
(1961) 02 MAD CK 0024
In the Madras High Court
Case No : C.S. No. 56 of 1958

Indian Dental Works and Another

APPELLANT

Vs

K. Dhanakoti Naidu and Another

RESPONDENT

Date of Decision : 24-02-1961

Acts Referred:

Trade Marks Act, 1940 — Section 46

Citation : AIR 1962 Mad 127 : (1962) ILR (Mad) 209 : (1961) 74 LW 666

Hon'ble Judges : Ganapatia Pillai, J

Bench : Single Bench

Judgement

(1) The first plaintiff in this suit is the widow of one Duraiswami Mudaliar and the second plaintiff in her son. Duraiswami Mudaliar is said to have started a business about the year 1934 of manufacturing tooth powder under the name Pyorrhea Tooth Powder. The tooth powder was packed in paper envelopes and tin containers with a trade mark the principal features of which were the picture of a human face with open mouth showing diseased gums, superimposed with the numeral 1431. In the course of a few years the tooth powder became very popular, being sold all over South India and even in far off place like Malaya. In 1935 a declaration of ownership of the plaintiff's trade mark was filed before the Presidency Magistrate's court Calcutta. This declaration of ownership was registered under the numeral 1431 of 1935. Thereafter, the founder Duraiswami Mudaliar is said to have added the words "registered No. 1431" as part of his trade mark. In 1937 the founder altered the trade mark by adopting a red and green label wherein his own bust portrait appeared at the left hand bottom corner. Besides the expression "Pyorrhea tooth powder" was written in a discipline manner in red ink in such a way that the bottom edge lay along the arc of a circle. A declaration of ownership of the amended trade mark was duly filed before the Registrar of Assurances at Calcutta on 3-8-1937. Ever since 1937 it is alleged that the founder and the plaintiffs have been regularly, and continuously using the above trade mark for their tooth powder and the public have come to associate the plaintiff's trade mark containing the numeral 1431 with the tooth

powder manufactured by the plaintiffs.

(2) The founder applied for registration of the above trade mark in May 1948, and the trade mark was registered without the expression "Calcutta registered No. 1431". In December 1951 Duraiswami Mudaliar, the founder of the plaintiff's business, again applied for registration of the numeral 1431 as part of his trade mark. But, this was not granted. On 19-10-1953 the first plaintiff's husband Duraiswami Mudaliar died. There after the business is being continued by the plaintiffs.

(3) On 6-11-1953 the first defendant obtained registration of a trade mark for tooth powder, with the numeral 1431. He and the second defendant are brothers. It is said that the first defendant applied for registration of 1431 in order to pass off his goods as the goods of the plaintiffs. Soon after, the plaintiffs receiver numerous complaints from their dealers about the defendant's goods being sold to the public as plaintiff's tooth powder. Thereupon plaintiff applied for rectification of the Trade Mark Register by expunging the registration of the trade mark obtained by the first defendant. This Application was made on 4-4-1955 and after notice to the first defendant it was allowed by the Registrar of Trade Marks on 4-7-1957. Against that order the first defendant preferred C. M. P. No. 94 of 1959. Against the dismissal of that C. M. P., L. P. A. No. 153 of 1959 is now pending.

(4) It is alleged that the first defendant is not only using the numeral 1431 as part of his trade mark, but has copied all the prominent features of the plaintiff's trade mark such as distinctive design colour scheme and get-up of the label of the plaintiffs. The first defendant has no right to use any limitation of the plaintiffs trade mark which has the effect of deceiving the members of the public. The plaintiffs therefore pray for an injunction restraining the defendants, their servants and agents from using the trade mark "1431" or the design and get-up of the plaintiff's trade mark, label or any limitation thereof on their tooth powder. They also pray for an injunction directing the defendants to surrender on oath to the plaintiffs all labels, packets, tins and other containers or receptacles bearing the offending trade mark together with blocks, dies, moulds etc. They ask for an account of the profits made by the first defendant and/or the second defendant through the sale of the tooth powder bearing the offending trade mark, and pending the suit, the plaintiffs applied for registration of their trade mark which has been registered and consequently, the plaintiffs have a cause of action now based upon infringement of their registered trade mark.

(5) By my order dated 9-11-1960 the evidence at the trial was confined to the cause of action relating to passing off. No evidence was recorded on the cause of action relating to infringement of the registered trade mark since the first defendant has filed a proceeding for rectification of the Register in relation to registration of plaintiffs' trade mark. This judgment is therefore confined to the cause of action of passing off of the defendants goods as the goods of the plaintiffs.

