

Dabur India Limited vs Shree Baidyanath Ayurved Bhawan Pvt. ... on 2 July, 2012

Author: Manmohan Singh

Bench: Manmohan Singh

* HIGH COURT OF DELHI: NEW DELHI

% Judgment pronounced on: 02.07.2012

+ I.A. No.6255/2012 in CS(OS) No.906/2012

DABUR INDIA LIMITED Plaintiff

Through

Mr. Hemant Singh, Adv. with

Ms. Mamta R. Jha, Adv.

Versus

SHREE BAIDYANATH AYURVED BHAWAN PVT. LTD.

..... Defendant

Through Mr. Abhishek Malhotra, Adv. with

Mr. Harsh Vardhan Tripathi, Adv.

CORAM:

HON'BLE MR. JUSTICE MANMOHAN SINGH

MANMOHAN SINGH, J.

1. The Plaintiff has filed the present suit alleging infringement of copyright and passing off in respect of the Defendant s product, "Shilajit Gold". The Plaintiff has also filed an application seeking interim injunction restraining the Defendant from using Defendant s product pending trial in the matter. Both parties have made their respective submissions. By this order, I propose to decide the pending interim application being IA No. 6255/2012 (Order XXXIX Rule 1 and 2 read with Section 151 CPC).

CASE OF THE PLAINTIFF

2. The present suit pertains to trade mark comprising trade dress and get-up of DABUR SHILAJIT GOLD packaging which has been advertised and sold extensively since 2006.

3. Packagings used by the plaintiff in the year 2006 and since August, 2010 are scanned and reproduced hereunder:

Used since 2006 Used since August, 2010 It appears that substantially both packaging as shown are almost similar.

4. As per the case of the plaintiff, the said packaging, its colour combination, get-up, layout and features have become distinctive on account of extensive use by the plaintiff. It is evident from the sale figures thereof and promotional expenses reproduced in para 15 and 16 of the plaint. The promotional expenses for the year 2007-2008 were Rs.1.42 Crores and 2010-2011 was Rs.4.67 Crores. The sales were Rs.3.19 Crores in 2006-2007 which rose to Rs.10.94 in 2010-2011.

5. It is averred by the plaintiff that account of extensive use, DABUR SHILAJIT GOLD packaging including their colour combination, arrangement of features, overall layout, trade dress and get-up has acquired distinctiveness, goodwill and reputation which ought to be protected against imitation.

6. The plaintiff has placed on record large number of documents by way of evidence of promotion and advertisement since 2006 alongwith list of documents dated 9th April, 2012. The details of newspaper advertisements are given as under:

| Name of publication/Newspaper | Date | Page/Plaintiff's document |
|-----------------------------------|------------|---------------------------|
| (Thiruvananthapuram) | | |
| The Munsif Hyderabad | 07.06.2006 | 73 |
| Local Newspaper in Andhra Pradesh | 01.08.2006 | 77 |
| Lokmat (Hindi) Nagpur | 30.10.2006 | 81 |
| The Aaj (Hindi) Allahabad | 31.10.2006 | 89 |
| The Aaj (Hindi) Gorakhpur | 19.10.2006 | 93 |
| Dainik Jagran (Hindi) Kanpur | 03.11.2006 | 100 |
| Daily Bartman (Kolkata) | 17.12.2006 | 105 |
| Dainik Bhaskar (Hindi) Jaipur | 07.10.2007 | 107 |
| Rajasthan Patrika (Hindi) Jaipur | 17.08.2007 | 111 |
| Dainik Jagran (Hindi) Kanpur | 18.11.2007 | 114 |
| Sakal (Hindi) Pune | 22.08.2007 | 117 |
| Dainik Jagran (Hindi) Kanpur | 15.12.2007 | 120 |
| Punjab Kesari (Hindi) Delhi | 26.10.2007 | 126 |
| Prabhat (Hindi) Kolkata | 18.10.2007 | 130 |
| Rajasthan Patrika (Hindi) | 24.12.2007 | 136 |

| | | |
|----------------------------------|------------|-----|
| Hindustan (Hindi) Delhi | 01.09.2010 | 139 |
| Dainik Bhaskar (Hindi) Ranchi | 22.12.2010 | 150 |
| Navbharat Times(Hindi) New Delhi | 17.12.2010 | 153 |
| Punjab Kesari (Hindi) | 22.12.2010 | 155 |

| | | |
|------------------------------------|------------|---|
| Hindustan (Hindi) Varanasi edition | 13.08.2010 | 3 |
|------------------------------------|------------|---|

| | | |
|----------------------------------|------------|---|
| Dainik Bhaskar (Hindi) Jalandhar | 07.12.2011 | 7 |
|----------------------------------|------------|---|

| | | |
|------------------------------------|------------|---|
| Rashtriya Sahara (Hindi) New Delhi | 28.12.2011 | 9 |
|------------------------------------|------------|---|

| | | |
|----------------------------------|------------|----|
| Dainik Bhaskar (Hindi) New Delhi | 01.01.2012 | 11 |
|----------------------------------|------------|----|

7. In para 21 of the plaint, the plaintiff has reproduced the scanned copies of defendant s earlier packagings of its trade mark SHILAJIT to which the plaintiff does not have any objection:

8. It is averred in the plaint that in the month of March, 2012, plaintiff came to know that the defendant has adopted new/latest packaging which is blatant and a colourable imitation of the plaintiff s packing in terms of overall colour combination, arrangement of features, layout, get-up and the trade dress. As per the case of the plaintiff, it is done by the defendants for commercial gain by misappropriation of goodwill and reputation built up in DABUR SHILAJIT GOLD packaging of the plaintiff. It is stated by the plaintiff that the defendant is aware that the products are purchased by wide spectrum of consumers which includes semi-literate or illiterate, not well versed in English language, the consumers are likely to confuse between the products on account of similarity of get up of the packaging. It is submitted by the plaintiff that the defendant deliberately is trying to pass

off its goods as those of the plaintiff. Such adoption is dishonest. The defendant's packaging is reproduced hereinbelow:

9. It is alleged by the plaintiff that the adoption of impugned packaging by defendants cannot be bonafide and honest as there are too many similarities which cannot be matter of co-incidence. Some of them are reiterated hereinbelow:

i. In packaging of both the parties, SHILAJIT is depicted in white lettering on top and GOLD is depicted in Gold lettering just beneath SHILAJIT;

- ii. both packaging have black background;
- iii. both packaging depict device of flame at the same place upon the packaging in the same manner;
- iv. both packaging depict device of human caricature/face within flame (see plaintiff's 2010 packaging)

v. In both the packaging, SHILAJIT GOLD is depicted on the

side panels at same place in same fonts in same colour combination against same background. In fact, if both the products are displayed on a shelf side by side, it is impossible to make out the difference between the two as is evident from their photographic depiction given hereinbelow:

Plaintiff's pack

Defendant's pack

CASE OF THE DEFENDANT

10. In view of above mentioned facts and material placed on record, the plaintiff seeks an interim order restraining the defendant from using the new packaging as depicted in para 8 of my order. However, the plaintiff has no objection to the packaging used by the defendant as depicted in para 21 of the plaint.

11. Plaintiff has not been able to establish, prima facie, that the get-up used by the Plaintiff has become distinctive of the plaintiff's goods. It is alleged by the defendant that though the plaintiff claims that it has been selling the Shilajit Gold product since 2006, however, in its own application for Shilajit Gold, before the Trade Marks Registry, being application No. 1941993, the Plaintiff has claimed that the date of first use of the said mark is 11th June, 2009. The plaintiff has also filed two applications for its SHILAJIT GOLD labels in February and March, 2012, i.e., just a month or two months before filing the present suit, where it claims the date of first use to be 20th August, 2010.

12. Plaintiff has filed no objection certificate in relation to the carton created on 20.08.2010, by the artist and it is clear from a perusal of the said documents in relation to the packaging created on 20th August, 2010 and the same was only advertised since October, 2011, i.e., only two months before the launch of the Shilajit Gold product by the defendant. As per defendant a two-month use is not enough to confer or establish factual distinctiveness in respect of the label of the Plaintiff, even otherwise, there is no likelihood of confusion.

13. As per the case of defendant, defendant has been engaged in the manufacture and sale of different variants of SHILAJIT, since 1951, which is prior in time to the launch of any Shilajit product by the Plaintiff. One of the variants is known as "Shilajit Gold", which has been launched recently, in December, 2011. The said product is named such on account of the fact that the Defendant uses GOLD in the process of manufacture of the said product. The Defendant has also used other descriptive elements, such as the black background in the carton/packaging, on account of the principal ingredient in the manufacture of Shilajit being black. Further, the use of the fire is to denote energy and vitality and has also been used in view of the fact that fire is one of the processes of purification of SHILAJIT ingredients.

14. It is alleged that even assuming, without conceding that the Defendant is using certain elements that are similar to the elements used by the Plaintiff in its packaging, it is submitted, in view of the above, that the said elements are either generic or descriptive/have been used for a long time by the Defendant.

15. Further, the defendant does not advertise its products to the general public and in turn relies upon "Panchang", which is a Hindu astrological almanac, which follows traditional Indian cosmology, and presents important astronomical data in tabulated form. Panchangs are published in India by many learned authors, societies, academies, and universities and are further relied upon by Vaidyas to decipher the cure for many ailments, which are cured through Ayurvedic medicines. Relying on the Panchangs, the Defendant also determines the ingredients that go into making its Ayurvedic medicines. Hence, the channels of trade being different.

16. It is also submitted that the Plaintiff has failed to establish that the Plaintiff owns the copyright in and to the said label/packaging because, a combined reading of Section 2(d)(iii) and Section 17 of the Copyright Act, 1957, makes it clear that in respect of an artistic work, the author of the work is the first owner of copyright therein. Hence, the alleged artist, Mr. Subhashish Dutta, as per the Plaintiff's showing is likely to be the first owner of the said work. In terms of proviso (c) to Section 17 of the Act, the author of a work loses his ownership of the work in case he makes the work in the course of his employment under a contract of service and there is no contract to the contrary. If the above circumstances exist, the employer is the first owner of the copyright in the work so created by the employee.

17. Even if it is to be assumed without conceding, that Mr. Subhashish Dutta is an employee of Mudra Communications, as claimed by the Plaintiff, and that he created the work in question under a contract of service, the owner of copyright in and to the work in question is Mudra Communication and not the Plaintiff. There is no valid agreement in writing either by the author or by the company where he was employed in favour of the plaintiff. Thus, the plaintiff is not entitled to any interim order claimed on the basis of infringement of copyright as a bare reading of Section 2(d)(iii), as mentioned above, that the author of the artistic work is the artist, not an entity. Hence, the work in question could not be "authored or created" by Mudra Communication.

