

(1985) 01 AHC CK 0045
In the Allahabad High Court
Case No : F.A.F.O. No. 275 of 1984

Bata India Limited

APPELLANT

Vs

Pyare Lal and Co., Meerut City and Others

RESPONDENT

Date of Decision : 23-01-1985

Acts Referred:

Trade and Merchandise Marks Act, 1958 — Section 106, 26

Citation : AIR 1985 All 242

Hon'ble Judges : A. Banerji, J

Bench : Single Bench

Advocate : Sudhir Chandra Agarwala, for the Appellant;

Final Decision : Allowed

Judgement

A. Banerji, J.—This appeal has been filed by plaintiff-appellant Bata India Limited, against an order dt. 24th Dec. 1983 passed by 1st Additional District Judge, Meerut, refusing the prayer for the grant of a temporary injunction against the defendant-respondents in a "passing off action brought by Bata India Limited.

2. Bata India Limited, hereinafter referred to as "the plaintiff Company" filed a suit No. 56 of 1983 in the court of District Judge, Meerut against the defendant respondents with the prayer that their servants, employees and agents be restrained from using the mark "Batafoam" or otherwise associating the name of "Bata" in any manner or form in advertisements etc. and further restraining them from "passing off or enabling others to pass off mattresses, sofas, cushion and other articles as and for the plaintiff Company's goods and from selling or offering for sale any articles associating them with the name of "Bata" in any manner or form. Their further prayer was that the defendants and their servants, employees and agents be directed to deliver the infringing labels and marks of "Bata" for destruction. Their further case was that they have achieved a phenomenal success in the Indian market and have acquired goodwill for its goods all over India. Even before the advent of Trade Marks Act, 1940 the

plaintiff-Company acquired a great name and reputation for its goods. The name "Bata" was associated with the goods produced by the Company. Before the enactment of the Trade Marks Act, 1940, the plaintiff-company had a declaration registered in the office of the Registrar of Assurance, Calcutta, asserting its exclusive right to the user of the sole name "Bata". After the enactment of the Trade Marks Act, 1940, the plaintiff-Company registered its trade mark "Bata" in respect of several types of goods including canvas, rubber, rubber plates, leather shoes, rubber monolith etc., included in Cl. 55 of the fourth Schedule of the Trade Marks Rules, 1942. The registered number is 6574 dt. 28th Oct. 1942 and the Trade Mark stands duly renewed. The plaintiff Company by way of abundant precaution against infringement obtained registration of the name "Bata" in all major Indian languages and also got it registered in English language in capital letters. Apart from the above registered trade mark, the plaintiff-Company had also a trade mark "BSC (standing for Bata Shoe Company) and its registration number is 270102. "Bata is put on all goods produced by the Company as well as cartons in which they are marketed. The goods manufactured by the plaintiff company are of very high quality and conform to international standard.

3. In or about June, 1983, an advertisement came to the knowledge of the plaintiff-Company of the mark "Batafoam" in the daily newspaper "Dainik Jagran" published from Kanpur and Varanasi dt. 28th Feb., 1983 advertised by defendant 2 inviting applications for dealership for sale of mattresses, sofas, cushion etc., when it was evident that the defendants were using the registered name "Bata" of the plaintiff-Company in the same form and style as that of the plaintiff-Company and the goods of the defendants were likely to be mistaken for the goods of the plaintiff-Company by ordinary purchaser having average memory. The plaintiff alleged that the defendants were, thus, infringing the trade mark and damaging the rights.

4. Since the trade mark "Batafoam" appearing in the advertisement was deceptively similar to the plaintiff Company's registered trade mark "Bata", the plaintiff company wrote to defendant 2 calling upon him to forthwith cease and desist from using the trade mark "Bata" in any manner or form. The allegations were denied by defendant 2 in the letter dt. 20th July, 1983. Repeated request was made by the plaintiff Company to defendant 2 to stop the use of the trade mark "Bata". This letter was not accepted and returned to the plaintiff Company with the remark "Returned". It was further alleged that the defendants were passing off the plaintiff's goods as the goods of "Bata" and thereby not only damaging the fair name, reputation and good-will of the plaintiff-Company, but were also deceiving the public at large. The customers were being duped, and made to purchase "Batafoam" as if it was manufactured and marketed by the plaintiff Company. The action of the defendants was described as entirely fraudulent and dishonest for making unlawful gain by selling plaintiff-Company's good-will and reputation.

