

## **Cadbury India Limited And Ors. vs Neeraj Food Products on 25 May, 2007**

**Equivalent citations: 142(2007)DLT724, MIPR2007(2)269, 2007(35)PTC95(DEL)**

**Author: Gita Mittal**

**Bench: Gita Mittal**

### **JUDGMENT**

Gita Mittal, J.

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1. This application has been filed by the plaintiffs under Order 39 Rules 1 and 2 of the Code of Civil Procedure praying for grant of an interlocutory injunction against the defendant restraining it from using the trademark 'JAMES' or 'JAMES BOND' or any other trademark deceptively or confusingly similar to the plaintiff's registered trademark 'Gems' or using the pillow packs attached as annexure A to the plaint. The plaintiff has also prayed that a further injunction against the defendant restraining him from passing off its goods of the plaintiff, by reproducing in any material form, the copyright in the artistic work of the pillow packs annexed as annexure A to the plaint.

2. The suit has been filed by the plaintiff on the allegations that the Cadbury India Limited, plaintiff No. 1 began its operation as a trading company in the year 1947. The plaintiff No. 1 was formerly known as Hindustan Cocoa Products Limited by which name it was granted trademark registrations. The plaintiff No. 2 licensed certain trademarks to the plaintiff No. 1 by an agreement dated 25th January, 1994 and filed an application for recording the assignment with the trademark registry on 10th February, 1994. This application has been stated to be still pending with the trademark registry. Both the plaintiffs are stated to be subsidiaries of Cadbury Schweppes plc. of United Kingdom, a manufacturer of confectionery and beverages product.

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3. The plaintiff No. 1 claims to be a market leader in the field of manufacturing and marketing of confectionery and chocolate products in India under several brands. Amongst its leading brands the plaintiff has cited the CADBURY DAIRY MILK; CADBURY GEMS; CADBURY FIVESTAR; BOURNVITA AND CADBURY PERK. It is producing several newer brands including CADBURY BYTES, CADBURY CHOCKI; CADBURY DELITE and CADBURY TEMPTATIONS. The plaintiff No. 1 obtained its first registration in respect of the word 'GEMS' as CADBURY MILK CHOCOLATE GEMS on 20th May, 1968 vide registration No. 249360, in Class 30. The registration was granted to

the plaintiff with the disclaimer that the registration of the trademark shall give no right to the exclusive use of the word 'GEMS' and the device of tablets. It has been averred that this registration is valid even on date and stands renewed till 20th August, 2010. The plaintiff No. 1 was also granted registration of the device 'GEMS' by registration certificate No. 249841 in Class 30 on 13th June, 1968. This registration was also given subject to the disclaimer that the registration shall give no right to the exclusive use of the word 'GEMS' and the device. This certificate stands renewed till 13th June, 2010.

4. The plaintiff has placed strong reliance on a third registration of its label CADBURY GEMS granted by the registration certificate bearing No. 291026 in class 30 granted on 21st September, 1973 which stands renewed till 21st September, 2008 in respect of milk chocolate. The labels in respect of which this registration was conferred has been placed before this court. The registration of this label was not subject to any disclaimer and consequently the plaintiff has asserted that it has exclusive right over the same by virtue of Section 31 of the Trademarks Act, 1999.

5. So far as the artistic work of the label is concerned, according to the plaintiff it has applied for copyright registration with the Registrar of Copyright in respect of the artistic work which was titled 'GEMS BOND' which was first published in the year 1988. Copy of the certificate granted by the Registrar of Companies dated 24th July, 1989 and 17th October, 1990 have been placed before this court.

6. The plaintiff has also placed before this Court copies of the registration No. 582896 of the word mark 'Cadbury Gems' (label) which was granted on 14th October, 1992 which was valid up to 14th October, 2006 in respect of sugar panned chocolate, milk chocolate either plain or containing nuts, fruits, raisins, caramel etc. This registration also had the disclaimer that the same shall give no right to the exclusive use of the GEMS.

7. It has been averred that the plaintiff No. 1 was formerly known as Hindustan Cocoa Products Limited, and the plaintiffs have asserted that they have manufactured and sold sugar coated milk chocolate buttons for the last several decades which have been so marketed in India under the trademark 'GEMS'.

8. The plaintiff has also pointed out that as part of his sales promotion activities for the product, in the year 1988, it had conceptualized a trademark under the style of 'GEMS BOND'. A figure was also created and the art Page 1602 work was registered and copyright registration in respect thereof had also been obtained.

9. The plaintiffs have submitted that they market and sell their chocolate tablets as GEMS branded product in a unique and unusual pillow pack with a distinctive and eye catching well known get up.

From the documents and the averments made in the plaint, it has been further urged that this product of the plaintiff is extensively consumed by its purchasers.

The purchasing public of this product of the plaintiff ranges from literate, semi-literate to completely illiterate people and children and the product is sold over the counter through general merchants and shops of all kinds. It is extremely popular among the children.

10. The present suit was filed on or about the 24th August, 2005 by the plaintiff urging that it had recently come to its knowledge that the defendants had introduced in the market, chocolate products of a shape, size and get up which was identical to that of the plaintiff using pillow packs which were a substantial imitation of the pillow packs of the plaintiff under a trademark 'JAMES BOND'. The trademark 'JAMES BOND' was physically and phonetically similar to the registered trademark 'GEMS' of the plaintiff so as to cause confusion and deception in the minds of the unwary purchaser and thereby constituted infringement of the plaintiff's registered trademark 'GEMS'. It has further been urged that by use of 'JAMES BOND', the defendant is able to pass off his good as the goods of the plaintiff.

11. So far as the similarity in the packaging of the product of the defendant is concerned, it has been pointed out that the defendant has adopted a pillow pack with offending features, which was a substantial copy of the essential features of the pillow packs of the plaintiff and that such act of the defendant amounted to an infringement of the plaintiff's copyright therein as also to the tort of passing off. A sample of the pillow pack of the defendant has been placed before this court.

12. On the basis of these similarities, it has been vehemently contended by Mr. C.M. Lal, learned Counsel for the plaintiff that this Court is not concerned with small dissimilarities but with the overall impact of the action of the defendant and in fact the totality of the circumstances would show that the defendant has done its utmost to incorporate every essential features of the plaintiff's label with negligible variations with the sole intention of dishonestly riding on the goodwill of the plaintiff and to cause deception and confusion in the minds of the public.

13. On the other hand, Mr. S.K. Bansal, learned Counsel representing the defendant, has endeavored to make out a distinction in the packaging adopted by the defendant from that of the plaintiff. He has urged several objections in law so as to assert disentitlement of the plaintiff to the injunction.

14. The principal submission on behalf of the defendant has been that the plaintiff has failed to disclose the disclaimers given on its registration certificate by the Registrar of Trademarks in its plaint which by itself would disentitle the plaintiff to grant of an injunction. It has further been contended Page 1603 that the defendant has no wordmark registration in the word 'GEMS' and that it has a composite registration in "Cadbury Gems". Consequently, by virtue of Section 17 of the Trademark Act, the plaintiff would have no exclusive right in a part of registered trademark. Mr. Bansal further contends that the defendant is using the trademark 'JAMES BOND' which has no similarity to the trademark of the plaintiff. Placing reliance on the pronouncement of the Supreme Court in American Home Products Corporation v. Mac Laboratories Pvt. Ltd. and Anr. (Para 36 at page 155) and Kaviraj Pandit Durga Dutt Sharma v. Navaratna Pharmaceutical Laboratories it is urged that the plaintiff has failed to satisfy the legal requirement of establishing trade and reputation of its products under the trademark 'GEMS'. It is further contended that the documents relied upon by the plaintiff establish that the plaintiff's product was sold as Cadbury's Gems and

consequently the plaintiff was disentitled to any relief in the present matter.

15. It is further urged that so far as the claim of injunction in a passing of action is concerned, this Court has to see as to whether the matter which has been added in the packaging of the defendant is sufficient to distinguish the defendant's goods from the plaintiff. Placing reliance on 1988 PTC 39 Johnsons & Johnsons v. Cripteen Hoden and 1996 PTC 16 page 187 Kellogg Co. v. Praveen Kumar Bhadabhai, it is urged by learned Counsel for the defendant that with the additional matter introduced by the defendant on its label, there are sufficient distinguishing features from the plaintiff's label which would disentitle the plaintiff to any injunction against the defendant.

16. Mr. S.K. Bansal, learned Counsel for the defendant, further submits that the plaintiff has no registration of the pillow pack and label under the Copyright Act, 1957. It has placed no advertisement or invoices relating to this copyright. An oral submission has been made that M/s Nestle is selling a product known as 'Smarties' in a packaging which is identical to the plaintiff. It is contended that for this reason as well, in the light of the pronouncement in 2006 II AD Delhi 89 Colgate Palmolive v. Mr. Patel and Anr. (paras 20, 25, 29, 31 & 42); 1998 PTC (18) 372 Samsonite Corporation v. Vijay Sales (Paras 61 to 65), the plaintiff was not entitled to the injunction if the essential features of the packaging and labels are seen as a whole.