18. In the pleadings Plaintiff does not claim that the work has been assigned to the Plaintiff, however, there is a solitary and oblique reference in the "no objection certificate" dated 20th August, 2010 that the work has been assigned to the Plaintiff, "by way of abundant caution".

19. It is also alleged that assuming without conceding that the Plaintiff is the owner of copyright in and to the work in question, it is submitted that the Plaintiff has already stated in its rejoinder that the Plaintiff does not claim a monopoly over the individual elements of the label in question, but only over the particular combination thereof. It is submitted that the disputes in the matter, if any, comes within the realm of protection of the get-up under the theory of passing off. The Plaintiff's claim under a theory of copyright infringement must fail, since the Plaintiff has failed to establish, even prima facie, that the copyright in the work is even owned by the Plaintiff. In fact, the plaintiff has failed to demonstrate that what has been copied is the expression and not the idea of Plaintiff's packaging.

The alleged attempt by the plaintiff as an assignment for the purposes of the Copyright Act, 1957 is incorrect. It is submitted that the said document does not amount to a valid assignment of rights on account, inter alia, of the following reasons:

(i) The document is clearly a no objection certificate addressed to the Copyright Office, and not a deed of assignment.

(ii) The assignor, if any, can only be Mudra Communications, since, as set out above, the only entity that can be the owner of copyright in the work in question, by virtue of the proviso (c) to Section 17, is Mudra Communication, the alleged employer of the alleged artist, Mr. Subhashish Dutta.

(iii) However, the alleged assignment of rights is admittedly made by the alleged author, Mr. Subhashish Dutta, who is not the owner of copyright therein. In this regard, Section 19(1) is very categorical, inasmuch as it states that, "No assignment of copyright in any work shall be valid unless it is in writing signed by the assignor or by his duly authorized agent." Hence, since the assignor does not have any right to

assign and there is no claim made that either Mr. Dutta or any other person who has signed the No objection certificate is the duly authorized agent of Mudra Communications, hence, even at a prima facie stage, it cannot be submitted or presumed that such a defective document is a deed of assignment.

(iv) As law requires the fulfillment of certain additional strict criteria in order to bestow the sanctity of an assignment upon such document. These requirements, set out in Section 19 of the Copyright Act, 1957, are also missing from the no objection certificate in question.

Hence, it is submitted that the Plaintiff neither owns the copyright in and to the alleged work in question, nor has the locus standi to file the present suit claiming infringement of copyright.

20. The main thrust of the learned counsel for the defendant is that the plaintiff is not the owner of the copyright. The defendant has challenged the validity of the assignment in favour of the plaintiff under Sections 17 to 19 of the Copyright Act, 1957. The learned counsel for the defendant submits that there is no strict compliance of the provisions, therefore, the plaintiff is not entitled for relief of infringement of copyright. He submits that there is no valid assignment in favour of the plaintiff.

21. Counsel appearing on behalf of defendant has referred few following decision in support of his submission that no case of infringement of copyright has been made out by the plaintiff.

22. It was also held in the case of R.G. Anand v Delux Films, PTC (Suppl) (1) 802 (SC), AIR 1978 SC 1613 that, "where the theme is the same but is presented and treated differently so that the subsequent work becomes a completely new work, no question of violation of copyright arises." It was also held that "where however, apart from the similarities appearing in the two works, there are also material and broad dissimilarities, which negate the intention to copy the original and the coincidences appearing in the two works are clearly incidental, no infringement of the copyright comes into existence."

'No passing off' as alleged by the defendant

23. With regard to the law of passing off, it is submitted by the defendant that it is well settled that "before the use of a particular mark can be appropriated, it is for the plaintiff to prove that the product that he is representing had earned a reputation in the market and this reputation had been sought to be violated by the opposite party." *Heinz Italia v Dabur India Limited*, (2007) 6 SCC 1.

24. It is submitted by the defendant that it is equally well settled that in order to establish a case for passing off, the plaintiff must establish that the plaintiff has a protectable right in the form of goodwill in relation to the mark that is sought to be protected and also that the Defendant is indulging in misrepresentation to the public with a view to confuse the consuming public into buying the Defendant's product, believing the same to be originating from the Plaintiff. As the plaintiff does not claim any right in the word SHILAJIT or in the word GOLD, black colour of the packaging and does not independently claim a right in the fire device. Therefore, the question of

passing off in the present case does not arise.

25. In relation to get-up, the Halsbury's Laws of India, Vol. 20 (1) relating to Trademark law, records as under:

a. "Any monopoly that a plaintiff may enjoy in get-up will extend only to those parts which are capricious and will not embrace ordinary matters which are in common use... Lawful competition is not restricted by common law." [Paragraph 185.1085, at page 597, citing from Reckitt & Colman Products Limited v Borden, Inc., 1990 RPC 341 at 421 (HL)] b. "An action for passing off requires proof that the particular get-up which the plaintiff has been using has become associated exclusively with his business, what in brief is called reputation. In the first place, the plaintiff must establish that he has selected a peculiar, novel design as a distinguishing feature of his goods and that his goods are known in the market, and have acquired a reputation in the market by reason of that distinguishing feature and unless he establishes that, the very foundation of his case fails." [Paragraph 185.1091, at page 600, citing from Tavenor Rutledge Limited v Specters Limited, (1959) RPC 355 (CA)] c. "In order to establish goodwill in a particular get-up, there must be something more than mere similarity between the goods themselves. Get-up is mainly concerned with such matters as the design of the packaging and any associated labels, which over a period of time, the public has come to associate with goods of a particular manufacturer." [Paragraph 185.1093, at page 601, citing from Kemp & Co. v Prima Plastics Limited, (2000) PTC 96 (Bom)].