5. "Bata" was the surname of the founder and the defendants had no

justification in adopting this foreign name. Addition of the word "foam" with the trade name "Bata" was just to confuse the public and has been done with deliberate intention of making unlawful gain. According to the plaintiff-Company, the action of the defendants constituted passing off their own goods as and for those of the plaintiff-Company. Since this involves a threat to the plaintiff-Company's goodwill and its right, the suit was instituted in the court of the District Judge with the relief mentioned earlier.

6. The defendants denied all the allegations in the plaint and alleged that the name of "Bata" was registered under the Trade Marks Act, 1940 in respect of canvas, rubber, leather shoes, rubber monolith (foot-wear) rubber heels, rubber sole, rubber plates, leather soles, half soles, wooden heels, heels, socks and hosiery. Defendant No. 1 deals in business of rubber and manufactures goods which were made from natural raw rubber such as mattress, cushions, pillows, bus seats, scooter seats etc. According to the defendants rubber foam was quite different from the business of shoes and these two businesses had neither any concern or connection with each other. The name "Batafoam" was in no way confusing to the customers and did not cause any loss to the plaintiff. The use of the name "Batafoam" was incapable of causing any confusion in the mind of any prudent or any person having normal intelligence. Since the goods produced by defendant 1 was sold in the name of "Batafoam" and not in the name of "Bata", the plaintiff had no cause of action to file the suit. Even the style and shape of writing "Batafoam" was quite different from the word "Bata" and therefore the former did not cause any confusion in the mind of the customers. Apart from the name "Batafoam" every product has the full address, "Pyare Lal and Co. Kishanpura, Baghpat Road, Meerut." Neither the advertisement nor the user of the word "Batafoam" was causing any deception to an ordinary purchaser, and there was not even the remotest possibility of any danger to the plaintiff on this score; Even the writing of the words "Bata" and "Batafoam" was not similar. Further, the word "Bata" was only the surname and this could not create any right in any person whatsoever. Lastly, it was stated that the plaintiff-Company had no cause of action to file the suit and the suit was neither properly valued nor sufficient court-fees had been paid. Apart from this, a plea was taken that the court had no jurisdiction to decide the case. The defendants denied that they were passing off the goods of the plaintiff-Company and as such the plaintiff was not entitled to the injunction prayed for.

7. More or less on similar allegations application for the grant of temporary injunction was made and contested. The matter came up before the 1st Additional District Judge, Meerut, who by his order dt. 24th Dec., 1983 held that for a passing off action it was not necessary that the trade mark should necessarily be registered. Even if it was not registered but had been extensively in use even earlier was sufficient to invoke "passing off action. However, the court below held that the only thing that the injured party had to prove is that the mark used by the other party was so close either visually or phonetically that the court comes to the conclusion that there was an imitation. In such a case, it

was not necessary for the plaintiff to establish that its right had been violated. The court below observed that the trade mark "Bata" of the plaintiff was not registered in relation to the goods manufactured, sold and offered for sale by the defendants. Further, since there was nothing on the record to establish that the plaintiff dealt in manufacture and sale of mattresses, cushions and bus seats etc. and further since the registered trade mark "Bata" did not appear to be identical to the word "Batafoam", the question of passing off by the defendants did not arise in the case. The court further opined that the plaintiff-Company had failed to establish a prima facie case for the grant of temporary injunction and as such the question of balance of convenience and irreparable loss did not arise for consideration. Consequently, the application for temporary injunction was rejected.

8. Mr. Sudhir Chandra, learned counsel for the plaintiff-Company contended that this was a suit based on "passing off action. The defendants were using the name "Bata" on their product to which they were not entitled. The user of the name "Bata" to their product viz. foam, mattresses etc. was made with the sole intention of confusing purchasers giving them an impression as if the product of the defendants-respondents, in this case, was that of the plaintiff-Company. The goods produced by the plaintiff-Company were of a very high order and its reputation was built on the quality of its products and its dealing and the user of the name "Bata" to their product by the defendant-respondents was a fraudulent act to deceive the purchasers and to capitalise on the name of "Bata". He further argued that even if "Bata" did not produce foam, mattresses and the like, it did not matter in a "passing off action. The user of the name "Bata" was by itself enough to restrain the respondents from using that name in any of their product. He further contended that there was no explanation from the defendant-respondents as to why they were using the word "Bata" in their trade name. The name of "Bata" was the name of an inhabitant of a foreign country viz., Czechoslovakia and no Indian citizen had such a name. Further, Bata was the fancy name and if anything was added to that name, it would amount to an infringement. Bata is an invented word and was not a descriptive word. In support of his contentions, learned counsel cited a number of decisions.