17. I have heard learned Counsel for the parties at length and given my considered thought to the rival contentions.

18. My attention has been drawn to the case made out by the plaintiff in the plaint. It has been urged by the plaintiff that the registration vide No. 291026 dated 21st September, 1973 in Class 30 of the label Cadbury Gems has no disclaimer entitling it to maintain the action for infringement of the registered trademark against the defendant. It is further urged that despite there being a disclaimer on the other three registrations of the marks and labels, imposed by the Registrar of Trademarks, the plaintiff is still entitled to maintain a case of passing off against the defendant even in respect of trademarks Page 1604 which have been granted registrations subject to the disclaimer. The instant case, is not a case of identity of the marks, label and packaging. The plaintiff has pleaded that the deceptive similarity, dishonest adoption of the essential features of its trademark, label and packaging by the defendant entitles the plaintiff to protection by injunction in its action for infringement, dishonest passing off and copyright violation by the defendant.

19. So far as an action for infringement is concerned, it has been repeatedly held by the Apex Court on a comparison of the trademarks of the two parties in case the trademark adopted by the defendant is identical to that of the plaintiff, the plaintiff may not be required to prove anything further. Section 29 of the Trademarks Act, 1999 statutorily mandates so as well. However, when the two marks are not identical, then the plaintiff would be required to establish that the mark used by the defendant so nearly resembles the plaintiff's registered trademark as is likely to deceive or cause confusion in the minds of the consumer public. Ref. : Kaviraj Pandit Durga Dutt Sharma v. Navratna Pharmaceutical Laboratories (Supra) : 1997 PTC (17)(DB) 779 Metropol India (P) Ltd. v. Praveen Industries India (Regd.). The action for infringement is a statutory remedy conferred on the registered proprietor of a registered trademark for the vindication of the exclusive right to use the

trademark in relation to these goods.

20. The principles in this regard were succinctly laid down by the Apex Court in the pronouncement reported at *Kaviraj Pandit Durga Dutt Sharma v. Navratna Pharmaceutical Laboratories* (Para 28):

28. When once the use by the defendant of the mark which is claimed to infringe the plaintiff's mark is shown to be "in the course of trade", the question whether there has been an infringement is to be decided by comparison of the two marks. Where the two marks are not identical, the plaintiff would have to establish that the mark used by the defendant so nearly resembles the plaintiff's registered trade mark as is likely to deceive or cause confusion and in relation to goods in respect of which it is registered. (Vide Section 21). A point has sometimes been raised as to whether the words "or cause confusion" introduce any element which is not already covered by the words "likely to deceive" and it has sometimes been answered by saying that it is merely an extension of the earlier test and does not add very materially to the concept indicated by the earlier words "likely to deceive". But this apart, as the question arises in an action for infringement the onus would be on the plaintiff to establish that the trade mark used by the defendant in the course of trade in the goods in respect of which his mark is registered, is deceptively similar. This has necessarily to be ascertained by a comparison of the two marks - the degree of resemblance which is necessary to exist to cause deception not being capable of definition by laying down objective standards. The persons who would be deceived are of course, the purchasers of the goods and it is the likelihood of their being deceived that is the subject of consideration. The resemblance may be phonetic visual or in the basic idea represented by the plaintiff's Page 1605 mark. The purpose of the comparison is for determining whether the essential features of the plaintiff's trademark are to be found in that used by the defendant. The identification of the essential features of the mark is in essence a question of fact and depends on the judgment of the Court based on the evidence led before it as regards the usage of the trade. It should, however, be borne in mind that the object of the enquiry in ultimate analysis is whether the mark used by the defendant as a whole is deceptively similar to that of the registered mark of the plaintiff.

21. In a case of infringement of trademark, the plaintiff may establish that the plaintiff's trademark is identical with or so nearly resembles the plaintiff's work either visually or phonetically or otherwise, that it is likely to deceive or cause confusion in relation to the case in respect of which the plaintiff got his mark registered. The requirement that the plaintiff has to satisfy in order to make out a case of infringement of its mark by the defendant have been succinctly laid down by the Division Bench of this Court in its pronouncement reported at 2nd 1973 I Delhi 393 *Atlas Cycle Industries Ltd. v. Hind Cycles Limited* wherein the court held thus:

Therefore, the aforesaid requirement in (b) may be made out by the plaintiff by showing that the defendant's mark is identical with or so nearly resembles the plaintiff's mark either visually, phonetically or otherwise that it is likely to deceive or

cause confusion in relation to the goods in respect of which the plaintiff got his mark registered. In other words, if the essential features of the trade mark of the plaintiff have been adopted by the defendant, the fact that there are some additional features in the defendant's mark which show marked differences is immaterial in an action for infringement. An action for passing off, on the other hand, is in substance an action in common law for actual or probable passing off by the defendant of his own goods as those of the plaintiff. In such an action, the use by the defendant of the trade mark of the plaintiff as such is not essential. The plaintiff has only to show that the similarity of the defendant's mark or goods is such that the defendant can pass off his goods as those of the plaintiff. The defendant may escape liability in an action for passing off if he can show that his mark or goods, besides the essential features which are sufficient to distinguish the same from that of the plaintiff. Thus, while in an action for infringement of a registered trade mark the plaintiff has to establish either an use of his registered trade mark as such or of an identical mark or of a deceptively similar mark by the defendant, he has to establish in an action for passing off that the defendant's mark or goods are such that the defendant can pass off his goods as those of the plaintiff.

22. An action based on passing off is a common law remedy which in essence is an action for deceit, that is, a passing off by a person of his own goods as those of another. This is also the gist of an action for infringement of a trademark which is a statutory remedy conferred on the registered proprietor of a registered trademark for the vindication of the exclusive right to the use of the trademark in relation to those goods. Such a right is statutorily recognised Page 1606 under Section 28 of the Trademarks Act, 1999. The use by the defendant of the trademark of the plaintiff may be the sine qua non in the case of an action for infringement while it is not an essential feature of an action for passing off. Infringement and passing off may coincide in a case where the evidence in respect of passing off consists merely of the colourable use of the plaintiff's registered trademark by the defendant. Beyond this, the correspondence between the two action ceases. If the similarity between the plaintiff's and the defendant's mark is so close either visually, phonetically or otherwise so that the court reaches the conclusion that there is an imitation no further evidence is required to establish that the plaintiff's rights are violative in the action for infringement. Thus, if the essential features of the trademark of the plaintiff have been adopted by the defendant, the fact that the getup, packing and other writing or marks on the goods or on the packets in which the defendant offers his goods for sale show marked differences or indicate clearly a trade origin different from that of a registered proprietor of the mark, would be immaterial for the case of infringement of the trademark. The liability of the defendant for such infringement may be absolute. In the case of passing off, the defendant may escape liability if he can show that the added material is sufficient to distinguish his goods from those of the plaintiff.

23. The plaintiff is aggrieved by the action of the defendant in adopting and selling in a packaging which is a pillow pack and is deceptively similar to the plaintiff's packaging. It would thus be consequently appropriate to consider the principles laid down in judicial pronouncements relating to an action for passing off based on trade dress and in legal texts on trademark. It has been observed by Kerly in the "Law of Trademarks" (12th Edition 1986, in para 16.67) that it is possible

for imitation of get up alone to amount to passing off. It was also observed that it is also usually true in some degree that a trader's goods are recognised by their general appearance, or 'get up'. Accordingly, the resemblance or 'get up' is not uncommonly an ingredient in passing off action. Get up alone to distinguish goods is seldom relied upon by traders who rely upon similarity of tradenames and word trademarks.

24. The case of the plaintiff so far as its complaint against the defendant in respect of the infringement on account of the copying of essential features of the plaintiff's packaging as also passing off its goods as those of the plaintiff requires a comparison of the packaging of the defendant against the plaintiff's pillow pack.

The packaging of the defendant is not identical to that of the plaintiff. As per the law laid down in *Kaviraj Pandit Durga Dutt Sharma v. Navratna Pharmaceutical Laboratories (supra)*, the tests for the infringement action and dishonest passing off claim would remain the same.

25. The plaintiff's pillow packs which have been placed on record have a blue background with 'GEMS' written in bold white italicized letters in a script which is not uniform. The word 'GEMS' is written against a chocolate brown background with a blue outline in an oval formation in the centre of the pack. An impression of small diversely coloured round chocolate button like tablets have been strewn around the word 'GEMS'. It has been pointed out Page 1607 that the chocolate tablet impressions are in fact an image of the products which are contained inside the packaging which are of identical round shape and form and have diverse and attractive colour coatings over the chocolate inside. The colour combination of the tablets as contained in the pillow pack and which has been printed on the pillow pack are red, yellow, green and mauve. The plaintiff has displayed full tablets as well as half cut tablets to represent the chocolate which is contained therein. The visual impression which is created on the pillow pack and the packaging of the plaintiff is that of an explosion of chocolate tablets in the middle and the tablets flying out from its centre. White lines around the brown oval in the middle add to the creation of such a impression.

26. The defendant's pillow pack is not only of the same size as that of the plaintiff but is in the same blue background as that of the plaintiff. The plaintiff's pack has a brown oval at the centre, while the defendant has placed brown colour in a diamond shape. The plaintiff has displayed the origin of the product that is the name of the manufacturer as Cadbury's on the top left corner of the packet. The defendant has placed its name identically at the top left corner. The brown oval on the plaintiff's pack is bordered by a purple oval while the brown diamond on the defendant pillow pack is also bordered with the purple border. The plaintiff has written the word 'GEMS' in white colour. The defendant has used an identical white for writing 'JAMES BOND'. Even the scripting is identical. The plaintiff scripting of the word 'GEMS' is not uniform. The defendant has also placed 'JAMES BOND' in a script which is not uniform. Just as the plaintiff, the defendant has also created a visual impression of an explosion in blue colour in the middle with lines emanating from the centre and tablets flying out there from. The colour combination of the tablets is similar to that of the plaintiffs while the defendant has also placed half tablets showing the chocolate centres just as those of the plaintiff.

