

(2015) 04 CAL CK 0027
In the Calcutta High Court
Case No : C.S. No. 448 of 1990

Hawkins Cookers Limited

APPELLANT

Vs

Khaitan Pressure Cooker Pvt. Ltd.

RESPONDENT

Date of Decision : 10-04-2015

Acts Referred:

Civil Procedure Code, 1908 (CPC) — Section 11
Copyright Act, 1957 — Section 14, 15, 2, 51, 55
Trade and Merchandise Marks Act, 1958 — Section 2(d)

Citation : AIR 2015 Cal 150 : (2015) 4 CHN 356 : (2015) 2 MIPR 17 : (2015) 64 PTC 232

Hon'ble Judges : Debangsu Basak, J.

Bench : Single Bench

Advocate : Ranjan Bachawat, Senior Advocate, Debnath Ghosh, Prabhakar Choudhury and Bithika Mondal, for the Appellant; Abhrajit Mitra, Jishnu Chowdhury, Sourav Gupta, Sudhakar Prasad and Partha Basu, Advocates for the Respondent

Judgement

Debangsu Basak, J.—The plaintiff has filed the instant suit seeking permanent injunction restraining the defendant from infringing the registered copyright of the plaintiff and for damages.

2. The plaintiff claims to be using a distinctive logo. The plaintiff claims it to be an original artistic word. The plaintiff has been using such logo with its trade mark. The plaintiff alleges that, the defendant is selling pressure cookers bearing an identical and/or deceptively similar label as that of the plaintiff. The plaintiff had issued a cease and desist notice to the defendant. The defendant not doing so, the plaintiff has filed the instant suit.

3. The defendant has filed a written statement. In the written statement the defendant contends that, the mark is not an original work of art. The label used by the defendant is neither similar nor deceptively similar. There are a number of differences between the plaintiff's label and the label used by the defendant. The defendant contends that the plaintiff has abandoned its label and has instead

adopted a dissimilar label.

4. By an Order dated May 3, 2012 eight issues were settled for trial. Such issues are as follows:--

"1. Is the suit maintainable in its present form?

2. Whether the plaintiff's registered copyright as a Trade Mark is common to the Trade and even otherwise a common mark?

3. Whether the mark in question is an original work of art?

4. Whether the defendant has infringed the plaintiff's copyright No. A27389/80 by use of the label as mentioned in paragraph 9 of the plaint and annexure "C" to the plaint and if so, is the plaintiff entitled to restrain the defendant from using the said label?

5. Whether the use of the label as mentioned in paragraph 9 of the plaint and annexure "C" to the plaint by the defendant amounts to passing off and if so, is the plaintiff entitled to restrain the defendant from using the said label?

6. Whether the plaintiff is entitled to damages and if so to what extent?

7. Whether the plaintiff is still selling its products with the label bearing its registered copyright?

8. To what other reliefs the plaintiff is entitled in law and equity? The plaintiff has produced one witness in support of its case."

5. The defendant has relied upon one witness. On completion of witness action, the learned Counsel for the respective parties advanced their submissions. The parties have also filed written notes on arguments.

6. The first issue has not been pressed at the hearing. The same, therefore, need not be answered.

7. The second to the fifth issues are taken up together for the sake of convenience. It is contended on behalf of the plaintiff that in a proceeding based on infringement of an artistic work and/or passing off, the overall similarity of the two marks has to be construed from the stand point of a man of average intelligence having imperfect recollection. Referring to the definition of adoption appearing in Section 2 of the Copyright Act, 1957 it is submitted that the defendant cannot adopt a deceptively similar label as that of the plaintiff for the purpose of selling its goods. Reference is also made to the definition of deceptively similar appearing in Section 2(d) of the Trade and Merchandise Act, 1958 in this regard.

8. It is contended on behalf of the plaintiff that, the defendant should not be permitted to urge the point that the logo of the plaintiff is not an original artistic work within the meaning of Copyright Act, 1957. It is pointed out that, the defendant had filed an application for cancellation of the copyright subsisting in

favour of the plaintiff before the Copyright Board. By an Order dated July 15, 1998 the Copyright Board had rejected such challenge of the defendant. An appeal preferred by the defendant before this Hon'ble Court was dismissed on April 10, 2014. The finding therefore has attained finality in view of explanation IV of Section 11 of the Code of Civil Procedure, 1908. The label of the plaintiff is duly registered under the provisions of the Copyright Act, 1957.

