
(1979) 07 DEL CK 0002

In the Delhi High Court

Case No : SAO (T and M) No. 33 of 1972

Dyer Meakin Breweries Ltd., Solan, Himachal Pradesh

APPELLANT

Vs

The Scotch Whisky Association, Edinburgh, Scotland

RESPONDENT

Date of Decision : 23-07-1979

Acts Referred:

Citation : AIR 1980 Delhi 125

Hon'ble Judges : Prithvi Raj, J; O.N. Vohra, J

Bench : Division Bench

Advocate : R.C. Chadha, for the Appellant; Anoop Singh, for the Respondent

Final Decision : Dismissed

Judgement

1. The short point that arises for determination in this appeal is whether the brand name "Highland Chief" used in relation to product described as "Malted Whisky" along with the device of the head and shoulders of a Scottish gentleman wearing feather bonnet and plaid and the tartan edging gives the impression that the product in relation to which it is used comes from Scotland and is thus likely to deceive or confuse the unwary purchaser in India.

2. Facts relevant for the purpose are these. Dyer Meakin Breweries Limited (now Mohan Meakin Breweries Limited), hereinafter referred to as the appellant, is a company incorporated under the Indian Companies Act, 1974, manufacturing various types of liquors and having its registered office at Solan in Himachal Pradesh. The appellant filed application with Trade Mark Registry seeking registration of trademark consisting of label, inter alia, portraying in vivid colours the bust of what appears to be Scottish soldier with words "Highland Chief" in class 33 in respect of Whisky. The application was admitted by the Assistant Registrar and advertised in Trade Marks Journal on Oct. 16, 1964. The Scotch Whisky Association, (hereinafter referred as the respondent), an Association incorporated under the English Companies Act, 1948, having its registered office at Edinburgh, Scotland, which does not itself carry on trade but includes amongst

its members the leading producers and sellers of Scotch Whisky and has one of the principal aims to protect the interests of the producers and sellers of Scotch Whisky and take action for the purpose of restraining the sale of any product which deceives the purchaser into believing that it is Scotch Whisky when it is not, in fact, the case, filed opposition to the said application on Feb. 11, 1965. It was contended, inter alia, that description "Scotch Whisky" was not generic but related solely to the geographical origin of the product and meant whisky distilled in Scotland and the words "Highland Chief", when used in relation to malted whisky, would be assumed by purchasers to relate to a product of Scotland since the highlands of Scotland are an area world-famous for the production of whisky. It was also stated that the impression created by the words "Highland Chief" would be confirmed as the label bore prominently the device of the head and shoulders of a gentleman dressed in Scottish Highland costume wearing, inter alia, feather bonnet and plaid and edged with tartan, a well known symbol of Scottish origin. It was submitted that the mark in question was one the use of which was likely to deceive or cause confusion.

3. In the counter statement filed by the appellant, the status and functions of the respondent were not challenged and it was conceded that the description "Scotch Whisky" meant whisky distilled in Scotland and that description could only be used in relation to a product wholly distilled in Scotland. It was, however, pleaded that the label bore name and place of manufacture and bottling in bold letters and set forth that the produce was a product of India and, therefore, no consideration of deception or confusion at all could arise.

4. The parties filed affidavits and Shri V.H. Mehta, Assistant Registrar of Trade Marks, on consideration of the material before him, took the view that there was absence of evidence to indicate that the purchasing public in India associated the word "Highland" with whisky produced in Scotland and held that he was not prepared to believe that on seeing the picture of a Scottish Highlander or the words "Highland Chief" on a bottle of whisky the purchasers in India would think that the whisky inside was produced in Scotland. The result was that the opposition was dismissed and application No. 214480 was ordered to be proceeded with for registration vide order dated April 21, 1970.

5. Feeling aggrieved, the respondent preferred appeal under S. 109 of the Trade and Merchandise Marks Act, 1958 (hereinafter referred to as the Act). The matter came up before V.D. Misra, J. who accepted the same and dismissed the application vide judgment dated Sept. 6, 1971. This is how the matter has come up in second appeal.