27. From a bare perusal of the two pillow packs, it would appear that the same are of similar size and that every essential features of the plaintiff's pillow pack is to be found in the packaging of the product of the defendant. The only difference which is to be found is in the fact that while the plaintiff pillows pack displays the manufacturer as Cadbury, the defendant's displays the manufacturer as Neeraj. While the plaintiff has displayed the product as 'GEMS', the defendant has displayed the same as 'JAMES BOND'.

28. Thus the essential features of the pillow pack of the plaintiff have been adopted by the defendant in its packaging. The products are sold in small pouches or pillow pack of identical size and shape. The concept or idea which has been conceptualized by the plaintiff of an explosion of chocolate tablets emanating from the central brown oval circumscribed by the blue oval have been copied in totality by the defendant. The defendant has also placed identical multicoloured chocolate tablets as well as displayed half cut tablets showing chocolate centered in the same manner as have been displayed by the plaintiff on its packaging.

29. It is well settled that the classification of goods in an action for passing off where the goods may be the same, similar or different, is wholly irrelevant. Page 1608 Ref : 1997 PTC 17 (DB) 779 entitled Metropol India (P) Ltd. v. Praveen Industries India (Regd.) para 18. In the instant case the goods of the plaintiff and the defendant are the same.

30. I find that the principles which apply to a consideration of as to whether the plaintiff has made a prima facie case of the defendant's dishonestly attempting to trade upon the plaintiff's goodwill and adopted such name or label, have been succinctly and aptly laid down by the court of Appeal in the judgment rendered in Slazenger & Sons v. Feltham & Co. (2) RPC 1889 6 531 where the court held thus:

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?

31. Holding that it is the points of similarity which have to be given greater attention to than those of dissimilarity in 22 RPC 273 Munday v. Carey, it was held thus:

...where you see dishonesty, then even though the similarity were less than it is here, you ought, I think, to pay great attention to the items of similarity, and less to the items of dissimilarity.

32. It would be also useful to consider the principles which were laid down in 1996 RPC 697 Harrods Ltd. v. Harroddian School Limited wherein it was held that the deception is the gist of the tort of passing off and it is not necessary for a plaintiff to establish that the defendant consciously intended to deceive the public if that is the probable result of his conduct, nevertheless, the question why the defendant chose to adopt a particular name or get up is always highly relevant. It is a question which



calls for an answer.

33. Placing reliance on these judgments a Division Bench of this Court in its pronouncement reported at 1997 PTC (17)(DB) 779 Metropol India (P) Ltd. v. Praveen Industries India (Regd.), the plaintiff had a trademark 'CLEANZO' and had complained that the defendant had deceptively brought into the market a similar product under the mark 'CLEANJO' and that the product was being sold in tins of identical size, background, colour scheme, lay out and get up with the same pictorial devices, though in a changed arrangement and order. The learned Single Judge had permitted the defendant to manufacture and sell its products under the name, style and trademark 'PRAVEEN CLEANJO' with the rider that they will not write the word cleanjo and in owl shape or in any other shape which may be deceptively similar to the manner in which the plaintiff is writing its trademark. Both parties had appealed against the order. In this case the Division Bench had held that classification of the good was irrelevant so far as the claim of passing off is concerned. Placing reliance on the aforementioned judgment, the Division Bench had noticed that the learned Single Judge had rightly remarked that it was for the defendant to have shown as to how and in what manner for his product, the same photographer and the CLEANJO, which is not a word available in the dictionary was used. "CLENZO" is not available in the dictionary. Page 1609 Prima facie the plaintiff was a prior user of the mark and that the defendant started using the same mark later. There being no answer to these questions, the defendant was restrained from using in any manner the trademark 'CLEANZO' in any form whatsoever on its products.

34. In the Kellogg Co. v. Praveen Kumar Bhadabhai 1996 PTC 16 187 (Supra), the court was of the view that the prominence given to the name of the manufacturer overshadowed the other similarities in get up. It was noticed that the plaintiff had displayed the word Kellogs in bold letters on its carton in such a manner which could not escape notice by any buyer. The court noticed that the purchasers of the products of the parties belong to the middle class or the upper middle class and above who were fairly educated in English and are able to distinguish Kellogs and what is not Kellogs. The court came to a conclusion that viewed as a whole, the trade dress, that is the packaging of the parties, was different and there was no possibility of confusion amongst the class of purchasers of the cornflakes being sold by the parties. On these principles, injunction was refused to the plaintiff.

35. The defendant has placed strong reliance on the Division Bench pronouncement of this Court reported in 1988 PTC 39 Johnsons & Johnsons and Anr. v. Cipteen Hoden India Pvt. Ltd and Anr. In this case after closely examining the two packagings in question, the court had arrived at a conclusion on the facts and material laid before the court that the trademark as adopted by the defendant and the packaging of the product of the plaintiff and the defendant were different from each other and there was no resemblance between the two packings. On this factual finding, injunction was refused.

36. From the several judicial pronouncements placed before this Court it is crystal clear that a real test is whether the consuming public would be confused or misled by the get up into thinking that the product of the defendant was really the plaintiff's similar product. The applicable principles were succinctly laid down by Lord Halsbury in Schweppes Ltd. v. Gibbens 1905 (22) RPC 601, 606. In

this case, the appellant was selling soda water in bottles. The respondent subsequently sold soda water in bottles with label which was somewhat similar to that of the appellant. However, while the appellant's bottles showed Schweppes Soda Water the respondents contained the name Gibbens Soda Water. In this case, it was held by the House of Lords that a fraudulent intent on the part of the respondent cannot be presumed inspite of the similarities in the bottles, labels, colour and medallion because the distinguishing feature of the name adopted by the defendant showed that they had no intention to deceive the purchaser. In this matter, it was observed by Lord Halsbury that "I can quite understand a case in which, although colourably a defendant has introduced his own name, yet the nature of the wrapping up, the nature of the packing itself, or in this case, the shape of the bottle, may all have been so closely imitated that the mere introduction of some distinctive mark, to which no ordinary observer would have applied his mind, will not get rid of obvious intention to pass off one's goods of as the other; but to apply the proposition to this case appears to me to be a little short of ridiculous". It was so observed as the name of Page 1610 Gibbens' was so plainly written on the face of the label and was in the very place where 'Schweppes' was on the bottle of the appellant. Consequently the court held that there was no intention to deceive. Lord Halsbury laid the principles thus.

whether in selling the bottle a person is likely to be deceived by the resemblance of the one thing to the other; and if a person is so careless that he does not look, and does not...treat the label fairly' but takes the bottle without sufficient consideration and without reading what is written very plainly indeed upon the face of the label on which the trader has placed his own name, then you certainly cannot say he is deceived.... 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 apprehension and with proper eyesight would be deceived.

This guidance has been followed and applied ever since in get up cases including in : J.B. Williams Co. v. H. Bronnley & Co. Ltd.(1909) 26 R.P.C. 765, 771, per Cozens Hardy M.R.; Jones Brothers Ltd. v. Anglo-American Optical Co. (1912) 29 R.P.C. 361, 366, per Cozens Hardy M.R.; Smith's Potato Crisps Ltd. v. Paige Potato Crisps Ltd. (1928) 45 R.P.C. 132, 146, per Lord Hanworth M.R., Sargant L.J., at p. 149 and Lawrence L.J., at p. 151; John Haig & Co. Ltd. v. Forth Blending Co. Ltd. (1953) 70 R.P.C. 259, 261, 262 and 267.

37. In 1978 RPC 635 (PC) Colgate - Palmolive Ltd. v. K.F. Pattron, the plaintiff was selling toothpaste as 'Colgate' while the defendant adopted the trademark 'Fringate'. The plaintiff was using packages with colours red, white and dark blue while the respondent also used red, white and blue. In this case, it was held that the defendant borrowed features from the plaintiffs packaging, tubes and labels and that the ordinary purchaser of normal memory was not to be expected to examine the goods keeping them side by side, and the get up would cause confusion. The name used by the defendant was also found to be deceptively similar and the court applied the question of failing in imperfect memory of the customer because the purchaser could be a person who would not be able to discern whether the toothpaste was 'Colgate' or 'Fringate'.

38. So far as confectionery items in the nature of sweets are concerned, I find that the pronouncement reported at (1959) RPC 355 Tayener Rutledge Ltd. v. Specters Ltd. indubitably

would be instructive. Both parties sold sweets which were called "fruit drops" in decorated tins. The fruit drops were sold under the names 'Tayener fruit flavour drops' and 'Specter fruit flavour drops' respectively. However, the court found that if the box in which they were sold, was examined, the trade dress was too prominent and the names were not that prominent. The pictures of the sweets on the top of the boxes was so similar and was spread over the entire face of the box. As a result, it was held that this was a case of deliberate copying and offending the plaintiff's copyright. It was also held that there was infringement of the registered trademark and that a person with imperfect memory could be easily misled Page 1611 by the arrangement of the picture of the sweets on the top of the box. On these findings, the injunction was granted.