(6) The case of the first defendant is this. The business of manufacture of tooth powder was started by his mother on 1-4-1931 and the numeral 1431 was adopted as the trade mark indicating the date of starting of the business. It is denied that Duraiswami Mudaliar was using regularly the trade mark now claimed to be the property of the plaintiffs since 1937. On the other hand it is stated that the mother of the defendants has been continuously using the trade mark, containing the numeral 1431 for her own tooth powder. The business of the first defendant is said to have been carried on under the firm name Jeewan and Co. It is claimed that the defendants' tooth powder is very well known in the market and it commands a wide sale as it is believed to be an effective remedy against pyorrhea. It is alleged that the first plaintiff's husband imitated the defendants' trade mark. It is also alleged that the plaintiffs are guilty of misrepresentation by their having used the numeral 1431 and indicated in their trade mark that this was a registered trade mark and consequently it is said that the plaintiffs are not entitled to the equitable remedy of injunction.

(7) An Additional written statement was filed raising certain defences relating to the cause of action based upon registration of the plaintiff's trade mark. This does not however call for any notice now as the cause of action based on registration is not dealt with in this judgment since the suit relating to that relief has been withdrawn with my permission.

(8) The following issues were framed for trial :

"1. Was the business in tooth powder under the name and style of "Pyorrea Tooth Powder" founded in 1934 by Duraiswami Mudaliar, husband of the first plaintiff and father of the second plaintiff, and was the said tooth powder sold under labels with marks as "No. 1431 of 1935" and "Calcutta Registered No. 1431" ever since and later sold under the mark 1431"?

2. Did the plaintiff's tooth powder become extremely popular and did the number 1431 with distinctive colour and get up of the labels marked A become associated and identified with the tooth powder of the plaintiff's manufacture".

3. Have the plaintiffs used the said number 1431 ever since 1934 continuously, exclusively and openly and have they acquired any right to such exclusive user of No. 1431 ?

4. Did the first defendant ever use the trade mark 1431 at any time prior to getting it registered in his name in 1953 and did the first defendant pass off his goods as goods of the plaintiff's manufacture as alleged in para 11 of the plaint.

5. Are not the proceedings in rectification application No. 228 filed by the plaintiffs before the Registrar of Trade Marks irrelevant and inadmissible pending the decision in the appeal against the order in Rectification application No. 228.

6. Were not the plaintiffs refused registration of No. 1431 in the application filed by the plaintiffs under the Trade Marks Act, 1940 in Appln. No. 122576 and No. 152016.

7. Were the plaintiffs guilty of misrepresentation to the public by their having used the numeral 1431 or the other marks and labels as registered numeral and marks.

8. Are the plaintiffs entitled to the reliefs prayed for.

9. To what relief or reliefs, if any, are the plaintiffs entitled.

(9-10) The first question for consideration in the suit is whether the plaintiffs have been using their trade mark since 1937 continuously for the purpose of selling their tooth powder and whether such trade mark has acquired any distinctive reputation enabling the public to identify the goods bearing that mark as the goods of the plaintiffs. In considering this question the defendants contention that the numeral 1431 was adopted by their mother even on 1-4-1931 incidentally arises for determination as also the further question whether it was the defendants who were the first users of this trade mark containing the Picture of a human face with exposed teeth and the numeral 1431 and whether it was the plaintiffs that pirated this mark. Both sides are agreed that the two labels used by the respective parties in this case are almost identical. The only question therefore is whether it was the plaintiff's that pirated the defendants' mark, or it was the defendant who pirated the plaintiff's mark. The next question for consideration is whether 1431 not having been registered as part of the plaintiff's trade mark before the Registrar of Assurances, Calcutta either in 1935 or in 1937, the expression occurring in the plaintiff's trade mark "Calcutta Registered No. 1431" is a misrepresentation made by the plaintiffs to mislead the public that the trade mark was a registered trade mark and consequently whether the plaintiffs would be disentitled to the relief of injunction on the ground that this amounted to fraudulent conduct on their part. The last question for consideration is whether the delay of nearly three years in bringing the action after the plaintiffs became aware of the use of the offending trade mark by the defendants disentitles the plaintiffs to any relief.