26. It has been argued by the defendant that in relation to get-up in the celebrated case of Samsonite Corporation v Vijay Sales, 1998 PTC (18) 372, at page 441, that, "the plaintiff must establish that a trade dress or get-up has become by use, 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 product 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 had become associated exclusively with the products of the plaintiff. The Plaintiffs must also establish, prima facie, reputation and the plaintiffs must also, prima facie, show that the trade dress of the defendants is likely to deceive or cause confusion." (Emphasis supplied).

Case law on prima facie case and balance of convenience by the defendant

27. In *Wander v Antox*, 1991 (11) PTC 1, the Supreme Court held, in paragraph 9, as under:

"Usually the prayer for grant of an interlocutory injunction is at a stage when the existence of a legal right asserted by the plaintiff and its alleged violation are both contested and uncertain and remain uncertain till they are established at the trial on evidence. The court, at this stage, acts on certain well-settled principles of administration of this form of interlocutory remedy, which is both temporary and

discretionary. The object of the interlocutory injunction, it is stated, is to protect the plaintiff against injury by violation of his rights for which he could not adequately by compensated in damages recoverable in the action if the uncertainty were resolved in his favour at the trial. The need for such protection must be weighed against the corresponding need of the defendant to be protected against injury resulting from his having been prevented from exercising his legal rights for which he could not be adequately compensated. The court must weigh one need against another and determine where the "balance of convenience lies." The interlocutory remedy is intended to preserve in status quo, the rights of parties, which may appear on a prima facie. The court also, in restraining the defendant from exercising what he considers his legal right but what the plaintiff would like to be prevented, puts into the scales, as a relevant consideration whether the defendant has yet to commence his enterprise or whether he has already been doing so in which latter case considerations somewhat different from those that apply to case where the defendant is yet to commence his enterprise, are attracted."

Reply by the plaintiff to the defence raised by the defendant

28. It is submitted by the plaintiff that the defendant's explanation for adoption is malafide. The defendant has filed an affidavit of Mr. Sekhar Ghosh dated 25th April, 2012 wherein the defendant has explained that the colour black is used since Shilajit is black in colour, device of flame is used since Shilajit is purified by fire and also fire depicts use of the products which is to provide energy, strength and stamina.

29. It is alleged by the plaintiff that if the explanation given by the defendants was bonafide, the defendants would not have been using new packaging but ought to have used the earlier packagings used which is also in black colour for which the plaintiff has no objection wherein similar colour combination or feature of fire was not used by the defendant. It is stated that the fallacy of explanation is also established from the fact that no fire is used in manufacture of Shilajit capsules nor any fire has been depicted upon Shilajit packaging used by defendants earlier.

30. It is a matter of fact that at this stage the Court is only dealing with the interim application and the Court has to take a prima facie view in the matter. In para 12 of the plaint, a specific statement has been made by the plaintiff that the packaging which was adopted by the plaintiff is an original artistic work within the meaning of Section 2(c) of the Copyright Act, 1957, which is authored and created by Mr. Subhashish Dutta of Mudra India Ltd., an advertising agency at the instance of the plaintiff for consideration paid. Mr Subhashish Dutta of Mudra India Pvt. Limited has given a no objection certificate dated 20th August, 2010 in favour of the plaintiff. Being the commissioned work, the plaintiff is the owner of the copyright therein under the provisions of The Copyright Act, 1957 having exclusive right to use or reproduce features thereof in any material form. Any unauthorized copying, imitation and colourable reproduction thereof by any unauthorized person would constitute infringement of copyright of plaintiff therein under Section 51A of the Copyright Act, 1957 which is not only liable to be enjoined but also constitutes a cognizable offence under Sections 63 and 64 of the Copyright Act, 1957.

31. The plaintiff has also filed the prima facie evidence in support of his submission made in para 12 of the plaint. Along with the list of documents, the plaintiff has filed the original no objection certificate dated 20th August, 2010 issued by Mr Subhashish Dutta of Mudra India Pvt. Ltd. in favour of the plaintiff. The said no objection certificate dated 20th August, 2010 which is in the shape of assignment. The relevant extract of the same reads as under:

"I, Subhashish Dutta, an Indian national is the designer of Dabur Shilajit Gold Packaging. The said artwork has been designed and created by me under my contract of employment with Mudra India Pvt. Ltd., 3rd floor, 202, Okhla Phase 3, New Delhi - 20 on 20.08.2010. The said artwork has been designed by me at the instance of Dabur India Limited, 8/3, Asaf Ali Road, New Delhi having consideration paid to Mudra India Pvt. Ltd. Dabur India Limited, therefore, is the owner of copyright in the said work.

By way of abundant caution all rights including copyright that vest in the works are hereby assigned in favour of Dabur India Limited for the entire term of copyright without any limitations or conditions and for entire world. The assignment would not lapse in case of non-exercise of assigned rights by the assignee.

We have no objection to the registration of copyright in the works in favour of Dabur India Limited."