39. In *Monday v. Carey* (1905) 22 RPC 273, in the appellant's mark, there was an ace of clubs' with the word 'clubs' upon bottles which were sold with the label 'Club Black Enamel'. The defendant sold their product likewise with 'ace of spades' and the label "Hub Black Enamel" it was held by the court 'hub' and 'club' were similar and likely to create confusion. Here injunction was granted on the ground of fraudulent get up of the defendant's product also.

40. Mr. S.K. Bansasl, learned Counsel for the defendant has also placed strong reliance on the pronouncement of the learned Single Judge of this Court reported at 1998 PTC (18) 372 *Samsonite Corporation v. Vijay Sales*. In this case, the court on facts, arrived at a conclusion that the plaintiffs had not established any distinctive trade dress at all and that the colour, shape and other features referred to by the plaintiff are quite common. It was further held that by merely looking at the products of the plaintiff and the defendant, it was possible to easily distinguish the same and that the colour alone could not be the sole factor for arriving at a conclusion of passing off in favor of the plaintiff. In the facts of the case, the court had declined the prayer for injunction.

41. It would, however, be useful to consider the applicable tests so far as actions for passing off are concerned. In the *Samsonite* case (supra), the court placed reliance on several judicial pronouncements prior hitherto which were applied in coming to the afore-noticed conclusion. The same deserve to be considered in extenso and read thus:

61. Now I turn to the claim for injunction on the ground of passing off on the strength of trade dress. The law is well settled. There is a catena of decisions laying down the principles. Luckily we are in a State of chrysalis warranting an expatiation from rudiments. This Court in:

*Hindustan Radiators Co. v. Hindustan Radiators Ltd.* AIR 1987 Delhi laid down 8 probanda for guidance:

(i) That the plaintiff has been using its trading style and trade mark for quite a long period and continuously, whereas the defendant has entered into the said field only recently;

(ii) That there has not been much delaying the filing of the suit for injunction by the plaintiff;

(iii) that the goods of the plaintiff have acquired distinctiveness and are associated in the minds of the general public as goods of the plaintiff;

(iv) that the nature of activity of the plaintiff and that of the defendant are the same or similar;

(v) that the goods of the parties, with which the trade mark of the plaintiff is associated, are the same or similar;

(vi) that the user of the same trade mark or trade name by the defendant is likely to deceive and cause confusion in the public mind and injury to the business reputation of the plaintiff;

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(vii) that the sphere of activity and the market of consumption of goods of the parties are the same;

(viii) that the customers of the plaintiff inter alia include uneducated, illiterate and unwary customers who are capable of being deceived, confused or misled.

62. The plaintiff must establish that a trade dress or get up has become by use of distinctive of the plaintiff's goods. The term distinctive when used for the purpose of deciding the question of passing off must be taken as meaning factually distinctive and not mere assertion on the part of the plaintiff that the products of the plaintiff are inherently distinctive. When the plaintiffs are relying upon trade dress or get up the plaintiffs must, prima facie, establish that the trade dress or get up used by the plaintiffs must also, prima facie show that the trade dress of the defendants is likely to deceive or cause confusion. The House of Lords in:

Reckitt & Colman Products Ltd. v. Borden INC. and Ors. 1990 RPC 341." had laid down that the plaintiff in a passing off action should prove three things which are described as classical trinity. They are:

1. that there was a goodwill or reputation attached to the goods or to the services which the plaintiff supplied, in the mind of the purchasing public by association with the plaintiff's identifying get up;

2. that there was a misrepresentation to the public likely to lead the people to believe the goods offered by the defendants were the goods of the plaintiff;

3. that the plaintiff was suffering or plaintiff is suffering or is likely to suffer by reason of the erroneous belief on account of the misrepresentation of the defendants.

In that case the plaintiff's sold lemon juice in England for domestic use under the name JIF in a peculiar get up of plastic squeeze which almost looked like in shape, size and colour a natural lemon

fruit. This product had become well known as JIF lemons. This was copied by the defendants. The Court on the facts established on evidence granted injunction in favor of the plaintiff restraining the defendant from using the same type of get up.

The nature and size of the product in the Samsonite case would require to be borne in mind. Before this court, the product is chocolate tablets sold in packaging valued as Rupees One only. Certainly the considerations which would require to be gone into examination of the suitcase as against chocolate tablets would be different.

42. In yet another case reported at AIR 1972 SCR 1359 Parle Products (P). Ltd. v. J.P. & Co., Mysore the plaintiff was the manufacturer of biscuits and confectionery and owner of certain registered trademarks. One of them was the word "Gluco" used on their half pound biscuit packet. Another registered trademark of theirs was the wrapper with its colour scheme, general set up and entire colloconation of words registered under the Trademarks Act, 1940. They had filed an action for infringement of their registered trademark against the defendant on the allegation that they discovered in March, 1961 that Page 1613 the defendants were manufacturing, selling and offering for sale biscuits in a wrapper which according to them was deceptively similar to their registered trademark. The trial and the appellate court held against the plaintiff. In the appeal before the apex Court, the court placed reliance on its earlier pronouncement in Durgadutt v. Navratra Laboratories (supra) and in Kerly's Law of Trademarks at Trade (9th Edition paragraph 838) and held thus:

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 trademarked 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. More-over, variations in detail might well be supposed by customers to have been made by the owners of the trademark they are already acquainted with for reasons of their own.

It is therefore clear that in order to come to the conclusion, whether one mark is deceptively similar to another, the broad and essential features of the two are to be considered they should not be placed side by side to find out if there are any differences in the design and if so, whether they are of such character as to prevent one design from being mistaken for the other. It would be enough if the impugned mark bears such an overall similarity to the registered mark as would be likely to mislead a person usually dealing with one to accept the other if offered to him. In this

case we find that the packets are practically of the same size, the colour scheme of the two wrappers is almost the same; the design on both though not identical bears such a close resemblance that one can easily be mistaken for the other. The essential features of both are that there is a girl with one arm raised and carrying something in the other with a cow or cows near her and hens or chickens in the foreground. In the background there is a farm house with a fence the word "Gluko Biscuits" in one and "Glucose Biscuits" on the other occupy a prominent place at the top with a good deal of similarity between the two writings. Anyone in our opinion who has a look at one of the packets today may easily mistake the other if shown on another day as being the same article which he had seen before. If one was not careful enough to note the peculiar features of the wrapper on the plaintiffs' goods, he might easily mistake the defendants' wrapper for the plaintiffs' if shown to him some time after he had seen the plaintiffs'. After all, an ordinary purchaser is not gifted with the powers of observation of a Sherlock Holmes. We have therefore no doubt that the defendants' wrapper is deceptively similar to the plaintiffs' which was registered.

43. This matter deserves to be considered from another aspect as well. So far as commercial products are concerned, it is equally well settled that what has to be seen is not that there is not a possibility of confusion but that the resemblance is such that there is a reasonable probability of deception. Courts have extensively dealt with the impact of the defendant's action on different classes of consumers. There may be the more careful or discerning purchaser or another who goes by general impressions. In AIR 1943 Lahore 196 Modi Sugar Mills Limited v. Tata Oil Mills Ltd., the Privy Council approving the test laid down by Niamat Ullah J. in Thomas Bear and Sons (India) Ltd. v. Pravag Narain observed that "in the judging of the probability of deception, the test is not whether the ignorant the thoughtless, or the incautious purchaser is likely to be misled, but we have to consider the average purchaser buying with ordinary caution." It is necessary to bear in mind that in infringement of trade marks in pharmaceutical goods, injunctions has been issued based on the possibility of confusion.

44. The principle in this behalf was further elucidated by the Division Bench. Placing reliance on James Chadwick & Bros. Ltd. v. The National Sewing Thread Co. Ltd. , Chagla CJ and Bhagwati; referring to the words "likely to deceive or cause confusion" in Section 10 of the Trade Marks Act, 1940, observed at page 152 as follows:

Now in deciding whether a particular trade mark is likely to deceive or cause confusion, it is not sufficient merely to compare it with the trade mark which is already registered and whose proprietor is offering opposition to the registration of the former trade mark. What is important is to find out what is the distinguishing or essential feature of the trade mark already registered and what is the main feature of the main idea underlying that trade mark, and if it is found that the trade mark whose registration is sought contains the same distinguishing or essential feature or conveys the same idea, then ordinarily the Registrar would be right if he came to the conclusion that the trade mark should not be registered. The real question is as to how a purchaser who must be looked upon as an average man of ordinary

intelligence, would react to a particular trademark, what association he would form by looking at the trademark, and in what respect he would connect the trade mark with the goods which he would be purchasing. It is impossible to accept that a man looking at a trade mark would take in every single feature of the trademark. The question would be, what would he normally retain in his mind after looking at the trade mark? What would be the salient feature of the trade mark which in future would lead him to associate the particular goods with that trademark?