9. Mr. Raja Ram Agarwal, learned counsel for the defendant-respondents contended that the plaintiff-Company was seeking injunction on two different grounds viz., infringement and passing off and one common factor in both the grounds was probability of deception. Learned counsel contended that there was no question of any passing off action in this case, for there was no similarity in writing the word "Bata" used by the plaintiff and the defendants. Further, there was no likelihood of any deception being caused to the mind of intending purchaser. There being no close relationship between the manufacture of goods by the two parties, there was no case made out for any passing off action. Monopoly over a name by any party was not permitted in law, and in support thereof he cited a Privy Council decision. He urged that there must be evidence of probability of deception and likelihood of confusion being caused to the mind

of purchaser. This could be possible where the goods were closely related and finally in a passing off action there must be proof of loss of good-will which was non-existent in the present case. Learned counsel further urged that the stage of adducing evidence in the present case has not arisen as yet. Whether any person was deceived or not and whether the confusion had been caused to the mind of the intending purchaser was yet to be established. The use of the word "Bata" and that too not in similar manner or style was not enough to restrain the defendants from using the name "Batafoam" to their products.

10. The suit is based on "passing off action. Section 27 of the Trade and Merchandise Marks Act, 1958, hereinafter referred to as the Act, reads as follows : --

"27. No action for infringement of unregistered trade mark -- (1) No person shall be entitled to institute any proceeding to prevent, or to recover damages for, the infringement of an unregistered trade mark.

(2) Nothing in this Act shall be deemed to affect rights of action against any person for passing off goods as the goods of another person or the remedies in respect thereof."

It is well settled the "passing off is not based on a registered trade mark but is an action to pass off goods as its own while it belongs to another person. Section 27(2) of the Act lays down that the provisions of the Act will not affect rights of action against any person for passing off goods as the goods of another person or the remedies in respect thereof. "Passing off is also referred in Section 105(c) and Section 106 of the Act The former refers to jurisdiction of Courts to try suits for passing off arising out of the use of any trade mark. The latter specifies the remedies available in respect of passing off arising from the use of a trade mark. It will, therefore, be evident that the Act does not specify anything on the question of passing off where no trade mark is involved. Actions relating to passing off are thus governed by common law, Section 27(2) of the Act lays down that the Act does not affect the rights of action relating to passing off goods. It may also be noticed that the expression "passing off has not been defined in the Act

11. The concept of passing off action has come to this country from England. It is a form of tort Halsbury in Laws of England, Third Edition, Vol. 38 para 995 has this to say :

"995, Nature of legal right. Although, apart from statute there is no property in a name or mark as such, it is a principle of law that no trader has any right to represent his goods as the goods of somebody else. As a corollary to this, no trader, who has in his hands the goods of a second trader, or his goods of a particular class or quality, has a right to represent those goods to be the goods of a third trader or of the second trader but of a different quality or belonging to a different class.....

An action based on the foregoing principle namely, an action based on passing off, lies, it seems, only where there is tangible possibility of damage to some business or trading activity. It is not, however, necessary to prove an actual passing off of goods, the plaintiff being entitled to nominal damages if no actual damage is proved.

This right is a right of property, the property being, it seems, in the business or goodwill likely to be injured by the passing off."

12. The concept of passing off has undergone changes. At the outset, it was based on representation that the goods were being marketed as the goods of another. Subsequently, the concept has been extended to profession and non-trading activities and at present it is applicable to various forms of unfair trading where such activities caused damage or injury to the goodwill associated with the activities of another person. The classic definition of "passing off is contained in the case of *Singer Manufacturing Co. v. Loog* (1880) 18 Ch D 395 at p. 412 :-

No man is entitled to represent his goods as the goods of another man; and no man is permitted to use any mark, sign or symbol, device or other means, whereby, without making a direct false representation himself to a purchaser who purchases from him he enables such purchaser to tell a lie or to make a false representation to somebody else who is the ultimate customer."

This principle has been followed in the case of *AIR 1940 86 (Privy Council)* . In an earlier case in *Perry v. Truefitt* (1842) 6 Beav 66, Lord-Langdale observed : --

"A man is not to sell his own goods under the pretence that they are the goods of another man; he cannot be permitted to practise such a deception nor to use the means which contribute to that end. He cannot, therefore, be allowed to use names, marks, letters or other indicia, by which he may induce purchasers to believe that the goods which he is selling are the manufacture of another person."