9. Referring to Sections 51 and 55 of the Copyright Act, 1957 it is submitted that, the defendant being guilty of using a deceptively similar variant of the logo on the pressure cooker of the defendant, the same amounts to infringement of the copyright of the plaintiff existing in the said logo. The plaintiff is, therefore, entitled to a decree for permanent injunction as prayed for. Referring to one of the contentions of the defendant that, the logo of the plaintiff is not entitled to protection as the same has been used fifty times, it is submitted that, Section 15 of the Copyright Act, 1957 has no application as the same relates to an article to which any copyright in industrial design has been reproduced more than fifty times by industrial process. It is submitted that Section 15 of the Act of 1957 does not prevent the owner of copyright in claiming exclusivity of any artistic work or label in the event the same has been used more than fifty times. In this regard the definitions of article and design as appearing in the Designs Act, 2000 is relied upon. Learned Counsel for the plaintiff commenting upon Camlin Pvt. Ltd. Vs. National Pencil Industries, cited on behalf of the defendant submits that, the same has been overruled in Camlin Private Limited Vs. National Pencil Industries, . It is pointed out that, this defence has not been pleaded nor being made any issue in the suit.

10. In support of the contention that, the label of the plaintiff is an artistic work answer given by the witness of the plaintiff to question No. 165 is relied upon. Various other questions and answers of the witness of the plaintiff are also referred to. The evidence of the defendant's witness is also commented upon. It is pointed out that, the defendant had entered into the market of pressure cooker subsequent to that of the plaintiff as would be evident from the deposition of the witness of the defendant. It is also pointed out that, the defendant had used the logo to enable the customers to identify the pressure cooker of the defendant. The defendant had also given evidence that the pressure cookers of the plaintiff and the pressure cookers of the defendant were sold side by side from the same shop. It is submitted on behalf of the plaintiff that, the evidence of the witness of the defendant was not spontaneous and that, such witness had been coached to give such evidence. It is submitted that, the entire evidence of the witness should be disregarded.

11. It is submitted on behalf of the defendant that the mark of the plaintiff is not an original work of art. Referring to answer given to question No. 109 by the witness of the plaintiff, it is submitted that the witness of the plaintiff did not know who the artist or the author of the so-called work of art was. It is pointed out that the witness of the plaintiff in answer to a different question stated who

the author was. Referring to 2008 Volume 38 Patents and Trade Marks Cases page 308 (Del) (Dr. Reckeweg and Co. Gmbh. And Anr. v. Adven Biotech Pvt. Ltd.) it is submitted that, the plaintiff has not produced any evidence in support of the sweat of the brow doctrine laid down therein. It is contended that, the logo was in use by other pressure cooker manufacturers since 1964 and that similar logos are in use by manufacturers of other products.

12. It is submitted that, user of similar pattern by manufacturers of other products is relevant in the context of the allegation of passing off levelled against the defendant. It is submitted that, the label plaintiff is devoid any originality and creativity. Comparing the two labels it is submitted that, there are differences and dissimilarities which does not sustain the allegation of passing off. In any event, the defendant has changed its logo during the pendency of the suit.

13. Relying upon Camlin Pvt. Ltd. Vs. National Pencil Industries, , 2009 Volume 40 Patents and Trade Marks Cases page 519 (Microfibres Inc. v. Girdhar and Co. and Anr.) and 2010 Volume 43 Patents and Trade Marks Cases page 193 (V. Pinchandi Sole Proprietor and Trading as Shri Ambikamatch Works, Gudiyattam (Tamilnadu) v. Chakrapani Ilango Trading as M/s. Chakrapani Match Works, Gudiyattam (Tamilnadu)), it is submitted that the label of the plaintiff has been produced more than fifty times by a mechanical process and, therefore, does not enjoy the copyright protection.