The court had thereafter culled out the principles which would apply hereunder:

In an action for an alleged infringement of a registered trade mark, it has first to be seen whether the impugned mark of the defendant is Page 1615 identical with the registered mark of the plaintiff. If the mark is found to be identical, no further question arises, and it has to be held that there was infringement. If the mark of the defendant is not identical, it has to be seen whether the mark of the defendant is deceptively similar in the sense that it is likely to deceive or cause confusion in relation to goods in respect of which the plaintiff got his mark registered. For that purpose, the two marks have to be compared, "not by placing them side by side, but by asking itself whether having due regard to relevant surrounding circumstances, the defendant's mark as used is similar to the plaintiff's mark as it would be remembered by persons possessed of an average memory with its usual imperfections", and it has then to be determined whether the defendant's mark is likely to deceive or cause confusion for such determination, the distinguishing or essential features (and not every detail) of the two marks and the main idea, if any, underlying the two marks which a purchaser of average intelligence and imperfect memory would retain in his mind after seeing the marks, have to be noticed. It has then to be seen whether they are broadly the same or there is an overall similarity or resemblance, and whether the resemblance or similarity is such that there is a reasonable probability of deception or confusion. In doing so, the approach has to be from the point of view of purchaser of average intelligence and imperfect memory or recollection, and not an ignorant, thoughtless and incautious purchaser. In an action for passing off, the test for deceptive similarity, i.e. as to the likelihood of confusion or deception arising from similarity of the marks of the get up, packing etc. is practically the same as in an action for infringement vide *Edwards v. Dennis* (1885) 30 Ch. D 454 471(9) *Lambert and Butler Ltd. v. Good body* (1902) 19 R.P.C. 377, 383 (10) *Addley Bourne v. Swan & Edgar Ltd*; (1903) R.P.C. 105, 117 (11) and *Tavener Rut Ledge Ltd. v. Specters Ltd.* (1959) R.P.C. 355, 360 (12), except that it has also to be seen whether the defendant's mark or the get up, packing, etc. of his goods has besides the essential features of the plaintiff's mark or goods, any additional features which distinguish it from the plaintiff mark or goods, and whether it is likely of reasonably probable that the defendant can pass off his goods as those of the plaintiff to a purchaser of average intelligence and imperfect memory or recollection.

45. The defendant has adopted a pillow pack which is almost identical to that of the plaintiff. To a person of even average intelligence and imperfect recollection, the overall structural and phonetic similarity as also the similarity of the concept and idea in the two marks is reasonably likely to cause a confusion between them.

46. There is yet another aspect to this matter. The price of each pillow pack is not very high. From the pillow pack of the defendant, it would appear that the product is being sold for Rs. 1 only. Thus the purchaser would spend scanty time in examination of the product in question or the brand which appears on it. It is not a matter of a well planned purchase. Confectionery of this size would have a fair degree of spontaneity which would render it easily possible for vendor to pass off the products of the defendants as if they were products of the plaintiff.

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47. Before this court, the plaintiff has given figures of the sales of its products and also sales of the chocolate tablets which have been sold under the mark 'GEMS' by it. According to the plaint, the approximate sales promotion figures of the goods sold under the trademark GEMS in India for the last five years commencing from the year 2000. The sales of this product under the trademark GEMS have grown from Rs. 339.4 million in 2000 to Rs. 497.4 millions in the year 2004. The plaintiff has also stated that it has spent Rs. 12.5 millions on sales promotional activities in the year 2000 which expenditure has grown to Rs. 22.8 millions in the year 2004. So far as the sales figures for the brand Cadbury Gems for the year 2000 to 2005 are concerned, the plaintiffs have placed a certificate issued by Mr. Neeraj Anand, Chartered Accountant from M/s Niraj Anand & Co. who had certified that from the records and documents maintained by Cadbury India Limited, the sales figures for the brand Cadbury Gems for the years 2000 was to the tune of Rs. 38 crores in the year 2000 which has increased to Rs. 61 crores in the year 2005. So far as the volume of the sales of Cadbury Gems during this period is concerned, the same has grown from 1.31 tonnes in the year 2000 to 2716 tonnes in the year 2005.

My attention has also been drawn to the annual reports of Cadbury India Limited for the years 2000-2002. In the annual report for the year 2000 of Cadbury India Limited, it has been noticed that the product 'GEMS' continued to drive the market with a lot of special promotional offers and product give aways to kids. The product and the label have also been prominently displayed in the annual report for the year 2001 and thereafter till 2005.

Therefore, the plaintiff has placed on record material not only with regard to the sales of all products of the plaintiff but also of the chocolates tablets under the trade mark 'Gems' as well as the volume of such sales. The plaintiff has also placed the details of the voluminous expenditure incurred on promotional activities undertaken by it. This documentation is certainly prima facie evidence of the popularity of the plaintiff's products, its reputation in the market and attached goodwill.

48. In the instant case a consumer would generally recollect the wrapper of the plaintiff and the image of chocolate tablets exploding from the centre of the multi coloured chocolate tablets exploding from the centre of the blue coloured pack, some of which have the centres showing. The



packaging adopted by the defendant is also pillow pack which is identical in size, shape, colours and get up and conveys the same idea. The intention of the defendant in copying the same is clearly dishonest and intended to ride on the goodwill, reputation and popularity of the plaintiff's products entitling the plaintiff to sustain its passing off action against the defendant. The defendant is prima facie also violating thereby the copyright of the plaintiff in the artistic work of plaintiff's packaging.

49. It is trite that the resemblance between the trademark and the labels may be phonetic, visual or in the basic idea represented by the plaintiff's mark. It is equally well settled that the comparison which has to be conducted by the court is for determining whether the essential features of the plaintiff's Page 1617 trademark are to be found in that use by the defendant. It is the identification of such essential features of the mark on which depends the judgment of the court based on the material placed before it.

50. In the present case, the plaintiff has based its case not only on a plea of dishonest adoption of a packaging which was similar to that of the plaintiff but also urged that adoption of the trademark "JAMES BOND" was actionable as infringement of the plaintiff's trademark. For these submissions, I find that the pronouncement reported at *Amritdhara Pharmacy v. Satya Deo Gupta*, throws valuable light on the issues raised. In this case, the question was whether the trade name "Lakshmandhara" was likely to deceive the public or cause confusion to trade in view of the trade name "Amritdhara" which had already been registered as a trade name. The Supreme Court referring to the earlier decision in *Corn Products Refining Co. v. Shangrila Food Products Ltd.*, held that the overall similarity of the two composite words must be considered, that the question has to be approached from the point of view of a man of average intelligence and imperfect recollection, and that to such a man the overall structural and phonetic similarity of the two names "Amritdhara" and "Lakshmandhara" was likely to deceive or cause confusion. In the *Amritdhara* case supra, the court has held thus:

As we said in *Corn Products Refining Co. v. Shangrila Food Products Ltd.* the question has to be approached from the point of view of a man of average intelligence and imperfect recollection. To such a man the overall structural and phonetic similarity of the two names "Amritdhara" and "Lakshmandhara" is, in our opinion, likely to deceive or cause confusion. We must consider the overall similarity of the two composite words "Amritdhara" and "Lakshmandhara". We do not think that the learned Judges of the High Court were right in saying that no Indian would mistake one for the other. An unwary purchaser of average intelligence and imperfect recollection would not, as the High Court supposed, slot the name into its component parts and consider the etymological meaning thereof or even consider the meaning of the composite words as 'current of nectar' or 'current of Lakshman'. He would go more by the overall structural and phonetic similarity and the nature of the medicine he has previously purchased, or has been told about, or about which has otherwise learnt and which he wants to purchase.... We are aware that the admission of a mark is not to be refused, because usually stupid people, "fools or idiots", may be deceived. A critical comparison of the two names may disclose some points of the two names may disclose some points of difference but an unwary purchaser of average

intelligence and imperfect recollection would be deceived by the overall similarity of the two names having regard to the nature of the medicine he is looking for with a somewhat vague recollection that he had purchased a similar medicine on a previous occasion with a similar name.

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51. An objection has been taken by the learned Counsel for the defendant that the plaintiff has registration in the trade mark 'CADBURY GEMS' as a whole and that it cannot claim any exclusive rights in the word 'GEMS' independent of the word 'CADBURY'S'. In this behalf, it would be useful to consider certain binding judicial precedents wherein the court had occasion to consider similar objections.

In *K.R. Chinna Krishna Chettiar v. Sri Ambal and Co. and Anr.* the plaintiff had urged that the trademark 'Sri Andal' being adopted by the defendant was deceptively similar to the trademark 'Sri Ambal' of the plaintiff and an injunction was prayed for. It was held by the court that there was striking similarity and affinity of sound between the words 'Andal' and 'Ambal'. The court held that though there was no visual resemblance between the two marks but ocular comparison is not always the decisive test. The resemblance between the two marks must be considered with reference to the ear as well as eye. The name Andal does not cease to be deceptively similar because it is used in conjunction with a pictorial device. The court placed reliance on the observations of the court in *De Cordova v. Vick Chemical Co.* 68 RPC 103, in which Vick Chemical Coy were the proprietors of the registered trademark consisting of the word 'Vaporub' and another registered trademark consisting of a design of which the words 'Vick Vaporub Salve' formed a part. The defendants had advertised their ointment as 'Karsote Vapour Rub'. It was held that the defendants had infringed the registered marks. In this case, Lord Radcliffe said "...a mark is infringed by another trader if, even without using the whole of it upon or in connection with his goods, he uses one or more of its essential features".

The court considered the realities of the fact that even though 'Sri Andal' and 'Sri Ambal' were two divinities and that the pictorial devices on the goods of the respondent were different, however, it could not be lose track of the fact that the customers of the plaintiff were persons of religious denominations other than Hindus whose business was not confined to South of India where the people may know the difference between the two divinities. The trademarks had no direct reference to the character and quality of snuff and consequently, the customers would have a recollection of only the essential features. The court was therefore persuaded to grant an injunction in favor of the plaintiff against the use of the trademark by the defendant.