32. Learned counsel for the plaintiff has argued that the use of deceptively similar packaging constitutes infringement of Plaintiff's copyright in as much as:-

The Plaintiffs are the owners of the copyright in the packaging within the meaning of Section 2(c) of the Copyright Act 1957 being an original artistic work.

For the purpose of infringement, a copyright need not be registered.

The pictorial and the artistic design of the product is an 'artistic work' under the Copyright Act Admittedly, Plaintiffs' have been using the packaging earlier than the defendant.

33. It is true that under the Copyright Act, 1957, the assignment must be in writing. Prima facie it appears on the basis of specific pleading in the plaint as well as the "no objection certificate" issued by the artist and counter signed and acknowledged by the advertising agency Mudra India Pvt. Ltd. It is clear that the plaintiff has acquired rights by virtue of the said document in writing which are sufficient at this stage to decide the interim application. As regard the objections of the defendant are concerned, the same shall have to be considered at the time of trial. Therefore, the objection raised by the defendant at this stage is not sustainable.

34. In the case of Midas Hygiene vs. Sudhir Bhatia and Ors., reported in 2004 (28) PTC 121 (SC), para-5, it was held as under:-

"The grant of injunction also becomes necessary if it prima facie appears that the adoption of the Mark was itself dishonest."

35. Similarly copyright law protects upon the work if it is the product of the labour skill and capital of one trader, i.e. owner and author which must not be appropriated by another trader. Copyright protects the skill and labour employed by the author in the production of work. There is no copyright in ideas. Copyright subsists only in the material form in which the ideas are translated and any such work which possesses artistic quality. Infringement copy means, in relation to original artistic work, a reproduction thereof in any material form, inter-alia, to communicate the work to the public but the same was not copied already in circulation, i.e. works in which copyright subsists throughout India.

36. Section 51 defines when copyright infringed. The said provision is a deeming provision which mandates, inter-alia, that copyright in a work shall be deemed to be infringed, in case, any person without a licence does anything, exclusive right to do which is by this Act conferred upon the owner of the copyright. Section 55 gives the rights to the owner to take the civil remedies for infringement by way of injunction, damages, accounts etc. Infringement of Copyright and passing off

37. In various decisions delivered by the courts in which it is held in the following type of matters, the case infringement of copyright and passing off is made out and interim orders were granted.

a) In the case reported at 1999 PTC Page No.188 Burroughs Wellcome (India) Ltd vs.Uni-Sule Pvt.Ltd, it was observed at Page No.192 as under:-

"Copyright is a form of intellectual property. With advancement in technology it is very easy to copy. The basic test in actions based on the infringement of the copyright is that if a thing fetches a price, it can always be copied and therefore, it needs adequate protection.

In other words, copyright exists even without it being registered for the purpose of its enforcement. The nature of copyright is also meant to be borne in mind. It subsists in any material form in which ideas are translated. Copyright is a incorporeal right. It does not lie in any idea, but it lies in the expression in which the idea is expressed. The work of an author therefore, becomes the subject matter of the copyright. In essence the copyright is a negative right of preventing copying of physical material in the field of art, literature etc. Once an idea is written down, the writing becomes the subject matter of copyright. With globalisation and advancement of technology, even computer programmes come within the copyright. Any work conveying a particular information comes within the subject matter of a copyright and it needs protection."

b) In M/s. Anglo-Dutch Paint, Colour and Varnish Works Pvt. Ltd vs. M/s. India Trading House, AIR 1977 Delhi Page 41, the plaintiff claimed the relief on the basis of get up, layout and arrangement of violet and grey and colour combination of the plaintiff s container. It was alleged that the defendant has very recently adopted identical container in respect of white paints as

mentioned in Para 3 and 4 of the judgment. In Para 9 of the said judgment, it is observed as under:-

"Having noticed the principles which have to be borne in mind, the application thereof is not difficult in the present case. It is true that there is a phonetic difference between the numerals "1001" and "9001" but taking into account the entire get up the combination of colours, it will be noted that the essential features of plaintiff's containers have been absolutely copied. The entire scheme of the containers is also the same. There is a common large circle with the same colour scheme and with the same background. There is the same description of Superior White on top and Zinc paint on the bottom in the circle. Again, the White circle with grey lettering is identically super-imposed on violet background. The only difference is that instead of white parallelogram shapes on top and base borders there are white triangles and on the white parallelograms instead of numeral "1001" in grey lettering, the numeral on the defendant's container is "9001" but the overall effect is just the same. The commodity is such that it is likely to be purchased by customers from all strata of society including the petty "kapkhandars" and contractors."

c) In the case reported at AIR 1979 Delhi 114, *Vicco Laboratories vs. Hindustan Rimmer, Delhi.*, the case of the plaintiff before court as per Para 9 was that the plaintiffs have been marketing the cream in a collapsable tube of 3 different sizes which has the distinctive get up etc. The collapsable tube has red background with floral design in yellow colour under the trade mark „Vicco Turmeric Vanishing Cream“ in the carton as well as tube in yellow strip in the bottom. The case against the defendant was that they have been marketing the vanishing cream in the carton and tube which are a colourable imitation of the plaintiff's carton and tube under the trade mark „Cosmo“. This court granted the injunction against the defendant and held at para 13 as under:-

