and architecture, flora and fauna, etc in order to create such aesthetic designs, motifs and patterns. The said motifs, designs and patterns have been created by the creative team of the plaintiff company and every design has a story behind it while the same was being created.

26. It is pleaded in the plaint that the motifs, art works, patterns and design of the plaintiff itself acts as a trademark, as a brand identity of the plaintiff and people who are familiar are immediately able to identify the products of the plaintiff even without the name being depicted on it.

27. The defendants have not given any reasonable explanation whatsoever as to why the defendants have been using identical art work/designs to those of the plaintiff. Earlier, the defendants were not using the Mughal designs and inspiration from natural flora and fauna. The documents filed by the defendants and the website of defendant No.1 reveals the defendant No.1 earlier used geometric shapes and designs for its products but has suddenly started to use identical designs as that of the plaintiff. As a matter of fact, in the present case, it is not a matter of co-incidence about the adoption of one of the designs of the plaintiff but in the case in hand, the defendants have adopted and used many designs in the similar fashion and in fact, some of them are almost reproduction. The defendants have not been able to explain the same as to why they are using the same for commercial purposes. No doubt, the said designs could be used for different business activities which may be dissimilar with the business of the plaintiff in the absence of creation and invention.

It has been stated in the plaint that how the plaintiff takes an inspiration and thereafter transforms it by virtue of hard work and creativity into fancy and attractive artwork and uses the same on various products which has never been used before.

28. It is a well settled law that even though the design is old in itself but if the same is applied to a new article to which it has never been previously applied, then the said design needs to be protected. The law has been crystallized in a catena of judgments wherein the Courts have held that in relation designs, expression "original"

includes designs which though old in themselves but were new in their application.

(a) In *Gammeter Vs. Controller of Patents and Designs* (1918) ILR 45 Cal 606, the Court had held that the test that has to be applied to see whether a design is new or original or not is that the design must be new or original with reference to the kind of article to which it is applied. In the said case, the novelty band used by the plaintiff was held to be new and original even though the said band was similar to the bracelet produced by the defendants as the Court was of the view that the purpose and use of the band was entirely different from the purpose and use of the bracelet. It was further observed that the said band had never been previously applied to wrist watches and the fact that it had an immediate and lucrative sale strongly indicates that the article sold was useful novelty. It was further observed that applying an old design to a new use must be protected. (Relevant paras 10, 11, 16 17).

(b) In *Gopal Glass Works vs Assistant Controller of Patents and Designs* (2007) 1 Cal LT 290 (HC), the Court had observed that in order to destroy the novelty of a design registration whether by publication or use or any other way, must be of the pattern, shape and/or configuration applied to the same article. It was further observed that when the novelty of an article is tested against the prior published document, the main factor required to be judged is the visual effect and appeal of the picture illustration. Further, the Court held that such visual effect and appeal of the pattern and/or configuration must be considered in respect of the article to which it is applied. (Relevant paras 32 to 38 and 45 to 47).

(c) In *Bharat Glass Tube Limited v. Gopal Glass Works Limited* AIR 2008 SC 2520, the Supreme Court had observed that the expression 'new or original' in the context of designs has to be construed that whether the said design has ever been produced by any third party on that particular article or not. It was held that in the registration of a design two things are required to be considered together i.e. the design and the design which is to be applied to an article. (Relevant Paras 6, 8, 10, 13, 14).

(d) In *Asian Rubber Industries v. Jasco Rubber* 2013 (1) Bom CR 393, Paras 3, 13, 14, 15 & 19, the defendants had challenged the validity of the design of the plaintiff on the ground that the said design of the footwear registered by the plaintiff was not new or original as the said design was developed from 'Padukas' which design has been commonly available since centuries. In the said case, the Court was of the view that the plaintiff is not claiming to be the inventor of 'Padukas' and is not claiming exclusivity by way of a patent right. However, the plaintiff is claiming exclusivity in the 'Creative Expression' and the 'Look and Feel' of their products. It was further observed that in the recent past, it is not known that the said look and feel of Padukas with the modification of strap to support the foot has been applied by any person to footwear. Thus, application of design of Padukas - of its 'Look and Feel', to footwear by the plaintiff in the recent past certainly falls within the meaning of 'Original' as defined in the Act and includes the cases which the old and themselves yet are new in their application (Relevant paras 3, 13, 14, 15, 19).