(11) On the first question there does not seem to be much room for doubt on the evidence led before me. Even on 17-5-1935 a declaration of ownership of the trade mark with the name "Pyorrhoea tooth powder" with the picture of a human face showing diseased gums was filed by an attorney on behalf of Duraiswami Mudaliar before the Chief Presidency Magistrate, Calcutta and this was registered under the number 1431 of 1935. On 3-8-1937 a slightly altered picture which has continued in use there after was declared by Duraiswami Mudaliar as his trade mark before the Registrar of Assurances, Calcutta. The case of the plaintiffs is that since that date the altered picture has been used as their trade mark. It is further clear that on 4-5-1948 Duraiswami Mudaliar applied in Appln. No. 122576 for registration of his trade mark to the Registrar of Trade Marks, Bombay. On objection being taken to the expression "Calcutta registered 1431" by the Registrar, Duraiswami Mudaliar agreed to the deletion of this part of his trade mark and the rest of the trade mark was registered in the name of Duraiswami Mudaliar. In December 1951 Duraiswami Mudaliar again applied in Appln. No.

152060 to the Registrar of Trade Marks for registration of the numeral 1431 as part of his trade mark. This request was refused by the Registrar. On 19-10-1953 Duraiswami Mudaliar died, after having been ill with cancer for nearly two or three years.

(12) It was only on 6-11-1951 that the first defendant applied for registration of the numeral 1431 as his trade mark. He obtained registration of this trade mark, but on 4-4-1955 the first plaintiff applied for rectification of the Register by expunging the registration of the first defendants mark. On 4-7-1957 the Deputy Registrar of Trade Marks granted the request and ordered rectification of the register by canceling the registration of the first defendants mark under S. 46 of the old Act. C. M. P. No. 94 of 1959 preferred by the first defendant against that order was dismissed in this court and a Letters Patent Appeal is pending against that decision.

(13) The mother of the first defendant died on 26-8-1948 and it is from 1945 alone the first defendant managed, on his own showing, a business of manufacture of tooth powder.

(14) Before indicating the evidence in support of the plaintiff's claim of continuous user of the trade mark since 1937 I would discuss the question whether the defendants have been using their trade mark since 1-4-1931.

.....

(His Lordship, after discussing the evidence proceeded)

(15) From all this evidence, it is abundantly clear that Duraiswami Mudaliar started the manufacture of tooth powder under the name "Pyorrhoea tooth powder" in 1935 and he adopted the distinctive trade mark with the picture of a human face superscribed with the numeral 1431 in 1937 and he has been using this trade mark for his business till he died in 1953. After his death, his widow and his son, the plaintiffs in this suit, have been continuing this trade and using the same trade mark for the purpose of sale of their tooth powder. It is also clearly established that this tooth powder commands a very wide sale in the market though Mr. Radhakrishnan learned counsel for the first defendant was able to point out with reference to the turnover of P. Ws. 1 and 2 given in their affidavits that they were incorrect. The turnover of these two witnesses mentioned in their affidavits filed before the Registrar of trade marks related to their total turnover and not the turnover of the plaintiff's tooth powder. Even so it is clear that the business of the plaintiffs was on a large scale because in recent years it has passed the one lakh mark in annual sales. There is abundant evidence that the plaintiffs have been appointing agents in various places for the sale of their tooth powder and the public have come to recognise this powder by the trade mark used by the plaintiffs.

(16) One small matter which was raised by Mr. Radhakrishnan may be disposed of now. He said somewhat inconsistently that the trade mark adopted by the first

defendant was not likely to deceive the public because of certain distinction features. The two distinctive features he relied on were the name Jeevan and Co., printed on the first defendant's packets and the photo of the first defendant himself. It is well known that the average purchaser to be taken into account for deciding this question of resemblance between two trade marks is one who has imperfect recollection of these trade marks. It is also well known that the prominent features of the trade mark also can be taken into account in assessing the degree of resemblance between the two trade marks. It is true there is evidence in this case that people have been misled by the first defendant's trade mark into believing that the goods produced by the first defendant are really the goods of the plaintiffs. But even without such evidence it is for me to assess the value of the contention that the public are likely to be misled by the two trade marks. I have perused the two trade marks and they resemble each other very closely both in get-up, in the colour scheme adopted, and, in the descriptive matter and above all in the picture of the human face and the numeral 1431. These are, in my opinion, sufficient to show that the first defendant consciously adopted his trade mark with the idea of pirating the trade mark of the plaintiffs.

(17) The next question for my consideration is whether the plaintiffs are not entitled to any relief in this suit on the ground that they delayed filing the suit even though the plaintiffs came to know of the defendants' use of their trade mark on 1-3-1954. This suit was filed in the City Civil Court, Madras on 5-8-1957. Therefore, there is a delay of nearly three years and five months. This is not a case where the father of the plaintiffs kept quiet without taking any action in the way of protest against the defendant's user. As soon as the first defendant applied for registration of the trade mark in 1952 Duraiswami Mudaliar sent a telegram to the Registrar protesting against the registration of the first defendant's trade mark. But, unfortunately he died a few months thereafter and the plaintiffs filed an application for rectification of the registration of the first defendant's trade mark only on 4-4-1955 and they succeeded in getting an order of rectification. The delay in filing the suit cannot therefore be taken as unexplained delay. Such delay cannot amount to acquiescence.