These observations give a clear indication that an action in passing off is, therefore, an actionable wrong where a person passes off his goods as the goods of another.

13. The essential characteristics of a passing off action are stated in the words of Lord Diplock in *Erven Warnink B.V. v. J.Townend & Sons (Hull) Ltd.* 1980 RPC 31 39 : (1979 (2) All ER 927 at pp. 932-33) : -

"(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."

It will, therefore, be obvious that where all these aforementioned characteristics are present there is a valid cause of action for passing off. The question whether

all these characteristics have been established or not is a question of fact. The question whether there has been a misrepresentation by the defendant amounting to passing off is also a question of fact. Similarly, whether the misrepresentation is likely to pass off the goods as that of another is again a question of fact. Each case would therefore, depend on its own facts.

14. The question whether all these characteristics have been established in the present case or not will be considered only after evidence has been led. We are at this stage concerned with injunction matter asked for by the plaintiff restraining the defendant-respondents from using the word "Bata" to their product in conjunction with the produce e.g. "Batafoam".

15. The question in the present case would be whether foundation has been laid in the suit to show that a valid cause of action has arisen. If there is a misrepresentation made by the defendant-respondents in the course of trade to prospective customers which is likely to injure the business or the goodwill of the plaintiff-Company, then he can ask for a restraint order against the defendant-respondents from using the mark or the produce bearing such mark.

16. In para-998 of Halsbury's Laws of England Vol. 38 (Third Edition), the essentials of the cause of action have been distinctly stated as under : --

"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 of 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, how far the defendant's use of any 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."

Where a trader uses the name or the mark or sign deceptively similar to that of the second trader in relation to goods marketed by the former even though it may not be the same goods or the same type of goods as produced by the second trader, yet a question of passing off may arise. The main consideration will be whether there is a misrepresentation.

17. If there is a prima facie case of misrepresentation made by the defendants in the course of trade to prospective customers and which is likely to cause injury to the business and the goodwill of the plaintiff-company, he would be entitled to

the protection by a Court when a suit of this nature may take years to be decided. In the meantime, the defendants may go on using deceptively similar mark in trade and marketing their goods representing or giving an impression as if the said goods are produced by the plaintiff-company. An injunction to restrain, the defendants in such a case would, be justified. After all a person long established in business, who has been using a particular mark in this product or products for a long number of years is entitled to "protect the same against inroad of another proprietor or producer. This is necessary not only to give protection to the goods and the business of the original producer but also to protect the public at large being duped by such unfair trade practice.

18. In the present case, it is well established that the name "Bata" is a word known all over the country. It is also well established that the name "Bata" is in use from even prior to 1940. It is also well established that the name "Bata" is a fancy name, inasmuch as the word "Bata" is not associated with any Indian name, place, object, or term. "Bata" is the surname of foreigner of Central Europe. Tomas Bata, a native of Czekoslovakia, started his business in India making shoes and rubber products. The name "Bata" is associated with his name. The defendant-respondents manufacture foam and foam materials in several of their products. They, however, use the name of their product as "Batafoam". Spelling of the word "Bata" is the same as used by the plaintiff-company. There is, thus, similarity in the spelling of the word "Bata" used by the defendant-respondents.

19. The next point for consideration is whether the word "Batafoam" as used by the defendants is written in a similar style as used by the plaintiff-Company in writing their name "Bata". From a perusal of the material on the record and visually comparing the writings in Annexures "A" and "D" to the affidavit in support of the injunction application filed in this Court, it is evident that although the writings "Batafoam" and "Bata" do not have exactly similar style of lettering, yet the fact that they are written somewhat in a similar style cannot be overlooked. The question is whether it is enough to cause deception.

20. Learned counsel for the respondents contended that there was no similarity nor even these marks were deceptively similar. This Court is not required to give a finding on this point, for that will be within the jurisdiction of the trial Court. However, this Court can express a prima facie opinion for the disposal of this appeal, which finding will, however, not be binding on the trial Court while deciding the suit. I am of the view, that while the mark, of the defendants "Batafoam" is not exactly similar to that of the plaintiff's mark "Bata", yet there is similarity which may cause confusion or deception in the minds of the customers not possessing a sharp mind or memory.