6. It is contended by Mr. R.C Chadha, learned counsel for the appellant, that the learned single Judge wrongly assumed that the onus of proof that the trade mark in question was not likely to deceive or confuse was on the appellant. It is urged that it is a case where no evidence was produced by the respondent in support of its opposition and, therefore, it had to be dismissed and had been rightly dismissed by the Assistant Registrar.

These submissions are wholly devoid of merit. It would be seen that the provision of S. 11 of the Act is so expressed as to lay down a number of prohibitions in the matter of registration of trade mark and the one which is relevant in this case is that it should not be likely to deceive or cause confusion. In the very nature of things it would be for the applicant in such a case to show that the use of the trade mark would not be likely to deceive or cause confusion. It is pointed out that the applicant produced no-objections in writing from two producers of Scotland and this led to the admission of the application and, accordingly the burden of proof shifted to the respondent as it does in civil proceedings. Strong objection has been taken by Shri Anoop Singh, learned counsel for the respondent, to the reliance on these letters. It is submitted that these letters do not constitute part of the record inasmuch as according to S. 99 of the Act, evidence in proceedings before the Registrar should be given by affidavit. It is conceded that the appellant did not file any such affidavit nor made request to lead oral evidence under the proviso. It is, therefore, not permissible even to contend that occasion for the shifting of the onus arose in this case. The concept of shifting of onus postulates existence of two parties and proceedings to which the provisions of the Indian Evidence Act, 1872 apply. So far as the proceedings before the Registrar are concerned, there is essentially one party which approaches the statutory functionary on whom the law enjoins the responsibility to see that the proposed trade mark would not be likely to deceive or cause confusion or violate any law etc. as mentioned in cls. (a) to (e) of S. 11 of the Act and, therefore, the onus would be on the appellant from beginning to end and it would be of no moment if opposition is filed or not pursuant to the publication in the Journal. Way back in the Matter of Dunn's Trade Mark, (1890) 7 RPC 311 at pp. 315 and 316 while referring to the provision analogous to the provision contained in S. 11 of the Act, it was observed:

These prohibitory clauses cast upon the applicant the duty of satisfying the Comptroller, or the Court, that the trade mark which he proposes to register does not come within their scope. In an inquiry like the present, he does not hold the same position which he would have occupied if he had been defending himself against an action for infringement. There, the onus of showing that his trade mark was calculated to mislead, rests, not on him, but upon the party alleging infringement: here he is in petitorio, and must justify the registration of his trade mark by showing affirmatively that it is not calculated to deceive. It appears to me to be a necessary consequence that, in dubio, his application ought to be disallowed.

This view found approval with L.J. Jenkins in the Matter of Trade Marks Act 1938, and Koyo Seiko Kahushiki Kaisha's application to register a Trade Mark, 1958 RPC 112 at p. 122. Therein it was observed:

I have always understood it to be settled that in cases of this kind the onus is plainly on the applicant for registration to satisfy the Tribunal or the Court that there is no reasonable likelihood of confusion..... I have further always

understood that the onus which is invariably on the applicant lies all the heavier upon the applicant when he is seeking to register a new mark.

In *National Sewing Thread Co. Ltd. Vs. James Chadwick and Bros. Ltd. (J. and P. Coats Ltd., Assignee)*, , while dealing with a case under S. 8 of the Trade Marks Act, 1910 which corresponds to S. 11 of the Act, Mahajan, J. (as he then was), who spoke for the Court, observed:

The principles of law applicable to such cases are well-settled. The burden of proving that the trade mark which a person seeks to register is not likely to deceive or to cause confusion is upon the applicant. It is for him to satisfy the Registrar that this trade mark does not fall within the prohibition of S. 8 and, therefore, it should be registered.

Similar view has been taken by the Calcutta High Court in *Prem Nath Mayer Vs. Registrar of Trade Marks and Another*, and in the matter of an application of *Smith Hayden & Co. Ltd.*, (1945) 63 RPC 97.

7. In regard to the second aspect, namely, there was no evidence in this case, it is observed that there is clear and cogent evidence which was simply lost sight of by the Assistant Registrar. On the basis of that evidence the learned single Judge held that the trade mark sought to be registered was not only likely to deceive or cause confusion but also of false trade description.