(18) The next contention raised by Mr. Radhakrishnan for the first defendant was that the plaintiff's conduct disentitled them to the relief of injunction. In particular he stressed upon the fact that even though the trade mark of the plaintiffs was not registered under the Act of 1940 they advertised their trade mark as a registered trade mark. Such misrepresentation on the part of the plaintiffs, it was argued, was intended to deceive the public and therefore the plaintiffs are guilty of fraudulent conduct.

(19) The explanation of the plaintiffs is that they bona fide thought that the registration of their declarations in 1935 and 1937 entitled them to describe their mark as a registered trade mark and that when this was pointed out of them as an incorrect assumption by the Registrar they discontinued using the phrase registered trade mark after 1951. Mr. Radhakrishnan was able to point out

certain posters, letter heads, and advertisements in Panchagam after 1951 wherein the expression "Registered trade mark" was continued to be used. Relying on these he argues that the claim of the plaintiffs that they ceased to use the expression "registered trade mark" after 1951 is untrue. The explanation given by P.W. 6, the second plaintiff, is that these posters, postcards and other papers were papers already printed before 1951 and were used without any intention to mislead the public. He also explained that the printing of the Panchagam by the press was the result of the use of an old block. Consequently the expression "registered trade mark" continued to be printed even after 1951. I am satisfied that the explanation of the plaintiffs is true and that there was no conscious or deliberate user of the expression "registered trade mark" after 1951 when the Registrar pointed out to the plaintiffs the improper use of this expression by them.

(20) Mr. Radhakrishnan was able to point out certain discrepancies in the affidavits filed by the plaintiffs in the proceedings for registration of their trade mark as regards the point of time during which the plaintiffs were using their trade mark. He referred to the affidavit of Dhanalakshmi Ammal the first plaintiff wherein she stated that since December 1951 the expression "Calcutta registered" was dropped from the plaintiff's trade mark and also statements in other affidavits to the effect that the plaintiff's trade mark with the numeral 1431 was being used only from 1950.

The first statement is not found to be false and the explanation for the second statement is that since in 1948 the Registrar of Trade Marks objected to the use of the expression 1431 and refused to register it as a trade mark though he registered the rest of the label used by the plaintiffs as a trade mark the plaintiffs thought that user of their trade mark in the form in which registration was applied for commenced only in 1951. The attempt by the plaintiffs after 1950 was to get the trade mark registered with the numeral 1431 and therefore it was mistakenly supposed that the use of the trade mark with the numeral 1431 commenced in 1950. As a matter of fact I find that this No. 1431 has been continuously used by the plaintiffs ever since 1937, though it was never registered as part of their trade mark either in the declarations of 1935 and 1937 or in the registration under the Act in 1948. There was certainly no fraudulent conduct on the part of the plaintiffs in using the expression "registered trade mark" before 1948. It was an innocent user under the bona fide belief that the declarations filed with the Calcutta authorities in 1935 and 1937 amounted to registration.

(21) The question of wrongful user of the expression "registered" in a trade mark when the mark had not been actually registered has come up for decision before English Courts. In the matter of an application by William Bailey (Birmingham) Ltd., to register a trade mark and an opposition thereto by A. C. Gilbert Co., (1935) 52 R. P. C. 136, the question arose whether the fraudulent user of the expression "registered" disentitled a party who applied for

registration of his trade mark to the relief of registration. It was laid down that decision that if the user was deliberately fraudulent it might have the effect of disentitling the party to registration. Where it is merely a blunder due to misapprehension that result would not follow.

(22) In re : Arthur Fairest Ltd's application, (1951) 68 RPC 197 to register a trade mark, the same question arose for consideration. Reference was made to three prior decisions on the subject, viz, Altman's application, (1904) 21 R. P. C. 753. Lyle and Kihahah's application. (1907) 24 RPC 261 and (1935) RPC 136. The observations of Farwell, J., in the last mentioned case to the following effect is also extracted.

"I have no doubt that it might be a very good ground for refusing an application of this kind if it turned out that the applicants had deliberately and with the intention of getting some advantage to themselves made use of the term "registered" to which they were not entitled."

After considering the evidence in that case the conclusion come to was that the user of the work "registered" was the result of an honest and stupid blunder and that no improper advantage was gained by such user.