21. There is another aspect of the matter. Phonetically the word "Batafoam" starts with the word "Bata". A customer not knowing whether the plaintiff-Company produces foam or not may think that it is a product of the plaintiff-company. Sometimes the sound is more impressive than the visual. The use of

the name "Bata" in the product made by the defendants may, therefore, cause a confusion or deception in the mind of the intending purchaser.

22. One question is very material. Why should the defendant-respondents use the name "Bata"? There is no plausible answer so far to this, except the stand taken by the defendant-respondents that there is no copyright on a surname nor is the name "Bata" a fancy name having special attachment to a particular trade or product. Foam mattresses and items produced by foam are marketed in this country under various brand names. Items like "U" foam, "MM-Foam", "Dunlopilo" are all using foam for marketing their products mostly for use in mattresses, seats etc. All of them are using a distinctive name for their products. The defendants, if they wanted, could have also used a distinctive name of their own. Their using of the name "Batafoam" justifiably raises a question as to why the name "Bata" is added to indicate their product. The use of the name "Bata" by them for their product has been questioned by the plaintiff-Company, and it is urged that this is a misrepresentation. According to them, the misrepresentation is this that an impression is being given to the public that this foam is the product of the plaintiff-Company, which it is not, further, in view of this misrepresentation they are entitled to protection, for the respondents are not entitled to use the name "Bata" to any of their product. In other words, the contention is that the name "Bata" is so very well known in the market that its use on any product gives an impression to the purchaser that it is an item produced by the plaintiff-Company. Further, that the quality of goods prepared by the plaintiff is of a very high standard and in the event the goods marketed by the defendants are not of a very high quality, it may justifiably lead to an inference being drawn by the purchaser that the plaintiff-Company is no longer producing goods of high quality. This would result in injury to the goodwill of the plaintiff-Company in their product marketed under the name "Bata". It was further urged that even if the plaintiff was not producing the goods which the respondents were producing and marketing under the name "Batafoam" it would still be actionable.

23. The respondents, however, urged that it was necessary for a passing off action that there was some resemblance in the nature of goods produced by the two traders. In other words, the claim of the plaintiff did not give rise to a cause of action, for the plaintiff did not produce foam. Foam was not one of the products manufactured or marketed by the plaintiff-company. Consequently, there was no question of any injury being suffered by the plaintiff-company. In support of their contentions learned counsel for the respondents cited the following decisions :

The first case cited is AIR 1940 86 (Privy Council) . The appeal arose out of an action brought to restrain infringement of trade mark rights and passing off. The appellants were manufacturers and sellers of cigarettes and of tobacco described as "Virginia Bird's Eyes" smoked in pipes. These goods were sold in India in packets and in tins bearing a distinctive mark "Elephant Cigarettes". These goods

were well known and asked for throughout India as "Elephant Mark, Hathi Marka" Lal Hathi" and the like. The defendants were manufacturing and selling chewing tobacco. They also marketed their goods in packets and tins. Both the packets and tins had the picture of an elephant on them, not unlike the elephant used by the plaintiffs though there were differences particularly in colour. Their Lordships commented :

"There is no statutory law in British India relating to trade marks, and the law which is applied there on the subject is substantially the same as that applied in England before the Trade Marks Act, 1905. It is however plain that conditions peculiar to India must be borne in mind in applying any doctrine of English law, and that English decisions which turn or partly turn on questions of fact -- as do most cases of common law trade marks and passing off -- can only be applied with care and circumspection".

Their Lordships observed :

"The general principle, founded as it is on justice and equity, is the same in both the countries."

Thereafter, quoting a passage from the judgment in the case of *Singer Manufacturing Co. v. Loog* (1880 (18) Ch D 395) (*supra*) which has been quoted in this judgment, their Lordships observed :

"It is clear that the right of property that may be acquired in such a trade mark is based on the proved association in the market of the device, name, sign, symbol or other means in question with the goods of the plaintiff, so that the trade mark will amount -- whether the defendant intends it or knows it or not -- to the false representation that the goods are manufactured or put on the market by the plaintiff. There can obviously be no monopoly in the use of the trade mark. A manufacturer of cigarettes under an undoubted trade mark such as an animal, or any other device cannot legally object to the use of the identical mark on say, hats, or soap, for the simple reason that purchaser of any of the latter kinds of goods could not reasonably suppose, even if they were well acquainted with the mark as used on cigarettes that its use on hats or soap denoted that these goods were manufactured or marketed by the cigarette manufacturer.....