14. It is next contended on behalf of the defendant that the plaintiff had abandoned its logo and it is presently using a different logo for its pressure cooker. The brand name of the pressure cooker is an integral part of the label. A customer identifies a product by a brand name and not the logo. In such circumstances, it is submitted that, even if an intimation of logo is made with an altogether different name, it cannot be said that the defendant is guilty of passing off. The logo should not be seen in isolation. On the question of damages, it is submitted that actual damages have not been proved. By an Order dated June 7, 1990 the defendant was directed to submit monthly accounts of sales with it Advocates. The plaintiff did not call upon the defendant or its Advocate to produce such accounts. In such circumstances, the plaintiff is not entitled to any claim on account of damages.

15. The plaintiff and the defendant are manufacturers of pressure cookers. The pleadings and the evidence of the parties establish that, the plaintiff has been manufacturing pressure cookers much prior to that of the defendant. The defendant had entered the pressure cooker market in 1986. At that time, the witness of the defendant had noticed that, the pressure cooker of the plaintiff was in the market. At that point of time the plaintiff was selling its pressure cooker bearing the same logo with the words "Hawkins" therein.

16. It is the evidence of the defendant that, the logo used by the defendant was for the purpose of attracting customers and to enable the customers to identify the pressure cooker of the defendant. The witness of the defendant however

stated that the defendant is no longer using the same logo for its pressure cooker.

17. The plaintiff has been using a distinctive logo having two red semi-circles separated by a white patch bearing the name "Hawkins". The plaintiff has also been using such distinctive logo with other brands like Classic, Big Boy, Contura and Ventura. The plaintiff has been using such logo to distinguish its pressure cookers from the pressure cookers manufactured by others. The label of the plaintiff is duly registered under the provisions of the Copyright Act, 1957. Such registration is Exhibit "B". Exhibit "B" states that, the label has been published in India since 1974. The defendant had filed an application for cancellation of such copyright. Such application was rejected by an Order dated July 15, 1998 which is marked as Exhibit "12". The appeal therefrom was dismissed on April 10, 2014. The defendant, therefore, is not in a position to challenge the copyright existing in favour of the plaintiff in respect of Exhibit "B".

18. The defendant is also selling pressure cookers. The defendant has been using a label which also consists of two red semi-circles with a white space between the semi-circles as would appear from Exhibit "C".

19. Exhibit "B" is the registered label of the plaintiff. In Exhibit "B" the plaintiff has used the word "Hawkins" and "Universal" as would appear from Exhibit "D". A comparison between Exhibit "B" and Exhibit "D" on one part and Exhibit "C" on the other is required to find out whether Exhibit "C" is deceptively similar to Exhibits "B" and "D" or not.

20. Exhibits "B", "C" and "D" are as follows:--

21. In *Anglo-Dutch, Colour and Varnish Works Private Limited Vs. India Trading House*, it has been held as follows:--

"8. Regarding the principles to be borne in mind in such a case, the question is practically settled in the two decisions of the Supreme Court: (1) *Corn Products Refining Co. Vs. Shangrila Food Products Ltd.*, and (2) *Amritdhara Pharmacy Vs. Satyadeo Gupta*, The tests laid down for comparing the two marks are:

(i) The question whether the two marks are so similar as likely to cause confusion or deceive is one of first impression. It is for the court to decide this question.

(ii) The question has to be approached by applying the doctrine of fading memory i.e., from the point of view of a man of average intelligence having imperfect recollection.

(iii) Whether the overall visual and phonetic similarity of the two marks is likely to deceive such a man or cause confusion that he may make mistake the goods of the defendant for those of the plaintiff.

(iv) The other questions which arise are:

(i) who are the persons who are likely to be deceived and

(ii) what rules of comparison are to be adopted in judging whether such resemblance exists."

22. In 2009 Volume 40 Patents and Trade Marks Cases page 37 (Del.) (Frito-Lay India and Ors. v. Radesh Foods and Anr.) it has been held that, the subject matter of colour combination, get-up, layout are not only covered, the subject matter of the copyright should also cover under the common law remedy, the colour scheme, get-up and combination of cover under the action for passing off.

23. In Eastern Book Company and Others Vs. D.B. Modak and Another, it has been held that, copyright has nothing to do with originality of literary work. Copyright is that which is created by the author or it is a derivative work which gives a creativity. The copyright work which comes into being should be original in the sense that by virtue of selection, coordination or arrangement of pre-existing data contained in the work, a work somewhat different is produced by the author.