52. In a Division Bench pronouncement of the Madras High Court reported at 2006 (32) PTC 434 (Madras) (DB) *Devi Pesticides Pvt. Ltd. v. Shiv Agro Chemicals Industries*, the plaintiff had claimed exclusive proprietorship over the trademark BOOMPLUS and BOOM FLOWER, an injunction was prayed against the defendant who was selling its goods by use of the trademark SUPERBOOM. The defendant's trademark SUPERBOOM was an unregistered mark. It was also noticed that phonetic similarity would constitute trademark Page 1619 infringement and that the users of the products of

the parties being illiterate farmers and the common man, it was held that an ordinary average person would not be able to make out the difference between the plaintiff's goods and the defendant's goods. Placing reliance on Section 29(5) of the Trademark Act, it was held that the statutory provisions make it clear that even if a part of the registered trademark is used by the defendant, it would amount to infringement. In this case, BOOM was an essential part of the registered trademark of the plaintiff which was incorporated in the defendant's trademark.

53. The courts have also protected rights of a trader who is claiming proprietary rights over numeral trademarks. In 2003 (27) PTC 63 (Delhi) Shaw Wallace & Co. Ltd. and Anr. v. Superior Industries Ltd., the plaintiff had urged that the defendant's trademark 'HAYWARDS 5000' was an illegal infringement of its registered trademark 'HAYWARDS 5000 SUPER STRONG BEER'. It was primarily urged that the use of the numeral 5000 by the defendant was with the intention of cashing in on the reputation of the plaintiff acquired in the business which it was conducting under its registered trademark of which 5000 was an essential part. Reiterating the test laid down in the judicial pronouncements afore-noticed, apart from regard being had to the relevant surroundings, the consensus in order to assess as to whether the defendant's mark is similar to the plaintiff, the court had emphasised the imperfect memory of an average consumer. In this behalf, it was urged that in an action for infringement, for the success by the plaintiff, he need not prove that the whole of his registered trademark has been copied. He can also succeed, if, he shows that the mark used by the defendant is similar to the mark of the plaintiff as it would be remembered by persons possessed of an average memory with its usual imperfection or that its essential particulars or the distinguishing or essential feature has been copied.

54. To the same effect was the pronouncement rendered by the learned Single Judge in AIR 1987 Delhi 312 Vrajlal Manilal & Co. v. N.S. Bidi Co. and Anr.

55. In the light of the principles laid down, the objection of the defendant is certainly misconceived, it has to be held that the plaintiff is entitled to maintain the claim in respect of the word 'GEMS'.

56. In the instant case, this Court is concerned with the sale of small chocolate tablets which have hard coating of different colours. The plaintiff has defined the products in issue as "chocolate and confectionery". It is undisputed that these products are sold over the counter through general merchants and shops of all kinds and magnitude. The purchaser of such goods range from literate, to semi-literate to completely illiterate people and children. The consumer of these goods would undoubtedly be in a large segment, children who are not discerning and would be indiscriminate in their purchasing. A purchasing public would to a large extent be a population which is unable to read the English language. The plaintiff has placed extensive figures of the voluminous sales of this product effected by it in order to evidence the popularity of this brand of its products.

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57. The plaintiff is selling the product under the trademark 'GEMS'. The defendant has adopted the trademark 'JAMES BOND'. 'GEMS' and 'JAMES' are not words which have originated in any Indian language. Both are English words and when pronounced by an Englishman, may be distinct or

different. However, the pronunciation of these words by the English or an educated Indian with good English diction may not be the same as the pronunciation or comprehension of an illiterate or a semi literate person in our country. The intonation and the emphasis on the vowels in the English language words when spoken by persons from different parts of the country also varies. Even the shopkeepers who are storing the products of the plaintiff and the defendant may not necessarily be literate and well versed in diction or pronunciation. The variation in the pronunciation between the 'GEMS' and 'JAMES' is to be found in the emphasis laid to the vowel "e" in 'GEMS' and "a" in 'JAMES'. The variation is extremely slight and capable of being easily overlooked. Learned Counsel for the plaintiff has also pointed out that when scripted in Devnagiri, the two words are written identically.

It is nobody's case that the products are purchased by any written description or writing or that customers would spell out the words to the shopkeeper.

There is good possibility that the consumer believes that 'James' is a variation of 'Gems' effected by the manufacturer itself.

58. In the light of the foregoing discussion, I have no hesitation in holding that the phonetic similarity between GEMS and JAMES is such as would capable of causing deception in the minds of this consuming public and causing confusion between the products of the defendant being associated with the products of the plaintiff. It has to be so held when the question of deciding similarity between the two marks is approached from the point of view of a man of average intelligence and of imperfect recollection.

59. The plaintiff has pointed out that it had set up a campaign in order to promote sales of gems under the name and style of 'JAMES BOND' in respect of which it has even a registered copyright. The defendant is stated to have adopted the name JAMES BOND only thereafter.

The plaintiff has averred that this character in respect of which it has copyright registration, has been extensively used by the plaintiff for promotion of its gems branded products.

The defendant has rendered no explanation at all as to why it has adopted the trademark 'JAMES BOND' in relation to its products and in the afore noticed background, the only conclusion to be derived there from is the dishonest effort of the defendant to ride on the plaintiff's reputation and goodwill in its products sold under the trademark gems and in respect of which it had undertaken the campaign 'JAMES BOND'.

60. The persons who would be deceived by the resemblance are the purchasers of the goods and it is the likelihood of their being deceived that has to be the subject matter of consideration. There is no hard and fast rule with regard to the degree of resemblance which is necessary to exist to cause deception and it is not possible to define the same or lay down parameters or objectives standards as to what would constitute deception to entitle a plaintiff to an Page 1621 injunction in an infringement action. The resemblance may be phonetic, visual or in the basic idea represented in the plaintiff's mark. The comparison which is to be conducted by the court is for the purposes of

determining whether the essential features of the plaintiff's trademark are to be found in that used by the defendant. It is well settled that the identification of the essential features of the mark or label is in fact an essence a question of fact that depends on the judgment of the court based on the evidence lead before it as regards the usage of the trade. The object of the enquiry in the ultimate analysis is as to whether the mark used by the defendant as a whole as deceptively similar to that of the registered mark of the plaintiff. The test of likelihood of confusion or deception arising from similarity of marks is the same for infringement action as well as for a passing off action Ref : Ruston & Hornbi Limited v. Zamindara Engineering Co.

61. The defendant has claimed that it has been in the trade and business of confectioneries for the last 50 years and has adopted the trademark/label in the year 1979 and for this reason also no injunction should be granted. A continuous use since then has been claimed. However, no documentation in respect of the adoption of such mark or label or sales there under has been placed before the court. The plaintiff has urged that it learnt the acts of the defendant which have been complained of in the plaint, only in the year 2005. My attention has been drawn to the documents filed by the defendants. I find that earliest document which has been filed by the defendant is only of the year 2002. Even in the documents filed, there is nothing to evidence the extent of sales in terms of either volume or of any value. The defendants have placed certain bills on record which relate to the period between 2002 to 2004 wherein some sales of a product by the name JAMES BOND have been reflected. The defendant has placed reliance on its application made on 9th August, 2002 to the Registrar of Trademarks which has been placed before this court. In this application it has been stated that it is in business since 1979. However, such bald claim is unsupported by any documentary or other evidence prima facie does not inspire any confidence.

62. Mr. C.M. Lall, learned Counsel for the plaintiff, has urged that even assuming that the case set up by the defendant so far as the period of its use is accepted, would not impact the consequence of the infringement of the trademark and copyright and the plaintiff is entitled to the injunction. I find that in the pronouncement reported at 2004 (28) PTC 121 (SC) Midas Hygiene Industries P. Ltd. and Anr. v. Sudhir Bhatia and Ors. it was held by the court thus:

5. The law on the subject is well settled. In cases of infringement either of Trade Mark or of Copyright normally an injunction must follow. Mere delay in bringing action is not sufficient to defeat grant of injunction in such cases. The grant of injunction also becomes necessary if it prima facie appears that the adoption of the Mark was itself dishonest.

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63. This issue had also fallen for consideration before this Court in the pronouncement reported at 1989 PTC 61 Hindustan Pencils Pvt. Ltd. v. India Stationery Products Co. and Anr. wherein the court succinctly laid down the principles thus:

29. It would appear to be difficult to accept that relief of temporary injunction should not be granted, because of the delay on the part of the plaintiff, even though the court

feels, at that point of time, that ultimately permanent injunction will have to be granted.