It is, however, very important to observe that each of these questions will be a question of fact to be decided on the evidence adduced. The vital element in such a case is the probability of deception."

Their Lordships also observed :

"..... the test of comparison of the marks side by side is not a sound one, since a purchaser will seldom have the two marks actually before him when he makes his purchase....."

Their Lordships further observed :

"Their Lordships however are not to be understood as saying that the differences

in getup are immaterial; for they must inevitably form an element in considering the question of probability of deception by the use of the mark."

This case is an authority for the proposition where the goods of similar nature are being marketed in similar or deceptively similar brand name, mark or sign. It must be remembered that this was a case for an action of infringement. It is true that in this case their Lordships said that "there can obviously be no monopoly in the use of the trade mark", but a perusal of the judgment shows that an undoubted trade mark, such as an animal, would not give a monopoly to one trader to use the sign or the picture of that animal to the exclusion of all others. This is very correct, otherwise, the first trader who used such a mark or design would preclude all others from using a design with that animal. This fortunately is not the law.

24. Learned counsel then cited a decision in the case of *Banga Watch Company Vs. N.V. Phillips, Eindhoven, Holland and Another*, . In para 11 thereof the main point which was pressed on behalf of the appellant was in the following words:

"The only point which was seriously pressed into service was that the acquisition of an exclusive right to trade mark in connection with a particular type of article of commerce cannot entitle the owner of that right to prohibit the use by others of such mark or name in connection with goods of a totally different character, because an action for passing off is a common law remedy for passing off by a person of his own goods as those of another and unless it was established by the plaintiffs that his goods and the goods sold by the defendant are of alike or similar nature, it could not be said that the use of the trade mark in dispute was likely to lead to any confusion."

Reference was made to a number of cases including the case of *Thomas Bear and Sons (India) Ltd.* (supra). Reference was also made to a Division Bench decision of Punjab and Haryana High Court in the case of *Delco Engineering Works v. General Motors Corporation* ILR (1974) P&H 502.

"That an action for passing off is founded on desirability of preventing commercial immorality or dishonesty on the part of a trader who by using a particular mark, whether registered or unregistered, wants to falsely represent that his goods are the goods of someone else so that he can take unfair advantage of the reputation of that other person in the market. The likelihood or probability of deception depends on a number of factors and is a question of fact in the circumstances of each case. Phonetic or visual similarities, get up, packing or other writings and marks on the goods or on the parcels in which they are offered for sale and other resemblances may help in determining the probability of deception on its own facts. If there, is no link between two trades, or in other words, the two trades are not closely correlated and the goods are not analogous, a conclusion may be reached in a particular case that the chances of deception are too remote to be taken notice of so as to restrain the defendant from selling his goods under the same or similar trade mark.

Great emphasis was laid by the learned counsel for the respondents on the underlined portion to say that there should be some similarity or correlation between the two products. This argument is supplemented by another argument that the plaintiff was not producing any goods like foam or analogous product. Consequently, there was no question of any deception being practised on the purchaser of foam materials in the market. This argument loses sight of an important feature viz., how would a lay customer know in the first place that the plaintiff was not producing foam or foam material? How would the customers know that Bata were not producing foam? It is well known that the name represented makers of shoes and analogous products, but a question would also arise in the mind of the lay customers whether Bata were also producing foam. Who is going to answer this question? Does an ordinary customer ask the seller as to whose product it is? The answer generally is in the negative. He buys a thing on the basis of his own impression.

25. In the Delco case (*supra*) the respondents were manufacturing some motor parts. They had registration certificate for pedals for land vehicles and springs, but they did not hold any trade mark for pedal axles for push bicycles. They applied for registration of the trade mark "Delco" in respect of bicycle axles accessories and parts thereof including pedal axles. The Court held that the defendant has no reason to sell his goods under the trade mark "Delco" and the motive for use of that trade mark could be none else but to take undue advantage of its popularity gained by the plaintiff-Company. This is an important point to be borne in mind.