8. In para 2 of the opposition it was alleged that the description "Scotch Whisky" was not generic but related solely to the geographical origin of the product in relation to which it was used. It is also stated that the description "Scotch Whisky" meant whisky distilled in Scotland and that description could only be used in relation to a product wholly distilled in Scotland. The correctness of these allegations was conceded in para 2 of the counter statement. The admission arising from the pleadings is obviously of considerable importance. In paras 4 and 5 of the opposition it was mentioned that words "Highland Chief" indicated that the whisky in relation to which they were used came from Scotland would be confirmed if they saw those words used on the label, the subject of application No. 214480, since it bore prominently the device of the head and shoulders of a gentleman dressed in Scottish Highland costume wearing, inter alia, feather bonnet and plaid and edged with tartan a well-known symbol of Scottish origin, and even if the brand name was changed, there would be no appreciable difference in the impression. In para 5 of the affidavit, sworn by Mr. David Clark Banks in support of the opposition, it was stated that Scotch Whisky had been sold throughout India for about a century and by virtue of extensive sales and considerable amounts spent on advertisement, Scotch Whisky had acquired a high reputation and prestige throughout India. This averment was conceded in the counter-affidavit sworn by Shri Narinder Nath Mohan. Director of the appellant. In para 6 of the affidavit of Mr. David Clark Banks, it was sworn that whisky produced by members of the Association was distilled in several parts of Scotland but the region which was most famous for whisky was that part of the

Scotland known as "the Highlands". The word "Highland" when used in relation to whisky, it was added, had become synonymous with "Scotch" and any one using the word "Highland" as part of a brand name for whisky would denote thereby that the whisky was Scotch Whisky and the public would understand when they saw the word "Highland" used as part of the brand name of whisky that the whisky was produced in Scotland. These averments stand uncontroverted in the counter-affidavit. In the same para of the affidavit, details of trade marks in relation to whisky wholly distilled in Scotland and registered in India bearing words "Highland Queen". "Highland Queen Grand Liquor Scotch Whisky Label" "Highland Queen Scotch Whisky Label" "Highland Nectar", "Highland Club" and "Highland Cream Label", all registered in class 33 in India for whisky have been incorporated and these facts also stand uncontroverted. In the latter part of para 10 of the affidavit, it is mentioned that Scotch Whisky like all alcoholic beverages is often ordered by reference to price lists in a bar or restaurant where a purchaser has no opportunity of seeing the label at all. This averments ,too, stands uncontroverted.

9. The contention of the learned counsel for the appellant is that the use of the words "Highland" or "Highland Chief" is not synonymous with the "Highland" in the minds of Indian public. The uncontroverted averments contained in paras 5 and 6 of the affidavit are a complete reply to this argument and we are afraid the appellant cannot be permitted to go out of the admission of fact. It is plain that the description "Scotch Whisky" relates solely to the geographical region of the product and "the Highlands" is the region of Scotland most famous for Scotch Whisky and is synonymous with scotch and is used as a part of the label being used for whisky. This being so, it is very likely for the public to understand that the word "Highland" used as a part of brand name for whisky is a Scotch Whisky that is one produced in Scotland.

10. Confronted with this difficulty, Mr. Chadha has submitted that the use of the word "Chief" along with "Highland" and the picture of the Scottish soldier well-known as Highlander attired in Scottish dress would make all the difference inasmuch as the words "Highland Chief" describe the picture of the Scottish soldier and not the whisky. This argument conveniently loses sight of the fact that not only the trade mark is sought to be used in relation to whisky which is malted Whisky, the trade mark, speaking generally, is always used in relation to goods. Furthermore, it has to be considered as a whole and the crucial question for consideration in each case is as to how a purchaser who must be looked upon as an average man of ordinary intelligence would connect the trade mark with the goods which he is purchasing. The goods of the appellant are indigenous. They are markedly different from Scotch Whisky that is the whisky which is the product of Scotland and the Highlands. The preference for Scotch Whisky amongst the people who Jove wine in this country is well known. In these circumstances, once it is conceded that the words "Highland Chief" used in relation to whisky are synonymous with Scotch and any one using the word "Highland" as part of a brand for whisky would denote thereby that the whisky is