(e) In *Shiv Prasad Ram Dayal vs. Shyamlal Bhagirath* 1962 Cri LJ 551, the question that arose before the Court is that whether the general 'get-up' of the Katta of Bidis of the accused is a colorable imitation of the Katta of the complainant. The relevant portion of the said judgment is provided hereunder:

"In the instant case we have both the kattas of bidis before us and can decide for ourselves whether the general 'get-up' of the katta of the accused is a colourable imitation of the 'Katta' of the complainant. What is compendiously called the 'get-up', is the general size, shape and dress in which the goods are presented to the buyer. Size and shape are common to the trade as the Bidi kattas are usually packed in like size and shape. It is the dress the material, color and decoration of the wrapper, the motif of the trade mark label and its colour combination, the lettering and their arrangements which gives to the goods their individuality.

Here again we must remember that it is only things which are put forward prominently that catch the eye and remain in the memory. The details are forgotten or at most, may only be faintly recollected, but the general theme may impress the memory. For this purpose, we must also bear in mind that the bulk of the purchasers of the Bidis would be unlettered rustics to whom the lettering on the wrappers or the labels may be meaningless. It is only the bold motifs of the design and the colour combination that will impress on their minds. It would be too much to expect them to remember the exact details of the marks, letterings or numbers when there was a great overall similarity in the motifs and the colour combinations. Thus for example as pointed by Kerly on Trademarks a mark may represent a game of football; another mark may show players in a different dress and in very different positions; and yet as the idea conveyed by each might be simply a game of football, one may be held to be a colourable imitation of the other. In *Re Barker's Trade Mark* (1885) 53 LT 23, a firm of distillers registered as a trade mark for their Cherry Brandy, a hunting scene, in connection with the word 'sportman'. Some years afterwards another firm of distillers registered a trade mark consisting of a hunting scene having no resemblance with the former and called his Cherry Brandy 'Huntsman Cherry Brandy'. Kays, J., notwithstanding the dissimilarity in the designs held that the latter trade mark was calculated to deceive."

29. It is alleged by the plaintiff that every designer uses an inspiration to create an aesthetic design. Therefore, what is to be considered is the creative manner in which the inspiration is used and the manner in which such designs are applied to the products. Such inspirations are only used to guide the designers to understand the theme. In the present case as mentioned in para 11 of the plaint, it is stated that the plaintiff has created unique and aesthetic designs with an inspiration from natural beauty like botanical images of flowers, leaves, mountains, trees or within an inspiration from lifestyle like Mughal images, luxury living etc.

30. In the present matter, the defendant No.1 being an ex- employee of the plaintiff company has simply taken the same inspiration as that of the plaintiff and has used the same in an identical manner and in respect of identical range of products.

31. Initially, the defendant has argued that the Periyar Design of the plaintiff is merely a combination of two palm trees and no exclusivity can be claimed by the plaintiff in respect of the same as the same is in public domain and is being used by various third parties prior to the plaintiff.

However, now the defendants have acknowledged the rights of the plaintiff in the said design and have agreed not to use any design which is similar to the Periyar Design of the plaintiff.

32. It is submitted by the counsel for the plaintiff that by the order dated 1st May, 2014, the defendants were enjoined to sell the said designs in any manner whatsoever. However, the defendants are still selling the impugned designs on various third party websites. The printouts of the said websites have been placed on record.