30. Even though there may be some doubt as to whether laches or acquiescence can deny the relief of a permanent injunction, judicial opinion has been consistent in holding that if the defendant acts fraudulently with the knowledge that he is violating the plaintiff's rights then in that case, even if there is an inordinate delay on the part of the plaintiff in taking action against the defendant, the relief of injunction is not denied. The defense of laches or inordinate delay is a defense in equity. In equity both the parties must come to the Court with clean hands. An equitable defense can be put up by a party who has acted fairly and honestly. A person who is guilty of violating the law or infringing or usurping somebody else's right cannot claim the continued misuse of the usurped right. It was observed by Romer, J. in the matter of an application brought by J.R. Parkington and Coy. Ltd., 63 R.P.C. 171 at page 181 that "in my judgment, the circumstances which attend the adoption of a trade mark in the first instance are of considerable importance when one comes to consider whether the use of that mark has or has not been a honest user. If the user in its inception was tainted it would be difficult in most cases to purify it subsequently". It was further noted by the learned Judge in that case that he could not regard the equitable relief will be afforded only to that party who is not guilty of a fraud and whose conduct shows that there had been, on his part, an honest concurrent user of the mark in question. If a party, for no apparent or a valid an reason, adopts, with or without modifications, a mark belonging to another, whether registered or not, it will be difficult for that party to avoid an order of injunction because the 'Court may rightly assume that such adoption of the mark by the party was not an honest one. The Court would be justified in concluding that the defendant, in such an action, wanted to cash in on the plaintiff's name and reputation and that was the sole, primary or the real motive of the defendant adopting such a mark. Even if, in such a case, there may be an inordinate delay on the part of the plaintiff in bringing a suit for injunction, the application of the plaintiff for an interim injunction cannot be dismissed on the ground that the defendant has been using the mark for a number of years. Dealing with this aspect Harry D. Nims in his "The Law of Unfair Competition and Trade-Marks", Fourth Edition, volume Two at page 1282 noticed as follows:

Where infringement is deliberate and willful and the defendant acts fraudulently with knowledge that he is violating plaintiff's rights, essential elements of estoppel are lacking and in such a case the protection of plaintiff's rights by injunctive relief never is properly Page 1623 denied. "The doctrine of estoppel can only be invoked to promote fair dealings."

31. It would appear to me that where there is an honest concurrent user by the defendant then inordinate delay or laches may defeat the claim of damages or rendition of accounts but the relief of injunction should not be refused. This so because it is the interest of the general public, which is the third party for such cases,

which has to be kept in mind. In the case of inordinate delay or laches, as distinguished from the case of an acquiescence, the main prejudice which may be caused to the defendant is that by reasons of the plaintiff not acting at an earlier point of time the defendant has been able to establish his business by using the infringing mark. Inordinate delay or laches may be there because the plaintiff may not be aware of the infringement by the defendant or the plaintiff may consider such infringement by the defendant as not being serious enough to hurt the plaintiff's business. Nevertheless, if the Court comes to the conclusion that prejudice is likely to be caused to the general public who may be misled into buying the goods manufactured by the defendant thinking them to be the goods of the plaintiff then an injunction must be issued. The Court may, in appropriate cases, allow some time to the defendants to sell off their existing stock but an injunction should not be denied.

64. The principle which thus applies to consideration of a plaintiff's application for injunction based on trademark infringement is premised on the public interest in addition to the loss and damage which may result to the plaintiff by the offending acts of the defendant.

65. It now becomes necessary to consider the oral submissions on behalf of the defendant that no trademark rights or significance is attached to the word 'GEMS' and the device of tablets strewn around it, and that this word is not a trademark and is descriptive and generic in nature which is common to the trade and business of confectionery.

It would be useful to notice the dictionary meaning of the word 'gem' also. I find that the New Webster's Dictionary and Thesaurus of the English Language (Lexicon Publications, Inc., 1971) defines the expression 'gem' as follows:

a precious stone especially when cut and polished for ornament; an engraved precious or semi-precious stone; something treasured particularly, the gem of the collection; someone who ought to be treasured; a work of art that is small and exquisite and; an old size of type, between brilliant and diamond.

Again, the New Oxford American Dictionary (1st Edition) defines gem as precious or semi-precious stone especially when cut and polished or engraved; a person or thing considered to be outstandingly good or special in some respect; used in names of brilliantly coloured humming birds.

The Columbia Encyclopedia (Columbia Electronic Encyclopedia, published by Columbia University Press) defines gem as "commonly, a mineral or organic substance, cut and polished and used as an ornament. Gems also used as seals (items of assurance) and as talismans (goodluck charms)".

Page 1624 The word gem, therefore, is certainly not descriptive of chocolates or sugar coated chocolates manufactured by any party.

66. It has been urged that the entire colour combination, get up, lay out and trade dress is commonly used by the confectionery industry and no monopoly or exclusive rights can be claimed over the same in the lay out, trade dress and device. In this behalf, during the course of arguments, learned Counsel for the defendant has handed over a copy of the trade dress of a product sold by M/s Nestle's as 'SMARTIES' urging that the same is identical to that of the plaintiff. I find that in the written statement, the defendant has drawn no similarity so far as the products sold as SMARTIES is concerned. The same has been handed over only during the course of submissions. This document has not even been filed in record in accordance with law. Therefore as per established procedure such plea deserves to be rejected outright. However, I find that even as per the principles laid down in Corn Products Refining Co. v. Shangrila Food Products Ltd., the Apex Court had clearly observed in para 13 that before a person can seek to derive assistance for the success of his application from the presence of number of marks having one or common features which occur in it mark, he has to prove that these marks had acquired a reputation by user in the market. There is no pleading or documentation placed on record by the defendant before this Court so far as the Nestle's mark is concerned to evidence extensive user or reputation acquired by it consequently in my view nothing material in the present case can turn on this plea.

67. The main plank of the defendant's submission has been that the plaintiff has not disclosed the disclaimers by the registrar of trademark on the trademark registration granted to it. Reliance has been placed on the judicial pronouncement reported at 2000 PTC 326 Om Prakash Gupta v. Praveen Kumar in this behalf.

68. There is no dispute that the registration of the plaintiff which have been granted to the plaintiff bearing No. 249360 on 20th May, 1968 in Class 30 for CADBURY MILK CHOCOLATES GEMS '(Word)' contained the disclaimer on the exclusive right to use 'GEMS'. On the registration bearing No. 249841, there is an additional disclaimer regarding the use the device of tablets. However, it is undisputed that the plaintiff No. 1 has a registration dated 21st September, 1973 in respect of 'CADBURY's GEMS' Label bearing No. 291026 in Class 30 on which there is no such disclaimer. I find force in the submissions of the plaintiff that by this registration alone, the plaintiff is entitled to maintain an action for infringement of trademark against the defendant if it establishes that the defendant is dishonestly using a mark which is similar to the plaintiff's registered mark.

69. So far as the disclaimer is concerned the purpose of such a disclaimer on a registration certificate has fallen for judicial interpretation and consideration before the Supreme Court. In its pronouncement reported at Registrar of Trademark v. Ashok Chandra Rakhit, on the issue the Apex Court held thus:

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8. The third thing to note is that the avowed purpose of the section is not to confer any direct benefit on the rival traders or the general public but to define the rights of the proprietor under the registration. The registration of a trade mark confers substantial advantages on its proprietor as will appear from the sections grouped together in Chapter IV under the heading "Effect of Registration". It is however a



notorious fact that there is a tendency on the part of some proprietors to get the operation of their trade marks expanded beyond their legitimate bounds. An illustration of an attempt of this kind is to be found in *In re Smokeless Powder Co.'s Trade Mark 1892-1 Ch 590 (F)*.

Temptation has even led some proprietors to make an exaggerated claim to the exclusive of parts or matters contained in their trademarks in spite of the fact that they had expressly disclaimed the exclusive use of those parts or matters. Reference may be made to *Greers Ltd. v. Pearman Corder Ltd.* 1922-39 RPC 406 (G), commonly called the "Banquet" case. The real purpose of requiring a disclaimer is to define the rights of the proprietor under the registration so as to minimise, even if it cannot wholly eliminate, the possibility of extravagant and unauthorised claims being made on the score of registration of the trademarks.

So far as the disclaimer is concerned, it was pointed out in the above case that the proviso to Section 17 of the Trade and Merchandise Marks Act, 1958 specifically states that the common law remedy would be available to a plaintiff who is entitled to bring a passing off action based on prior user of the trademark which has been granted registration subject to the disclaimer.

In this behalf, it would be appropriate to consider the provision of Section 17 of the Act of 1958 in extenso which reads thus:

17. Registration of trade marks subject to disclaimer:

If a trade mark-

(a) contains any part

(i) which is not the subject of a separate application the proprietor for registration as a trade mark; or

(ii) which is not separately registered by the proprietor as a trade mark; or

(b) contains any matter which is common to the trade or is otherwise of a non-distinctive character; the tribunal, in deciding whether the trade mark shall be entered or shall remain on the register, may require, as a condition of its being on the register, that the proprietor shall either disclaim any right to the exclusive use of such part or of all or any portion of such matter, as the case may be, to the exclusive use of which the tribunal holds him not to be entitled, or make such other disclaimer as the tribunal may consider necessary for the purpose of defining the rights of the proprietor under the registration:

Provided that no disclaimer shall affect any rights of the proprietor of a trade mark except such as arise out of the registration of the trade mark in respect of which the disclaimer is made.

70. The registrations of the trademark were granted to the plaintiffs under the Trade and Merchandise Marks Act, 1958.

71. The Trade and Merchandise Marks Act, 1958 has been replaced by the Trademarks Act, 1999 and there is a statutory provision incorporated by way of Section 18, application for registration which reads thus:

Section 18.

Application for registration. - (1) Any person claiming to be the proprietor of a trade mark used or proposed to be used by him, who is desirous of registering it, shall apply in writing to the Registrar in the prescribed manner for the registration of his trade mark.