"The plaintiffs claim passing off by the defendants of their product as and for the product of the plaintiffs on the basis of copy of the distinctive get up and colour scheme of the collapsible tubes and the cartons by them. The defendants are not entitled to represent their goods as being the goods of the plaintiffs. The two marks "Vicco" and "Cosmo" used by the plaintiffs and defendants respectively are no doubt different and the mark "Cosmo" by itself is not likely to deceive but the entire get up and the colour scheme of the tube and the carton adopted by the plaintiffs and the defendants are identical in every detail and are likely to confuse and deceive the customer easily. The get up and the colour scheme of the plaintiff adopted in every detail by the defendants for their tube and carton cannot be said to have been adopted by the defendants unintentionally."

d) In the case of *Nova Ball Bearing Industries vs. Mico Ball Bearing, PTC (Supp) (1) 497(Del)*, it has been held at para 7 page no. 499 as under:-

"A comparison of the two cartons "NOVA" and "JANI" would reveal that two cartons are exactly similar in size, colour scheme and get up, the only difference that the trade mark of the defendants is written at 5 places and that of the plaintiff at 3 places.

The two cartons bear such a close resemblance that they can easily confuse and deceive a customer."

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

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

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

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

h) In case reported at 1974 RPC 91 at Page 95, Smith Kline & French Laboratories Limited's Trade Mark Applications, it was observed as under:-

" The upshot of all these cases is to my mind to establish that a scheme of colouring applied to goods may be a mark within the definition in section 68. That definition as was pointed out in contrast to other definitions in the Act, starts with the word "includes" showing that the definition is purposely not limited to the precise words which follow. The combination of colour giving a speckled effect in the present case is, in my judgement, no less a mark than the red lines in Redduway s hose case of the "heading" in the cotton cases and in the Winter-Hoffmann-La Roche chlodiazeoxide

case."

It was further observed:-

"The truth of the matter is I think as follows. In some cases the colour is an essential part of the article as an article whilst in others it is something which is not essential and has been added for some other reason. If it has been added so as to denote the origin of the goods, and the evidence shows that in practice it does so, it can properly be said that it is being used as a mark in the trade mark sense. The answer is no doubt one of degree and will depend on the evidence. It would be highly unlikely that colour in a lipstick could ever become distinctive of one manufacturer because in such a case colour is an essential element in and part of the article itself. It is for that reason that the customer buys it. Colour in a passenger motor car would normally be in a similar but not so conclusive a position, but I see no reason why a trader, as some do, should not paint his delivery vans or racing cars in specific distinct colours to indicate the origin of the car or of the goods it normally carries as emanating from him. With drugs, on the other hand, the position is the opposite of the lipstick. Colour is of no importance to the article as a drug and it may, if sufficiently, distinctive, be an exceedingly effective indication of origin."

It was further observed:-

"I cannot see why other manufacturers should want to adopt the applicants' colour arrangements here except for the improper motive of trying to benefit from the latter's established goodwill."

i) In the case of *Tavener Rutledge Ltd. Vs. Specters Ltd.*, 1959 RPC Page 83 at Page 88, it was observed as under:-

"It seems to me that one has to take into consideration people who have what is called imperfect recollection, as was pointed out in the case of *Saville Perfumery Ltd. Vs. June Perfect Ltd.* (1941) 58 RPC 147 at 174.5 and one has to allow for cases where the person who has not got the two tins side by side perhaps does not remember the plaintiff's name accurately, or does not know that there are two different traders in the same line of business, or many others for that matter, and takes a casual glance at the tin and imagines that it is the kind of fruit drops that he wants, not entirely casually, but looking at it in the ordinary way that such a customer would go into a shop and see a pile of tins or something of that sort. Afterwards of course raise objection, but it seems to me that it is a case of confusion if customers are induced to buy by a recollection of the general get up of the plaintiff's tin so that they purchase a tin of the defendant's sweets by mistake and I am bound to say that I have come to the conclusion that such confusion is not only possible but is likely."

j) In Colgate Palmolive Vs. Anchor Health., reported in 2003 (27) PTC 478 (Del), the Court has held that:

"54. May be, no party can have monopoly over a particular colour but if there is substantial reproduction of the colour combination in the similar order either on the container or packing which over a period has been imprinted upon the minds of customers it certainly is liable to cause not only confusion but also dilution of distinctiveness of colour combination. Colour combination, get up, lay out and size of container is sort of trade dress which involves overall image of the product's features. There is a wide protection against imitation or deceptive similarities of trade dress as trade dress is the soul for identification of the goods as to its source and origin and as such is liable to cause confusion in the minds of unwary customers particularly those who have been using the product over a long period.

56. It is not the diligent or literate or conscious customer who always remain conscious to the quality of goods he has been purchasing which determines an offence of passing off. It is the unwary, illiterate and gullible persons who determine by arriving at a conclusion whether the infringed goods are confusingly similar in colour combination, get up, lay-out printed over the container or packing. If it is not so then the offence of passing off will cease to have its existence once the guilty party chooses a different trade name.

57. Words "Colgate" and "Anchor" are distinct and have not an iota of similarities either in look or in sound. That is why the ingredients of trade dress, get up, colour combination, lay out of the container or packing acquire significance and relevance for determining the offence of passing off. This criteria flows from the concept of action of passing off developed over the years that it is the similarities and not the dissimilarities which go to determine whether the action for passing off is required or not. That is why in trademark cases even the deceptive similarities are considered sufficient for infringement of trademark. If similarities of trade dress are substantial from the look of the two goods, it comes within the mischief of passing off.