26. Learned counsel for the respondents strongly relied on a Division Bench decision of the Calcutta High Court in the case of *Rustom Ali Molla and Others Vs. Bata Shoe Co. Ltd.*, . The appellant Rustam Ali had filed an appeal against an order of the District Judge granting an interlocutory injunction, against him in a suit for infringement of a trade mark and for passing off. His Case was that he had been using the said mark or name "Bata" in respect of, lungis and he had applied before the Registrar of Trade Marks, Bombay, for registering a trade mark under the name "Bata Lungis". The appellant was using the said mark or name "Bata" in respect of lungis by inscribing the said mark on a label which was attached to each piece of lungis and that the word "Bata" was printed in the identical way as used by the plaintiff Bata Shoe Company in their registered trade mark. The District Judge held that the user of the mark or name "Bata" hi respect of lungis or handkerchiefs did not constitute any infringement of the plaintiffs' Trade Mark which was in respect of specific goods which did not include lungis or handkerchiefs. The District Judge, however, held that the plaintiffs had made out a strong prima facie case as to passing off. The reason given was that there was obvious imitation of the mark "Bata" on the labels or cartons used for the lungis or handkerchiefs and that this similarity was likely to deceive the customers of these goods into believing that they were of the plaintiffs. The learned District Judge also imputed dishonesty in the user of the mark. The Division Bench considered the ease of AIR 1940 86 (Privy Council) and the case

of *Somerville v. Schembri* (1887) 12 AC 453 (B), where it was held :

"The acquisition of an exclusive right to a mark or name in connection with a particular article of commerce cannot entitle the owner of that right to prohibit the use of others of such mark or name in connection with goods of a totally different character; and that such use by others can as little interfere with his acquisition of the right".

After considering the above two cases the Division Bench observed : --

"In our view, the mark "Bata" not having been associated in the public mind with lungis or handkerchiefs, these goods being of a totally different character from those of the respondents' goods, the appellant's user of the said mark or name in respect of lungis or handkerchiefs of their manufacture cannot constitute any passing off of their goods as those of respondents."

27. With great respect, I regret my inability to subscribe to the view taken by the Calcutta High Court. Merely because the plaintiff in the present case is not producing foam is not enough to hold that there can be no passing off action in respect of the user of the name "Bata" to the products marketed by the defendants. The user of the name or mark "Bata" by the defendants is indicative of their intent. It appears that they desire to market their foam with a view to gain some advantage in a competitive market. As seen earlier, there is no plausible explanation as to why the name "Bata" was being used by them. A passing off action would lie even if the defendants were not manufacturing or producing any goods similar to that of the plaintiff. A passing off action would lie where a misrepresentation is likely to be caused or a wrong impression created, as if the product was of some one else.

28. In the case of *Ellora Industries Vs. Banarsi Das Goela and Others*, , it was held by a learned single Judge (at p. 258) : --

"Confusing customers as to source, as in this case, is an invasion of another's property rights. The unfairness arises from the fact that the purchasing public are likely to be misled. The protection is afforded not for the deceived customer but the rival trader. It is to prevent "dishonest trading", to use a phrase of *Danckwerts J. (J. Bollinger v. Costa Brava Wine Co. Ltd. 1961 RPC 116)*. The Australian Court in *Henderson's case (1969 RPC 219)* recognised a form of wrongful appropriation of a "trade value". *Evatt, C. J. and Myer, J.* said :

"The wrongful appropriation of another's professional or business reputation is an injury in itself."

Reference was made to the judgment of *Danckwerts J. in Bollinger v. Costa Brava Wine Co. Ltd. (1961) 1 All ER 561*. In this case *Danckwerts J.* expanded the tort to protect misappropriation of business values. The Champagne producers of France sought an injunction to prevent the defendants from marketing their wine under the name "Spanish Champagne". *Danckwerts J.* granted , an injunction. The reason was that Champagne means French Champagne, which was

associated with being "drunk at the gayest parties and in distinguished circles" and it was, therefore, wrong for the defendant to market his produce under the name "Spanish Champagne". What is actually meant by affording protection to the business values was laid down by the learned single Judge in the following words : --

"The case related to the protection of a reputation which the word Champagne suggested. It is a word that was valuable to a group of traders to preserve. It was held that the traders engaged in a field of business activity had locus standi to obtain an injunction to restrain a competitive producer from making deceptive statements as to the place of origin or similar falsehood."

Learned single Judge further observed :

"The dealers may not themselves be deceived but they can certainly use the instrument of deception to create confusion in the trade or to mislead the purchasers. The representation need not deceive immediate purchasers; the test is the likely impact on those members of the public who ultimately become purchasers."

29. The ultimate test was whether the defendants have any right to represent their business as the business of the plaintiffs. It leads to the question as to why the defendants were using the name "Bata" to their product.