(2) A single application may be made for registration of a trade mark for different classes of goods and services and fee payable therefore shall be in respect of each such class of goods or services.

(3) Every application under Sub-section (1) shall be filed in the office of the Trade Marks Registry within whose territorial limits the principal place of business in India of the applicant or in the case of joint applicants the principal place of business in India of the applicant whose name is first mentioned in the application as having a place of business in India, is situate:

Provided that where the applicant or any of the joint applicants does not carry on business in India, the application shall be filed in the office of the Trade Marks Registry within whose territorial limits the place mentioned in the address for service in India as disclosed in the application, is situate.

(4) Subject to the provisions of this Act, the Registry may refuse the application or may accept it absolutely or subject to such amendments, modifications, conditions or limitations, if any, as he may think fit.

(5) In the case of a refusal or conditional acceptance of an application, the Registrar shall record in writing the grounds for such refusal or conditional acceptance and the materials used by him in arriving at his decision.

A reading of this statute shows that the expression disclaimer has been removed from the statute. However, the Registrar has been conferred the power to put such conditions or limitations for grant of the registration under Section 18(4) of the statute as it may deem fit in the facts and circumstances of the case.

72. My attention has been drawn to Registrar of Trademark v. Ashok Chandra Rakhit (supra) wherein the court was required to consider the question of the impact of a disclaimer and a trademark registration and the court had held thus:

9. The last feature of the section is its proviso. That proviso preserves in fact any right which the proprietor may otherwise under any other law have in relation to the mark or any part thereof. The disclaimer is only for the purposes of the Act. It does not affect the rights of the proprietor except such as arise out of registration. That is to say, the special advantages which the Act goes to the proprietor by reason of the Page 1627 registration of his trademark do not extend to the parts or matters which he disclaims. In short, the disclaimed parts or matters are not within the protection of the statute.

That circumstance, however, does not mean that the proprietor's rights, if any, with respect to those parts or matters would not be protected otherwise than under the Act. If the proprietor has acquired any right by long user of those parts or matters in connection with goods manufactured or sold by him or proof of the necessary facts, prevent an infringement of his rights by a passing off action or a prosecution under the Indian Penal Code Disclaimer does not affect those rights in any way.

73. By virtue of Section 27 of the Trade Marks Act, 1999, a person has been conferred a statutory right of protection of its registered trademark. At the same time every person has a legal remedy for the protection of its common law rights in a trademark which has acquired distinctiveness by virtue of extensive and prolonged use; promotional activity and has goodwill and reputation attached to it. For this reason Section 17 of the Trademark & Merchandise Marks Act of 1958 statutorily prohibited the impact of the disclaimer when it stipulated that the disclaimer shall not affect the rights of trademark proprietor except those which arose out of the registration.

In my view, the new act i.e. the Trademarks Act, 1999 also does not in any manner impact the common law rights and remedies of the proprietor of a trademark which are not related to or arise out of any statutory registration of the trademark. The spirit, intendment and purpose of the Trademark legislation is to protection of the trader and consumer against dishonest adoption of another's well known trademark with the intention of capitalising on the attached reputation and goodwill or dishonest adoption of a trademark which is deceptively similar to the well known trademark. Certainly any other interpretation of the new Act would run counter to the basic intendment of the law.

The view I have taken is fortified by the expansion given under the Act of 1999. As per Section 27 of the earlier statutory provisions, provided passing off action only in respect of goods. Under the new act, passing off action has been made statutorily available to a person against another person for passing off goods or services as the goods of another person or as services provided by another person.

The impact of the disclaimer on a registration certificate is that a person is precluded from bringing an infringement action in respect of the trade mark registration. The statute did not prohibit in any

manner the right given to a person to bring a passing off action in respect of a trade mark which though registered, but contains a disclaimer with regard to any portion thereof.

74. I find that Section 27(2) of the Trade Marks Act, 1999 contains a non-obstante clause to the effect that nothing contained in the statute shall be deemed to effect the right of any person to bring an action against any person for passing off its goods as those of another. For this reason as well, the plaintiff cannot be precluded from maintaining a passing off action in respect of the trade marks which though registered, contain a disclaimer.

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75. Another question which arises for consideration relates to the impact of the new Act on a registration with the disclaimer under the earlier law which was applicable at the time of the registration. No submissions have been addressed on this important issue which is left open for adjudication.

76. In the instant case, the plaintiff has relied on not only the registrations with the disclaimers but also on the fact that it has been using the trademark for the considerable period in the packaging which has been placed on record and its products have acquired distinctiveness by such trademark and by sale under such name and such packaging which is prima facie evidenced from the figures of sales placed before this court.

In this view of the matter, the principles laid down by the Apex Court would apply to the instant case as well.

77. I also find that the reliance placed by the defendant on the pronouncement of the learned Single Judge of this Court in *Om Prakash Gupta v. Parveen Kumar* and Anr. 2000 PTC 326 in the present case is also wholly misplaced. In this case the defendant has neither pleaded nor placed the documents on record which would have evidenced the disclaimer in the registration. The court also arrived at a conclusion that the trademark, infringement whereof is pleaded by the plaintiff, stood abandoned by the plaintiff itself for twenty years during which period, the defendant has commenced its business under the trademark without any objection from the plaintiffs. In the facts of the case, it was held that the plaintiff had abandoned the trademark and could not have asserted exclusive right against the defendants. The court consequently held that the plaintiff had not only concealed the material facts and documents but had made misrepresentation of facts and thereby misused the process of the court by fraudulent means. It was in this background that the injunction was denied to the plaintiff.

78. In the instant case, the plaintiff have placed reliance on the registration for the label granted to plaintiff No. 1 by way of registration certificate No. 291026 on the 21st September, 1973 which stands renewed till 21st September, 2008. This registration is not subject to a disclaimer. On the basis of this registration alone, the plaintiff was entitled to maintain the present suit on the allegations which have been laid against the defendant.

79. Even otherwise, I find that though the plaintiff has not specifically mentioned the disclaimer which has been imposed upon the plaintiff by the Registrar of Trademark on two of the registrations, however, the certificates issued by the Registrar of Trademark have been placed before this court. On these facts, I am of the view that the plaintiff cannot be non-suited on grounds of concealment of material facts and documents from this Court especially when it had a registration in respect of which there was no disclaimer.

80. The plaintiff who is a registered proprietor of a trademark by virtue of Section 21 of the Trademark Act of the certificate No. 291026 dated 21st September, 1973 in the 'CADBURY GEMS' label without any disclaimer. The plaintiff thus has a statutory remedy in the event of the use by the defendant of said mark or a colorable imitation thereof. This Court has arrived at a conclusion that the defendant's mark is phonetically close to an essential part of the plaintiff's trademark. The defendant has also adopted every essential Page 1629 feature of the label of the plaintiff and adopted a trademark which is deceptively similar to the plaintiff's trademark. Consequently, any points of difference or additional material adopted by the defendant would have no bearing so far as the case of infringement of the plaintiff's trademark by the defendant is concerned. Further, a purchaser of the product would not ask for 'Cadbury Gems' or 'James Bond'. While effecting a purchase the product of the plaintiff would be popularly asked for as 'Gems'. The defendant has adopted James which is undoubtedly phonetically similar to the plaintiff's trademark 'Gems' which is an essential part of the plaintiff's registered trademark.

81. In the light of the above, it is well settled that in cases of infringement of registered trademark or copyright normally the injunction must follow. Section 29 of the Trademark Act, 1999 mandate that in the case of similarity of name and identity of product, the plaintiff would be entitled to an injunction. I have prima facie arrived at a finding the mark JAMES BOND by the defendant was by itself dishonest and that the defendant has infringed the trademark of the plaintiff and its adoption. The defendant has also infringed the copyright of the plaintiff in its packaging. This case is consequently a fit case where interim injunction deserves to be granted.

82. The plaintiff has also asserted violation of its common law rights inasmuch as the defendant has adopted the get up, packing and similar writings and marking on the pillow packs. Mere display of a trade origin which is different from that of the plaintiff is not sufficient to distinguish the defendant's label from that of the plaintiff and may be immaterial having regard to the nature of the product.

In the light of the foregoing discussion, prima facie I find that the packaging adopted by the defendant is so similar to the plaintiff's case that there is every likelihood of the same deceiving unwary purchasers that the goods acts which they were purchasing were those of the plaintiff.

In the light of this discussion, I have no hesitation in holding that the plaintiff has made out a prima facie case of dishonest passing off by the defendant of his goods as those of the plaintiff entitling it to grant of interlocutory injunction.

Accordingly, the defendants, its proprietors, partners, directors, servants, agents, distributors, franchisees, representatives and assigns are hereby restrained from using the trade mark JAMES and/or JAMES BOND and/or any other trade mark deceptively or confusingly similar to the plaintiff's registered trade mark GEMS or in any other manner infringing the registered trade mark GEMS of the plaintiffs and using the pillow-packs attached as annexure B to the plaint or any other packaging whatsoever which is deceptively or confusingly similar to the pillow-packs of the plaintiffs attached as annexure A to the plaint.

The defendants, its proprietors, partners, directors, servants, agents, distributors, franchisees, representatives and assigns are also restrained from passing off their goods of the plaintiff and from substantially reproducing any material form the copyright in the artistic work of the pillow-packs which has been annexed to the plaint.

This application is allowed in the above terms.