58. As in Hudson's case, for non-speaking English, purchasers get up was held to be all important. In the instant case for unwary, illiterate and gullible customer, who is as good as non-English knowing purchaser, trade dress in the form of colour combination of Red and White in that order and proportion is all pertinent and relevant and nothing else. Distinctive differences in name is of no significance. Reason is simple. If an illiterate servant or village folk goes to the shop with the instruction to bring Colgate Tooth Power having a container of particular shop with trade dress of colour combination of Red and White in 1/3 and 2/3 proportion he will not be in position to distinguish if he is handed over "Anchor" Tooth Powder contained in a container having the identical trade dress and colour combination of "Red and White" in that order and proportion. Confusion is writ large as to source and origin as the difference in name will not make any difference to such a customer

and the goods of the defendant can easily be passed off as goods of the plaintiff.

59. Conscious imitation or substantial imitation of colour combination or get up or lay out of container again bares the design of the defendant in causing confusion in the minds of customers. The court is not required to find out whether there is confusion or deceptiveness. The test is whether there is likelihood of confusion or deceptiveness in the minds of unwary customers irrespective of dissimilarities in the trade name.

60. In the case of passing off and for that purpose infringement of trade mark which are already in existence, the second or for that purpose the subsequent comer has certain obligation to avoid unfair competition and become unjustly rich by encashing on the goodwill or reputation of the prior comer. They have to establish and bank upon on their own trade dress or distinctive features so as to establish their own merit and reputation and attract the attention of the purchasing public and if there are no substantial dissimilarities of marks, colour combination, get up or lay out on the container or packing or covering of the goods of the prior comer these are likely to create confusion in the minds of customers between his goods and the goods of the prior comer in the market as underlying and hidden intention of the second comer is to encash upon the successful rival.

62. Significance of trade dress and colour combination is so immense that in some cases even single colour has been taken to be a trade mark to be protected from passing off action. Colour combination is a trade mark within the definition of the TMM Act as there is no exclusion in the definition. Even a single colour has been held to be a trade mark. There may be exception also. Exception is that where the colour cannot be protected as the blue colour is for the Ink and red colour is for the lipstick. Red and white has nothing to do with the pink. Teeth as white line and Gum as Pink colour alone at least sometimes can meet the basic requirements as a trade mark. Colour depletion theory is unpersuasive only in cases where a blanket prohibition is being sought."

Test of Passing Off

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

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

"Two marks, when placed side by side, may exhibit many and various differences, yet the main idea left on the mind by both may be the same. A person acquainted with one mark, and not having the two side by side for comparison, might well be deceived, if the goods were allowed to be impressed with the second mark, into a belief that he was dealing with goods which bore the same mark as that with which he

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

l) In *Heinz Italia Vs. Dabur India Ltd.*, reported in 2007 (6) SCC 1, the Hon ble Supreme Court has held that:

"16. Likewise, it has been repeatedly held that before the use of a particular mark can be appropriated it is for the plaintiff to prove that the product that he is representing had earned a reputation in the market and that this reputation had been sought to be violated by the opposite party. In *Corn Products case* [AIR 1960 SC 142] it was observed that the principle of similarity could not to be very rigidly applied and that if it could be prima facie shown that there was a dishonest intention on the part of the defendant in passing off goods, an injunction should ordinarily follow.

m) In *Cadila Health Care case* [(2001) 5 SCC 73 : 2001 PTC 300] it has also been held that in the case of a passing-off action the similarities rather than the dissimilarities have to be taken note of by the court and the principle of phonetic "similarity" cannot be ignored and the test is as to whether a particular mark has obtained acceptability in the market so as to confuse a buyer as to the nature of product he was purchasing.

38. As mentioned earlier, it has been held in various decisions that no man is entitled to represent his goods as being the goods of another which such representation is made by the use of any mark, device, colour combinations or other means. Such person or trader cannot be permitted to make a false representation to the purchaser of his goods because it constitutes an invasion of proprietary rights vested in the rightful owner pre-condition of any successful passing off action is that mark in question must have acquired a reputation in the market and are known by some distinguishing feature. In case, prima facie, proves a tangible threat by the defendant to trade in the same manner even incorrectly that would be likely to give rise to deception or confusion.

39. The following are the essential characteristics of an action of passing off:-

(A) In *Erven Warnink B.V. v. J. Townend & Sons (Hull) Ltd.*, 1980 RPC 31, Lord Diplock stated the essential characteristics of a passing off action as under:

"(1) misrepresentation, (2) made by a person in the course of trade, (3) to prospective customers of his or ultimate consumers of goods or services supplied by him (4)

which is calculated to injure the business or goodwill of another trader (in the sense that this is a reasonably foreseeable consequence and (5) which causes actual damage to a business or goodwill of the trader by whom the action is brought or (in a quia timet action) will probably do so."

(B) The essentials of passing off action in Halsbury's Laws of England Vol. 38 (3rd Edition) para 998 as given below are worth noting:

"998. Essentials of the cause of action The plaintiff must prove that the disputed name, mark, sign or get up has become distinctive of his goods in the sense that by the use of his name or mark, etc in relation to goods they are regarded, by a substantial number of members of the public or in the trade, as coming from a particular source, known or unknown; it is not necessary that the name of the plaintiff's firm should be known.....The plaintiff must further prove that the defendant's use of name or mark was likely or calculated to deceive, and thus cause confusion and injury, actual or probable, to the goodwill and the plaintiff's business, as for example, by depriving him of the profit that he might have had by selling the goods which ex hypothesi, the purchaser intended to buy. Thus, the cause of action involves a combination of distinctiveness of the plaintiff's name or mark and an injurious use by the defendant of the name or mark or a similar name or mark, sign, picture or get-up does or does not amount to passing off is in substance a question of evidence; the question whether the matter complained of is likely to deceive is a question for the Court."