Scotch Whisky and the public would understand on seeing the word "Highland" used for whisky that whisky was produced in Scotland, the device of the head and shoulders of a gentleman dressed in Scottish Highland costume wearing, inter alia, feather bonnet and plaid and edged with tartan, a well-known symbol of Scottish origin, would in our opinion, enhance in a great measure, the impression made by the words "Highland Chief" as having undeniably to do something with Scotch Whisky produced in Scotland rather than to wean away the mind of the purchaser from the goods and get engrossed with a colourful picture as having nothing to do with the origin of world famous whisky produced and distilled in Scotland. Highlanders being Scottish soldiers are well known in history and literature and highlands are well known as best region of Scotland producing Scotch Whisky. It is difficult to believe, even to conceive, in the circumstances, that the words and the picture of the Highlander on being perceived in unison would mitigate the effect of either of the two in relation to the product, the origin thereof and relationship with Scotland.

11. It is pointed out by the learned counsel for the appellant that some of the labels used by the respondent on whisky produced and distilled in Scotland which bear word "Highland" as part of the brand name would show words "Scotch Whisky" are invariably mentioned. He has referred to the label "Highland Queen" which carries words "Scotch Whisky" written beneath and the label "Highland Nectar" which carries words "Rare old Scots Whisky". It is argued that the inference is that the "Highland" by itself does not denote that the goods for which it is used as part of the brand name are the produce of Scotland. This is nothing but vain arguing against uncontroverted averment contained in para 6 of the affidavit of Mr. David Clerk Banks and cannot be countenanced. Furthermore, the association of the word "Highland" as part of the brand name with Scotch Whisky emphasised by the appellant clearly goes against it. When one has to consider whether the word "Highland" used as part of brand name in respect of something which is not produced in Scotland is likely to deceive or confuse an unwary customer of ordinary intelligence, it is to be borne in mind that the impression which is to count is the first impression created by the word, and the device, one supplementing the other, and this unmistakably carries the mind to the place known for whisky standing as a class and accepted as such.

12. It cannot be gainsaid that the word "Scotch" when used in relation to whisky by sheer user has come to be identified with the goods produced in Scotland and the same is the case with the word "Highland" figuring in the trade mark in question. On the basis of the admission referred to above and the trade marks "Highland Queen", "Highland Nectar" etc. which stand registered in India, it cannot further be gainsaid that the "Highland" being the name of the place when applied to whisky would indicate that the goods are the produce of that place. It cannot further be gainsaid that the word "Highland" as part of trade mark in relation to whisky has acquired reputation amongst the general public and it is something undeniable that the public associates that part of the trade mark with whisky produced and distilled in Scotland. It would, thus, follow inferentially that

words "Highland Chief by themselves or because of the presence of pictorial representation of the Highlander on being used as trade mark in respect of appellant's whisky which admittedly is not Scotch Whisky would be likely to deceive or confuse the unwary purchaser in thinking that the whisky is Scotch Whisky.

13. Another contention urged on behalf of the appellant is that the words "Highland Chief" on the label of the appellant given an apt description of the picture or pictorial representation thereof, and, therefore, no consideration of false trade description arises in this case. We agree that the words and the picture tally. In fact we have already discussed that the impression gets confirmed and enhanced, but it is difficult to hold that it is not a case of false trade description. According to Section 2(1)(f) of the Act "false trade description" means, inter alia, a trade description which is untrue or misleading in a material respect as regards the goods to which it is applied. Section 2(u)(iv) which deals with "trade description" means description as to the place or country in which any goods are made or produced. Having come to the conclusion that the use of words "Highland Chief in isolation or in conjunction with the pictorial representation which form part of the trade mark, has the likely effect of making the purchaser believe that the whisky to which this trade description is given is the product of Scotland. Section 11 (e) of the Act would at once be attracted. This section says that a mark which would otherwise be disentitled to protection in a Court shall not be registered as a trade mark. We, therefore, respectfully agree with the learned single Judge that this description, in the circumstances set out above, is a false trade description within the meaning of Section 2 (1)(f).