24. Exhibit "B" as well as Exhibit "D" bears two semi-circles with the colour red with a white patch in between. The two red semi-circles are highlighted by an outer ring of white colour. Exhibit "C" is the logo of the defendant, it also bears two semi-circles which are red in colour with white patch in between, highlighted with a white colour and a black circle around it. The defendant is using a photograph of Lord Sree Krishna in the top semi-circle, the word "Shyam" in the white patch and the word "Pressure Cooker" in the second semicircle. It is admitted in evidence that, the pressure cookers of both the parties are sold in the market in the same shop side by side.

25. Applying the tests laid down in M/s. Anglo-Dutch Paint (supra) and on comparison of the two labels used by the parties, it must be said that the two red semi-circles with a white patch in between and white highlight all round, is an attractive get-up. In place of "Hawkins" the defendant is using "Shyam". The defendant has added one more feature on the top semi-circle, that is, the picture of Lord Sree Krishna. In the bottom semi-circle instead of the word "Universal" used by the plaintiff, the word "Pressure Cooker" is used by the defendant. As noted herein, the pressure cookers of both the parties are sold from the same shop and are placed in the display side by side. The plaintiff is the prior manufacturer of pressure cooker and has been in the market prior to that of the defendant's pressure cooker. The witness of the defendant has admitted to have seen the pressure cooker of the plaintiff in the market bearing the logo as that of Exhibit "B" and Exhibit "D". Comparing Exhibit "B" and Exhibit "D" with Exhibit "C" I find that the two logos are deceptively similar. The colour combination, get-up and layout of the two labels are sufficiently similar from the stand point of a man of average intelligence having imperfect recollection to allow Exhibit "C" to be passed off as a product of the manufacturer of Exhibits "B" and "D". The two pressure cookers bearing Exhibit "D" and Exhibit "C" when displayed side by side in a shop would look similar by reason of the colour combination, get-up and layout of the two logos. There is every likelihood of a person of average

intelligence having an imperfect recollection looking at the logos of the two pressure cookers misunderstanding the defendant's pressure cooker to be the one manufactured of the plaintiff.

26. The contention of the defendant with regard to mechanical reproduction of the logo for more than fifty times by industrial process prevents the owner of a copyright claiming exclusivity of the artistic work at label as laid down in National Pencil Industries (supra) has been overruled on appeal in Camlin Private Limited (supra). In Camlin Private Limited (supra) it has been held as follows:--

"13. Section 14 of the Act as it stands today was substituted by Copyright (Amendment) Act 38 of 1994, which amendment came into force with effect from 10.05.1995. The case is governed prior to amendment in relation to an artistic work reproduction of the work in any material form was one of the rights recognized as the exclusive copyright under Section 14 of the Act as it stood when the learned Single Judge passed the impugned order. Therefore, the premise on which the learned Single Judge proceeded to reject the plaint was erroneous in law. The view held by learned Single Judge that a mechanically reproduced carton by printing process was not capable of being subject matter of copyright was not correct, which was the sole basis in having come to the conclusion that the plaint do not disclose the cause of action." 27. Citing a judgment which has been overruled is not a healthy practice.

28. Learned Counsel for the defendant submits that the plaintiff cannot claim infringement as regards a mechanically produced label and relies upon Microfibres Inc. Vs. Girdhar and Co. and Another, and 2010 Volume 43 Patents and Trade Marks Cases page 193 (V. Pichandi Sole Proprietor and Trading as Shri Ambikamatch Works, Gudiyattam (Tamilnadu) v. Chakrapani Ilango trading as M/s. Chakrapani Match Works, Gudiyattam (Tamilnadu)).

29. In Microfibres Inc. (supra) the appellant therein was a manufacturer and seller of upholstery fabrics with designs derived from the original and unique artistic works either conceptualized or drawn by employees. The copyright in such artistic works remained with the appellant. In such context it was held that, if the artistic work such as a painting has been used as the basis for designing an industrial produced object, such as the furnishing in that case, although the original painting would enjoy full copyright protection, the result of the industrial application of such painting, namely, the design used in the industrial production of the ultimate product shall enjoy lesser period of protection as stipulated under the Designs Act, 2000 provided it is registered as a design under the Designs Act, 2000.