33. The defendants have failed to produce any document or magazine or any product wherein such designs were used prior to the plaintiff. There is no force in the submission of the defendants that they are selling the products under the brand name India Circus and thus, there cannot be any confusion, as it is argued by the plaintiff that the defendant No.1 is also selling the impugned designs on various third party websites wherein the products are not sold under the mark India Circus but are sold under the name of Krishna Mehta. The customer may buy such products assuming that such designs are created by the plaintiff company and Krishna Mehta is still working as a designer with the plaintiff company.

The defendants have not denied the factual position that the plaintiff apart from its various retail stores, the plaintiff also has an online store under the website [www.goodearth.in](http://www.goodearth.in) wherein the products of the plaintiff are sold as mentioned in para 7 of the plaint. It is alleged that the plaintiff is also selling their products through various third party websites.

34. It is evident from the material placed on record that the plaintiff enjoys goodwill and reputation in respect of its unique designs, motifs and patterns. The designs of the plaintiff have become so popular over the years that the purchasing public associate or identifies such designs with the plaintiff.

35. It is a well settled law that in a passing off action, the plaintiff has to establish the following ingredients:

(i) That there is goodwill or reputation attached to the goods or services which the plaintiff offers in the mind of the purchasing public.

(ii) That the defendant has employed misrepresentation.

(iii) The defendants' action has caused damage.

36. The reliance placed by the defendants on the judgment of this Court in *Mohan Lal, Proprietor of Mourya Industries Vs. Sona paints & Hardwares* (supra) is completely misplaced. In fact the principle laid down in the said judgment would go in favor of the plaintiff. Reliance is placed on para 18 of the said judgment.

37. It is the admitted position that the defendant No.1 is an ex- employee of the plaintiff. The position of law regarding ex-employees has been discussed in the following cases:

(i) In *Charan Dass v. Bombay Crockery House* 1984 (4) PTC 102 (Del), the court restrained defendants' mark TRISHUL PERFECT and VIJAY PERFECT because defendants, up to 1981, were stocking and selling the stores manufactured by the plaintiffs under plaintiffs' registered trademark PERFECT and SWASTIK PERFECT. Defendants could thus easily pass off their goods as those of plaintiffs.

(ii) A former partner of a firm or a servant who has left his employer may set up a similar business and advertise his previous connection, in the absence of any contract to the contrary. He should not, however, any representation amounting to a suggestion that he is still connected with the former firm or that he is their successor.

(iii) In *Pompadour Laboratories v. Stanley Frazer* (1966) RPC 7, where the defendants had formerly been manufacturing hair lacquer for the plaintiffs, used the message "Frazer Chemicals have manufactured hair lacquer for Pampadour Laboratories Ltd.

for several years" on the goods and advertisements, it was held that this did not amount to an assertion that the defendants' goods were the goods of the plaintiffs.

(iv) In *Arthur Fairest v. Fairest* (1949) 66 RPC 275 defendant, a former managing director of the plaintiff company set up a similar business and used one of the vouchers issued by the plaintiff company in which his name was printed as managing director. Injunction was granted restraining the defendant from using the vouchers as it amounted to a representation that the business carried on by the defendant was connected with the plaintiff company.

(v) In *Glenny v. Smith* (1865)2 Drew & Sm 476, defendant was an employee of the plaintiffs, Thresher, Glenny & Co. of 152, Strand. After leaving their service he opened a shop in Oxford Street and placed on the shop windows the words "from Thresher & Glenny", the word 'from' being in very small letters. Injunction was granted to restrain the defendant from using the name of the plaintiffs.