14. In *Bollinger, J. v. Costa Brava Wine Co. Ltd.* 1960 RFC 16 at p. 31, the facts were that wine not grown in Champagne, a district of France, was sought to be sold as Spanish Champagne. It was held by Danckerts J.:

There seems to be no reason why such licence should be given to a person, competing in trade, who seeks to attach to his product a name or description with which it has no natural association, so as to make use of the reputation and goodwill which has been gained by a product genuinely indicated by the name or description. In my view, it ought not to matter that the persons truly entitled to describe their goods by the name and description are a class producing goods in a certain locality, and not merely one individual. The description is part of their goodwill and a right of property.

This case was followed in *Vine Products Ltd. v. Mackenzie and Co. Ltd.* 1969 RPC 1 Cross, J. observed at page 23

If I may say so without impertinence I agree entirely with the decision in the Spanish Champagne case - but as I see it, it uncovered a piece of common law or equity which had till then escaped notice - for in such a case there is not, in any ordinary sense, any representation that the goods of the defendant are the goods of the plaintiff, and evidence that no one has been confused or deceived in

that way is quite beside the mark. In truth the decision went beyond the well-trodden paths of passing off into the unmapped area of "unfair trading" or "unlawful competition."

15. It is pointed out by the learned counsel for the appellant that the label bearing words "Highland Chief" also contains the name of the appellant and the words "Produce of India". As already mentioned above, the trade mark is to be considered as a whole and the impression that a man of ordinary intelligence would carry is the impression which is to be visualised. The words "Produce of India" appearing at the bottom of the picture of the label are in very small letters and very insignificant. The name of the appellant "Dyer Meakin Breweries Ltd" is of course there and is not in small letters but words signifying the place of bottling are again in small type. What matters most is the first impression. That impression would necessarily come from words and representations made in bold letters. They are really eye catching. It is so manifest from the words "Highland Chief" appearing in great prominence and the device of the head and shoulders of a Scottish soldier which is even more prominent and pervading. It is difficult to hold that the words "Produce of India" and the other words just noted constitute worthy safeguard, remembering its situation and the type of purchaser which alone are relevant when questions like these are considered.

16. We are in respectful agreement with the visual analysis of the learned single Judge and also the reason given by him that unless persons examine the label minutely, which usually a customer does not do, and goes by the overall impression created by the name and the multi-colored label, the trade mark is definitely going to confuse the goods with Scotch Whisky and that it would be more so when a person is familiar with Highland Nectar, Highland Cream, Highland Queen and Highland Club and that he is more likely to conclude that "Highland Chief" is one of the familiar brands of Scotch Whisky.

17. The last submission of Mr. Chadha is that the Act has conferred discretion on the Registrar in the matter of allowing registration and in accordance with the well-accepted principles of law, the discretion exercised by him should not be lightly interfered with. He has relied upon Lakbir Singh Vs. Bakhat Singh and Another, and Chandra Bhan Agarwal and Another Vs. Arjundas Agarwal and Others, . We need not discuss these authorities as we are whole-heartedly in agreement with the principle followed therein. In the instant case, the Assistant Registrar fell into an initial error that the onus lay on the respondent presumably on the view that the application for registration had been admitted before notice of opposition was given by the respondent. We have already held that in view of the nature of the prohibition contained in Section 11, the onus was on the appellant from beginning to end and no consideration of shifting of that onus ever arose. Another error that was committed by the Assistant Registrar was in holding that the respondent had produced no evidence. We have shown above that there was abundant evidence coming from the admissions in the pleadings and uncontroverted averments in the affidavit sworn by David Clark Banks. The

repeated observations made by the Assistant Registrar that there was no evidence produced by the respondent is wholly unwarranted. Once a particular fact is admitted no necessity for production of evidence to substantiate arises and once the evidence is produced in the manner required by law, and in this case by affidavits as it was required to be done under Sec. 99, nothing more was needed after the various statements and claims were admitted or left unchallenged and uncontroverted. The power of the Registrar to grant registration is no doubt discretionary but the discretion is to be exercised in a judicial manner for furthering the intent and purpose of the Act. In this case, for reasons aforementioned, the Assistant Registrar came to an erroneous view that the proposed trade mark was not likely to deceive or confuse. His decision suffered from the vice of illegality besides impropriety. It deserved to be interfered with and was rightly set aside by the learned single Judge,

18. In conclusion the appeal fails and is dismissed, accordingly. The appellant shall pay the costs throughout.