30. In V. Pinchandi (Supra) the claim was in respect of trade mark registration and copyright mark Plus 2 for safety matches. The application was for rectification of copyright before the Copyright Board.

31. The contention of the defendant of Section 15 of the Copyright Act, 1957 is not available to the defendant in the facts of this case. Section 15 of the

Copyright Act, 1957 relates to an article reproduced more than fifty times by industrial process. As rightly contended on behalf of the plaintiff, Section 15 of the Copyright Act, 1957 does not prevent the owner of copyright from claiming protection for the artistic work or the label even if the same may have been used more than fifty times.

32. The contention of the defendant that similar logos are used by the manufacturers of other products is met with the submission that the contents of the exhibits relied upon in support of such contention have not been proved. Reliance is placed on *Sait Tarajee Khimchand and Others Vs. Yelamarti Satyam alias Satteyya and Others*, for the proposition that the contents of the documents marked as exhibits should also be proved.

33. In *Sait Tarajee Khimchand and Ors. (supra)* the Supreme Court has held that the contents of the documents must also be established by evidence. In the instant case, the computer prints out of logos of other manufacturers allegedly using similar labels have been marked as exhibits. The contents of these documents have not been established. In any event, the existence of other users manufacturing different products than the plaintiff, alleged to have similar label as that of the plaintiff, such fact by itself does not disentitle the plaintiff from seeking the relief against the defendant as sought for in the plaint.

34. Reliance is placed on *Satyam Infoway Ltd. Vs. Sifynet Solutions Pvt. Ltd.*, on behalf of the plaintiff for the proposition that, an injunction order should not be denied to the plaintiff on the ground that the same may disrupt the business of the defendant.

35. *Satyam Infoway Ltd. (supra)* has considered on application for grant of an interim order of injunction. It has been held that, there are three elements in an action for passing off. The first element is that the plaintiff seeks to restrain the defendant from passing off his goods and services to the public as that of the plaintiff in order to preserve and protect the reputation of the plaintiff and to safeguard the public. The second element required to be established by the plaintiff that the defendant had made a misrepresentation to the public. The third element is loss or the likelihood of it.

36. In view of the discussions above the second issue is answered in favour of the plaintiff.

37. By reason of the failure of the challenge to the cancellation of the trade mark launched by the defendant the third issue is also required to be answered in favour of the plaintiff.

38. In view of the discussions above, the fourth and the fifth issues are answered in the affirmative and in favour of the plaintiff.

39. The sixth issue relates to damages. It is submitted on behalf of the plaintiff that, the plaintiff need not prove actual damages. In support of such contention reliance is placed on *Prakash Glass and Rubber Works and Another Vs. Hindustan*

Safety Glass Works Private Limited and Another, . It is pointed out that, the label of the plaintiff has been protected by the Hon"ble Court in Hawkins Cookers Ltd. Vs. Magi cook Appliances Co., . It is contended on behalf of the plaintiff that, since the defendant has been using and applying the logo of the plaintiff wrongfully and illegally the plaintiff is entitled to damages. Reliance is placed on 2010 Volume 43 Patents and Trade Marks Cases page 496 (Del.) (John Wiley and Sons Inc. and Ors. v. International Book Store and Anr.). The plaintiff also seeks punitive damages apart from compensatory and nominal damages and in support of such contention reliance is placed on Dabur India Ltd. Vs. Sh. Ashok Aushadhi Udyog, (Dabur India Ltd. v. Ashok Aushadhi Udyog). On behalf of the defendant it is submitted that, the plaintiff has not adduced any evidence in support of its claim for loss and damages. Reference is made to an Order dated June 7, 1990 where the defendant was directed to submit monthly accounts to the plaintiff. It is pointed out that the plaintiff has not called upon the defendant to produce such accounts.