40. The judgment passed in the case of Laxmikant Patel vs. Chetanbhai Shah, reported in (2002) 3 SCC 65, the relevant para-10 of which reads as under:-

"The law does not permit any one to carry on his business in such a way as would persuade the customers or clients in believing that his goods or services belonging to someone else are his or are associated therewith. It does not matter whether the latter person does so fraudulently or otherwise. The reasons are two. Firstly, honesty and fair play are, and ought to be, the basic policies in the world of business. Secondly, when a person adopts or intends to adopt a name in connection with his business or services which already belongs to someone else it results in confusion and has propensity of diverting the customers and clients of someone else to himself and thereby resulting in injury."

In this case, the Apex Court further observed that:

"Where there is probability of confusion in business, an injunction will be granted even though the defendants adopted the name innocently."

41. In the case of B.K. Engineering vs. UBHI Enterprises, reported in AIR 1985 Delhi 210(DB), it was observed:

"Competition must remain free. It is true it is the life blood of free enterprise system. It is essential that trading must not only be honest but must not even unintentionally be unfair."

42. In view of the above said well known settled law on the subject, it is clear that the defendant is guilty of infringement of copyright and passing off their goods as the goods of the plaintiff. From the above said judgments cited it is clear that in most of the cases the copyright has been claimed by the plaintiff on the article itself.

43. It is also pertinent to mention that the subject matter of the colour combination, get-up and layout are not only covered in the subject matter of copyright but also covered under the common law remedy i.e. law of passing off. Even in the New Trade Mark Act 1999 the definition of the mark is given in Section 2(m) which says that "Mark" include a device, brand, style, label, ticket, name, signature, word, letter, numeral, shape of goods, packaging or combination of colours or any combination thereof. As per the definition and as per the judgments mentioned above it is clear that the colour scheme, get up, layout and combination of colours is covered under the action for passing of also.

44. It appears that the work in question is an original artistic work within Section 2(c) of the Copyright Act and same is protected under Section 51 of the Copyright Act, 1957 in case the same has been copied by the defendant in material in case the plaintiff is able to show the case of infringement of copyright, then an injunction under Section 55 of the Act can be issued against infringing party.

45. No doubt, it has been seen that in the trademarks and Copyright cases, each case dependent upon its own fact and thus it has to be decided as per its own merit. In the present, there is no valid explanation given as why the defendant's new packaging has similar essential feature, get up, layout, colour combination and placement of features as that of the plaintiff packaging which is being used by the plaintiff since the year 2006.

46. The defendant's counsel has merely tried to justify the stand of the defendant on all individual features rather overall combination of colours and layout. The defendant main stress was to challenged the rights claimed by the plaintiff. No justification was given by the defendant as how to hit upon the new packaging which his similar to the packaging of the plaintiff. It appears to the Court that in case, both packaging used by the parties are compared in meaningful manner, it can easily come to the conclusion that one is designed by placing the another. From the placing used by the defendant, it is obvious that all essential features are deceptively similar to the packaging of the plaintiff. The letters used in the packaging are in the same colour. Side penal and arrangements and placement of pictorial device of fire are almost similar. One fails to understand, when the defendant had so many packagings which were being used by the earlier in the course of its business which includes black colour packaging, why the defendant has adopted and used the packaging similar to that of the plaintiff. The said conduct of the defendant cannot be called as a bonafide as the defendant is in the same trade and the defendant must be aware about the packaging of the plaintiff at the time of its adoption.

47. I am of the considered view that in case, the Court come to the conclusion that the infringement is deliberate and intentional, then a party who is infringing the rights of the rightful owner normally loses its rights to challenge the validity of the titles on the basis an action is taken, the Court under these circumstances should be more positive in granting protection than in normal cases.

48. None of the decisions referred by the defendant is applicable to the facts of the present case, as the defendant who is a well-reputed company in the trade has failed to assign any good reasons for adopting and using the new packaging. They are not even ready to modify the packaging even for small extent, rather when the suggestion was given, they tried more in attacking the rights of the plaintiff. Justification given by the defendant is totally unacceptable to the Court as the defendant in the present case has with mala fide made a misrepresentation by using of similar packaging otherwise there was no occasion by the defendant to use the same being a well known trader in the market. I am of the view that as far as other contentions raised by the defendants are concerned, those issues require trial and cannot be gone into at this stage. While deciding the interim applications only prima facie view is taken from the pleadings of the parties and documents placed on record and the law settled on the subject.

49. Under these circumstances, the plaintiff's application under Section 39, Rules 1 and 2 is allowed. The defendant is restrained from using the impugned packaging, the details of which are mentioned in para 9 of my order by infringing copyright of the plaintiff and to press off his goods as that of the plaintiff. However, in the interest of justice, and equity, the defendant is granted two weeks time to alter its packaging. The defendant is also granted four weeks time to dispose of the pending stock lying with them.

50. The defendant is burdened with costs of Rs.20,000/- to be deposited within four weeks with High Court Mediation Centre, New Delhi.

51. The application is disposed of.

List for further directions/compliance on 22.08.2012.

MANMOHAN SINGH, J.

JULY 02, 2012