(23) In George Key Ltd's trade mark 287, 597, (1954) 71 RPC 106, the following observations occur at page 113,

"I think, it is right that I should view the applicants" conduct as being the result of an honest mistake, which might easily be made by any person unfamiliar with trade mark law, and that the applicants should accordingly not be prejudiced either in the prosecution of their own application for registration or of their application to rectify the register."

This observation was made with reference to improper use of the work "registered" in the trade mark of the applicants before the mark was actually registered. In Kerly on Trade Marks, 7th Edn. Page 714 and in the Law and Practice under the Trade Marks Act, 1940 by Venkateswaran at page 698, the same opinion is expressed. There can be no doubt on the materials placed before me that the user of the word "registered" by the plaintiff's in their trade mark before 1948 was the result of an honest mistake and therefore the plaintiffs should not be visited with any penalty for such user of the word "registered" in their trade mark as the rule laid down in the English cases cited above should in my opinion apply to this country also.

(24) The last question raised by Mr. Radhakrishnan was that the plaintiffs are not entitled to relief (b) which relates to an injunction directing the defendants to surrender to the plaintiffs all the labels, packets, tins and other containers bearing the offending trade mark together with the blocks, dies, moulds etc, used for printing or impressing the offending trade mark as also all the literature and publicity matter pertaining to the offending mark.

(25) Mr. Radhakrishnan relied upon Lissen Ltd v. Mutton, (1928) 46 RPC 10 and

Lissen Ltd. V. Harley, (1928) 46 RPC 11. The reason put forward in these decision for refusing the relief of destruction of the offending labels is that the plaintiffs have no property in the goods in the possession of the defendants merely because the defendants have been passing off their goods as the goods of the plaintiffs. Therefore the plaintiffs will have to be content with merely the injunction restraining the defendant from using the offending trade mark for passing off his goods.

(26) Mr. Thyagarajan, learned counsel for the plaintiffs, argued that the authority of these two decisions is doubted in subsequent decision and he relied on a statement on page 393 of the 7th Edn., of Kerly on Trade Marks for this purpose. In Gasper and Co. V. Leong Chey and Co., AIR 1934 Rang 297, Leach, J., in a passing off action granted a decree for delivering up of the offending lables. But there is no discussion of the principles upon which such relief was claimed or granted. Mr. Tyagarajan relied upon Hajee Jamal Noor Mohamed Sait and Co. (Merchants) Vs. A. Abdul Kareem and Co. (Merchants), , for contending that the only different between a suit for infringement of a registered trade mark and an action of a trade mark not registered was that registration gives an immediate property in the registered trade mark whreas in the case of an unregistered trade mark such property has to be acquird by user for a long period. This decision does not touch the question of the relief of destruction or delivery of the offending labels.

I am therefore satisfied that the correect position in law is that in a passing off action based upon an unregistered trade mark the plaintiff, even though entitled to an injunction by reason of the defendant's trade mark having been deliberately introduced with the intention of passing off his goods as the goods of the plaintiff, is still not entitled to an order for delivery of the offending labels or blocks or goods. The true principle on which such relief is based is that started by Romer J., in 46 RPC 10, viz, that the plaintiffs have no property in the labels of the defendant merely because the defendant has been passing off his goods as the goods of the plaintiffs. The relief (b) is therefore refused, but the plaintiffs are entitled to an injunction restraining the defendants, their servants and agents from using there trade mark in respect of their tooth powder, but, it cannot be an absolute injunction. In S.M. Syed Haji Abdul Rahiman and Co., Madras Vs. C.H. Kizar Mohamed and Co., Madras, a Bench of this court to which I was a party, considered this matter. That decision led down that the injunction which should be granted in cases of passing off should be in the following form,

"That.....the defendants herein, their servants and agents be and are hereby restrained by perpetual injunction from using the label or trade mark exhibit..... with the device of the chair without clearly distinguishing such label from the label used by the plaintiffs marked Exhibit.....so as to induce the belief that the lunghies sold under the said trade mark are the lunghis manufactured by the plaintiffs."

I grant a decree for injunction in similar terms in respect of the trade mark used

by the defendants with suitable modifications that the defendants would not be allowed to use the numeral 1431 or the picture of the human face with deceased gums. The relief of account taking was not pressed and is therefore refused.

(27) The costs of the plaintiffs should be paid by the first defendant who contested the suit and he should bear his own costs. In view of the time taken for the trial of the suit I fix advocate's fee junior and senior consolidated at Rs. 1500.

(28) Injunction granted.