(vi) In the case of *J.K. Jain and Ors. Vs. Ziff-Davies Inc.* 2000 (56) DRJ 806, where the subject matter of the suit were four titles used with respect to magazines, the basis of the plaintiff's suit is that the defendants/appellants were its licensee for publishing computer magazine under the trade mark "PC MAGAZINE INDIA" under a license agreement. As per the license agreement the appellants specifically agreed and acknowledged the copyright and trade marks of the plaintiff, not to exercise its rights under the agreement or otherwise claim any right or interest in trademarks beyond the rights given in the agreement. After the license stood terminated, the defendants/appellants started publishing four magazines, contrary to the terms of license. The Court on the issue of whether the words "PC", "WEEK", "MAGAZINE", "COMPUTER", "SHOPPER", "USER", "INTERNET", are descriptive or general words, observed that as an ex-licensee, appellants were estopped from claiming that the mark was descriptive since the appellants under the terms of the agreement were unable to challenge the proprietary rights of the respondents trade mark or trade name on any ground. It was held that after termination of the license the very act of the Defendant/Appellant in publishing the four titles is contrary to the terms of the licence.

38. As far as similarity of two products of the parties is concerned, it is very apparent that most of the products used by the defendants are almost similar. The defendants have used these products subsequent to the use of the plaintiff. Only explanation is given by the defendants that since they are already prior published, thus they are entitled to use the same. It is not denied by the defendants that the products which are used by the plaintiff for merchandise goods were even commercialized by any third party prior to the use of the plaintiff and if both products are placed side by side, there would not be any confusion and deception. The decisions referred by the defendants do not help the case of the defendants in the facts of the present case.

39. Even otherwise, with regard to colour combination, get-up and layout, there are numbers of decisions in which the law has been laid down that if a party intentionally tries to copy the design on the commercial articles, the rightful owner may obtain an interim order by filing a suit for passing off or infringement of copyright.

(i) In the case of *Vicco Laboratories v. Hindustan Rimmer*, Delhi, reported at AIR 1979 Delhi 114 the case of the plaintiff before Court was that the plaintiffs have been marketing the cream in a collapsable tube of 3 different sizes which has the distinctive get up etc. The collapsable tube has red background with floral design in yellow colour under the trade mark 'Vicco Turmeric Vanishing Cream' in the carton as well as tube in yellow strip in the bottom. The case against the defendant was that they have been marketing the vanishing cream in the carton and tube which are a colourable imitation of the plaintiff's carton and tube under the trade mark 'Cosmo'. This court granted the injunction against the defendant and held at para 13 as under:-

"The plaintiffs claim passing off by the defendants of their product as and for the product of the plaintiff's on the basis of copy of the distinctive get up and colour scheme of the collapsible tubes and the cartons by them. The defendants are not entitled to represent their goods as being the goods of the plaintiffs. The two marks "Vicco"

and "Cosmo" used by the plaintiffs and defendants respectively are no doubt different and the mark "Cosmo" by itself is not likely to deceive but the entire get up and the colour scheme of the tube and the carton adopted by the plaintiffs and the defendants are identical in every detail and are likely to confuse and deceive the customer easily. The get up and the colour scheme of the plaintiff adopted in every detail by the defendants for their tube and carton cannot be said to have been adopted by the defendants unintentionally."

(ii) In the case of *Nova Ball Bearing Industries vs. Mico Ball Bearing*, 19(1981) DLT 20, it has been held at para 7 as under:-

"A comparison of the two cartons "NOVA" and "JANI"

would reveal that two cartons are exactly similar in size, colour scheme and get up, the only difference that the trade mark of the defendants is written at 5 places and that of the plaintiff at 3 places. The two cartons bear such a close resemblance that they can easily confuse and deceive a



customer."

(iii) In Cases and Material on Trade Mark and Allied Laws, Vol.I at Page No.969, Muller & Phipps International Corporation & another v. Anita Cosmetics & another, following observations are made at para 5 page No.971:-

"It is true that the use of the mark COUNTESS by itself is not likely to deceive the customers. But if the two containers CUTICURA and COUNTESS are put side by side, it becomes apparent that in the get up, colour scheme and the similarity the containers are so similar that they easily confuse and deceive the customers. The defendant No.1 has adopted the get up and colour scheme of the container to the plaintiffs' in every detail and they are identical in appearance."