40. In Prakash Glass and Rubber Works and Anr. (supra) it has been held as follows:--

"It is also well-settled that the plaintiff in passing off action does not have to prove that he has actually suffered damage by loss of business or in any other way. A probability of damage is enough but the actual or probable damage must be damage to him in this trade or business i.e., damage to his goodwill in respect of that trade or business. What is required to be established is the likelihood of deception or confusion in the minds of the public at large. Such likelihood or probability of deception depends on a number of factors, which varies from one case to the other depending upon the facts." 41. In John Wiley and Sons Inc. and Ors. (supra) the Delhi High Court on the question of damages has held that, bald assertion of loss of business without any evidence would not entitle the plaintiff to damages. In such circumstances, the plaintiff would not be allowed to claim anything more than reasonable damages. The Court had proceeded to quantify damages of Rs. 3,50,000/- in that case.

42. In Dabur India Ltd. (supra) it has been held as follows:--

"26. In the case of Time Incorporated Vs. Lokesh Srivastava and Another, , this Court has expressly recognized a third type of damages as punitive damages, apart from compensatory and nominal damages. The Court has made some relevant observations discussion the aspect of punitive damages. It was observed:--

"The award of compensatory damages to a plaintiff is aimed at compensating him for the loss suffered by him whereas punitive damages are aimed at deterring a wrong doer and the like minded from indulging in such unlawful activities...."

"This Court has no hesitation in saying that the time has come when the Courts dealing acts for infringement of trademark, copy rights, patents etc. should not

only grant compensatory damages but award punitive damages also with a view to discourage and dishearten law breakers who indulge in violations with impunity out of lust for money so that they realize that in case they are caught, they would be liable not only to reimburse the aggrieved party but would be liable to pay punitive damages also, which may spell financial disaster for them."

43. The plaintiff therefore is entitled to three types of damages, namely, compensatory damages, nominal damages and punitive damages.

44. The defendant having used a logo deceptively similar to that of the plaintiff has benefited out of the sales made. The defendant therefore must compensate the plaintiff with the profits earned by the defendant during the period of the sale. The defendant has stated in its evidence that it has changed its logo subsequent to the filing of the suit. The defendant therefore must make over the profits earned during 1989 till it changed its logo, as damages to the plaintiff. In addition thereto, the plaintiff is also entitled to punitive damages so as to prevent the defendant from any further act of infringement in the future and also to compensate the plaintiff for the infringement of the logo. Although the defendant claims not to use the same logo any further, in order to deter the defendant from infringing the logo of the plaintiff again, punitive damages are called for in the facts of this case. The plaintiff will be entitled to punitive damages assessed at Rs. 10,00,000/-.

45. The plaintiff has made out a case for grant of permanent injunction in terms of prayers (b) and (c) of the plaint. There will be a decree in terms of prayers (b) and (c) of the plaint. The plaintiff has sought for an inquiry into the loss and damages suffered by it and for a decree in respect thereof. The defendant has been submitting its accounts with its Advocate on record pursuant to the Order dated June 7, 1990. Mr. Kumar Gupta, Advocate is appointed as the Special Referee who will inquire into the accounts submitted by the defendant with its Advocate on record pursuant to the Order dated June 7, 1990 and will quantify the profits shown by the plaintiff in such accounts. The Special Referee will consider the accounts for the period from April 1, 1990 till the end of the financial year in which the defendant changed its logo. The Special Referee will be entitled to a remuneration of Rs. 30,000/- to be payable by the plaintiff at the first instance. In the event, accounts have not been submitted by the defendant in terms of the Order dated June 7, 1990, the plaintiff will lead evidence in support of its claim for damages before the Special Referee who will consider the same in accordance with law. The Special Referee will endeavour to complete the entire adjudication within a period of four weeks from the date of communication of this order on him. The parties are directed to cooperate with the Special Referee. The plaintiff will render all assistance including secretarial assistance to the Special Referee for discharging his duties.

46. The plaintiff has put in court-fees of Rs. 2,500/-. The plaintiff is required to pay a remuneration of Rs. 30,000/- to the Special Referee. The plaintiff will, therefore, be entitled to costs assessed at Rs. 75,000/- in the suit.

47. C.S. No. 448 of 1990 is decreed in part accordingly.

48. The department is directed to draw up and complete the decree as expeditiously as possible.

49. C.S. No. 448 of 1990 will appear in the monthly list of June 2015 for the purpose of consideration of the Report of the Special Referee.

Later:--

50. Stay prayed for is considered and refused.