30. Learned counsel for the plaintiff-Company forcefully contended that in a passing off action it was not necessary that the plaintiff-Company should be producing goods which the defendants were producing and marketing under the name "Bata". It was urged that the cases of AIR 1940 86 (Privy Council) ; Delco Engineering Works (ILR 1974 P&H 502) or the case of Banga Watch Company Vs. N.V. Phillips, Eindhoven, Holland and Another, were not apt and were distinguishable on facts. These cases were considering specific goods which were being marketed and which has some similarity or were occupying analogous field. An action for passing off is not merely confusion to the goods which one is producing as against that of another. The goods which are produced and marketed under the name of another trader which has by long user acquired a name and goodwill of its own will also be subject of a passing off action. In my opinion, the contention raised by the learned counsel for the plaintiff-Company is sound and must be accepted. Merely because the plaintiff does not produce any foam material would not mean that the plaintiff has no right of action in passing off as against the defendants.

31. In Reddaway v. Banham 1896 AC 199, one of the questions was whether it was necessary for the plaintiff to manufacture the same product which the defendants were producing in order to ask for an injunction in a passing off action. Answering the question in the negative his Lordship observed : --

"Now it is not always necessary that there must be in existence goods of that other man with which the defendant seeks to confuse his own. As Lord Greene

M.R. said : --

"Passing off may occur in cases where the plaintiffs do not in fact deal in the offending goods."

32. The law on the subject has been very succinctly considered by the learned Single Judge in the Ellora Industries Vs. Banarsi Das Goela and Others, in the following words :

"A word appeals to the ear more than the eye. There is a real and tangible risk of damage, the field of activity being common. The wrongful appropriation of trade reputation is an injury to the plaintiffs. That injury and the acknowledged intention to continue to inflict it, is ample justification for the injunction which was granted."

I entirely agree with the view expressed by the learned single Judge.

33. It is also well settled that proof of actual damage or fraud is unnecessary in a passing off action. The question is whether the offending goods is likely to cause injury or damage to the interest of the plaintiff. A question arises as to who are the people who are likely to be deceived or in whose mind confusion may be created by the user of a mark which is familiar and well established in the market. The Supreme Court in the case of Amritdhara Pharmacy Vs. Satyadeo Gupta, observed (at p. 453 of the AIR) :--

"A critical comparison 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....."

34. I am of the opinion that the user of the name "Bata" to any product may give rise in the mind of "unwary purchaser of average intelligence and imperfect recollection" that it is a product by the plaintiff. It is this impression which may ultimately cause damage to the reputation of the plaintiff. It amounts to an invasion of his right vis a vis the name "Bata". The moot point to be considered in an action for passing off where goods marketed by the defendants are likely to cause an impression in the mind of the purchaser that he is buying the goods of "Bata". If it creates this impression, it would be a case for the grant of a temporary injunction for the duration of the suit. If this is not done, the plaintiff may suffer an irreparable injury.

35. The question whether the plaintiff has established that the respondents are passing off goods of their own as that of the plaintiff will be a matter to be established on the basis of the evidence. I am not concerned at the present about the evidence, for it has still to be led. I am not concerned whether the plaintiff has suffered any damages or not or whether the plaintiff has been injured by the action of the defendants. At this stage, I have only to consider whether there is a cause of action and whether there is a prima facie case for issue of a restrictive order. As seen above, I am satisfied that the plaintiff has a cause of action for instituting a proceeding for passing off. I am further of the

view that the plaintiff has been able to make out a case for issue of an injunction in respect of the user of the name "Bata" to any of their products by the defendants. The name "Bata" is neither a fancy name nor paternal name nor in any way connected with the defendants. It is not the name of a flower or fauna. It is a fancy name of a foreigner who has established his business in making shoes and the like products in this country. The name is well known in the market and the user of such a name is likely to cause not only deception in the mind of an ordinary customer but may also cause injury to the plaintiff-Company. I will re-emphasise that these observations of mine are prima facie in purport and are not to be taken as the final expression of opinion on the merits.

36. In view of the above, it will be necessary to restrain the respondents from using the name "Bata" on any of their product. It will also be necessary to direct the respondents not to use the name "Bata" in any of their packages, advertisements and the like until further orders in the suit. The defendants may use another name for their product but are restrained from using the name "Bata" in conjunction with any other words for their product. The restraint order would continue until the disposal of the suit. I order accordingly. The appeal is accordingly allowed with costs.