(iv) In the case of Sodastream v. Thorn cascade Co Ltd., reported at 1982 RPC 459, the plaintiffs were marketing the gas cylinders of grey colour under their trade mark 'Sodastream' and the defendants having also been marketing their black colour cylinders under their own trade mark 'Thorn Cascade', the proposals of the defendants to refill the grey colour gas cylinders of the plaintiff, even with their own trade mark amounts to passing off as the grey colour cylinder is distinctive of the plaintiffs in respect of which the reputation accrued in favour of the plaintiffs. Interlocutory injunction granted.

(v) In another case reported in 1972 RPC 1, Hoffmann-La Roche & Co. A.G. v. D.D.S.A. Pharmaceuticals Limited, the plaintiffs manufactured and marketed chlordiazepoxide in distinctive black and green capsules bearing the word "Roche" on each capsule, the defendants also marked and advertised the drug chlordiazepoxide in black and green 10mg capsules which were identical to those of the plaintiffs except that they bore the letters "DDSA" instead of the plaintiffs' name. The plaintiffs were granted interlocutory injunction to restrain the defendants from passing off capsules of the patented drug as the goods of the plaintiffs. It was held that marketing of the capsules by the defendants is almost identical to those of the plaintiffs was calculated to cause damage to the plaintiffs. It was further held that there was a likelihood of confusion as both the capsules contained the same drug. The public were not concerned with the identity of the manufacturing of the capsules as long as the capsules contained the same substance and had the same effect.

40. In the case of confusion and deception, one has to take into consideration people who have what is called imperfect recollection.

In the case of Parle Products (P) Ltd. vs. J.P. & Co., Mysore, AIR 1972 SC 1359 in para 8, the Supreme Court held as under :

"8. According to Karly's Law of Trade Marks and Trade Names (9th Edn., para 838):

"Two marks, when placed side by side, may exhibit many and various differences, yet the main idea left on the mind by both may be the same. A person acquainted with one mark, and not having the two side by side for comparison, might well be

deceived, if the goods were allowed to be impressed with the second mark, into a belief that he was dealing with goods which bore the same mark as that with which he was acquainted. Thus, for example, a mark may represent a game of football; another mark may show players in a different dress, and in very different positions, and yet the idea conveyed by each might be simply a game of football. It would be too much to expect that persons dealing with trade marked goods, and relying, as they frequently do, upon marks, should be able to remember the exact details of the marks upon the goods with which they are in the habit of dealing. Marks are remembered rather by general impressions or by some significant detail than by any photographic recollection of the whole. Moreover, variations in detail might well be supposed by customers to have been made by the owners of the trade mark they are already acquainted with for reasons of their own."

41. Considering the above said facts and law laid down by various Courts and after having gone through the entire gamut of the matter as well as comparing the products of the parties, I am of the considered view that the product used by the defendants in relation to the design of Falcon, Rose Princess, Serai, Vrindavan are almost same to the products of the plaintiff. The defendants have failed to assign any explanation as to why they have adopted and used the product in similar designs for commercial purposes and in relation to the same business. Therefore, the interim order pertaining to the same is made absolute by disposing of both interim applications. As the products used by the defendants in relation to the design of Lotus and Bali Mynah is concerned, the design of the product are dissimilar substantially, the ex-parte order is accordingly vacated pertaining to them. However, the defendant is restrained from using the titles Bali Mynah and Rose Princess in relation to the similar business as that of the plaintiff. However, they are entitled to use the said titles in respect of different activities and unconnected field of activities. With regard to Periyar design, the use of the same is given by the defendants during the course of arguments.

42. Both the applications are accordingly disposed of. No costs.

List the matter before the Joint Registrar on 21st August, 2015 for completion of admission and denial of the documents.

(MANMOHAN SINGH) JUDGE JUNE 29, 2015