
(1998) 11 DEL CK 0030

In the Delhi High Court

Case No : I.A. No"s. 5333 and 6040 of 1998 in Suit No. 1293/98

Indian Shaving Products Ltd. and Another

APPELLANT

Vs

Gift Pack and Another

RESPONDENT

Date of Decision : 09-11-1998

Acts Referred:

Citation : (1998) 11 DEL CK 0030

Hon'ble Judges : Mohd. Shamim, J

Bench : Single Bench

Advocate : Mr. Mukul Rohatgi, M/s Manmohan Singh and Atul Sharma, Chander Shekhar and Mrs. Sadhna Sharma, for the Appellant; Mr. V.P. Singh, Messrs. Hemant Singh and Alok Prasad, for the Respondent

Judgement

Mohd. Shamim, J.—This is an application (IA 5333/98) by the plaintiffs under Order 39 Rules 1 & 2 read with Section 151 of the CPC for issue of an ad interim injunction restraining the defendants, their servants and agents from manufacturing, selling and offering for sale, directly or indirectly, their batteries under the trade mark Ultra and from passing off their goods as the goods of the plaintiffs under the above said trade mark or any other trade mark deceptively similar to the trade mark of the plaintiff i.e. Duracell Ultra. The application is supported by an affidavit. The defendants, on the other hand, have moved an application, being I.A. No. 6040/98, for vacating the ex parte ad interim injunction granted to the plaintiffs vide order dated July 1, 1998.

2. The two applications are being taken up together as the disposal of one would inevitably lead to the disposal of the other since the plaintiffs have prayed for a relief to be granted to them through I.A. No. 5333/98 to which, according to the defendants, the plaintiff are not entitled and the said application thus deserves rejection.

3. It would be necessary to place on record a few facts which led to the presentation of the application by the plaintiffs and which are necessary to be gone into in order to properly and effectively appreciate the points involved

herein.

4. plaintiff No. 1 are a company incorporated under the Indian Companies Act with their registered office at SPA-65A, Bhiwadi Industrial Area, Bhiwadi, District Alwar (Rajasthan). They are the sole distributor appointed by plaintiff No. 2 for distribution of batteries vide agreement for distribution of goods dated March 19, 1997. Pursuant to the said agreement they are marketing the products manufactured by plaintiff No. 2.

5. plaintiff No. 2 are also a company incorporated under the Companies Act with their Registered Office at 34, Okhla Industrial Estate, New Delhi. A license has been issued to plaintiff No. 2 in respect of the trade mark Duracell granted to them by NV Duracell Batteries SA, a corporation organized under the Laws of Belgium with their principal office at Nijverheidslaan 7, B-3220, Aarschot, Belgium. plaintiff No. 2 have been incorporated, inter alia, to design, develop, manufacture, produce, buy, sell, distribute, import, export, assemble, market and otherwise deal in all types of cells and batteries including alkaline batteries. plaintiff No. 2 were incorporated on April 6, 1994. They commenced their business in the last quarter of 1994. plaintiff No. 2 are a part of Duracell Inc., USA which are the leading Manufacturers and marketers of high performance alkaline batteries. Duracell batteries are sold all over the world under the trade mark Duracell. The Duracell range of batteries cover 90% of the total world's battery usage. Duracell Inc. currently manufactures more than 30 types of batteries including 13 types of alkaline batteries. Duracell batteries are the world leaders in the field. plaintiff No. 2 have been importing all 13 varieties of alkaline batteries into India and have been selling them since August 1994.

6. plaintiff No. 2 have also commenced manufacture of "AA" pencil/pen like cells from December 1997 for the domestics as well as export market. plaintiff No. 2 are leaders in the battery segment in India and hold the market share of approximately 48%. Duracell batteries have over a time built a strong brand equity, goodwill and reputation world-wide as well as in India for their products and have millions of satisfied consumers.

7. Defendant No. 1 on the other hand, are a company inter alia, dealing in the products of defendant No. 2 i.e. BPL Ultra zinc chloride batteries. Defendant No. 2 are engaged, inter alia, in commercial manufacture marketing and selling of Excel range of alkaline batteries in India since August 1997 and have recently commenced manufacturing zinc chloride batteries. The parent company of the plaintiff No. 2 is also using the trade mark Duracell batteries along with another trade mark Ultra in many countries all over the world. The trade marks Duracell as well as Ultra have acquired a reputation and goodwill throughout the world. The trade mark Ultra is being used by the parent company of plaintiff No. 2, Duracell Inc. USA. They have been using the same since February, 1998. Thus the trade mark Duracell and the mark Ultra have been exclusively associated with the goods of plaintiff No. 2 and none else. plaintiff No. 2 have made huge sales of their batteries under the trade mark Duracell and Ultra throughout the

world. plaintiff No. 2 however, have started using for the first time trade mark Duracell along with mark Ultra in respect of batteries of superior quality i.e. alkaline batteries from the second week of June, 1998 onwards. The application moved by the plaintiff for the registration of the said trade mark Ultra is pending. plaintiff No. 2 have acquired world-wide reputation in respect of their trade mark Duracell along with mark Ultra. The consumer all over the world as such recognise the aforementioned trade mark Duracell as well as Ultra as that of plaintiff No. 2. plaintiff No. 2 much prior to the launching of their products under the trade mark Duracell Ultra and initiated various actions to familiarise the customers and the market with regard to the intended launch of Duracell Ultra. These actions included publication of articles in different Journals and Newspapers. The purchasers in India have also got the knowledge with regard to the trans border reputation of the said trade mark with the products manufactured and sold by plaintiff No. 2. plaintiff No. 2 have also floated information with regard to Duracell on a website on internet wherein description and quality of Duracell Ultra batteries is available for general public. The above said trade mark in respect of the batteries denotes and connotes the goods manufactured by plaintiff No. 2. The Duracell Ultra batteries manufactured and sold by plaintiff No. 2 are alkaline batteries which are qualitatively superior to currently available alkaline batteries on the world market.

8. Defendant No. 2 introduced the batteries/pencil cell under the trade mark Ultra into market on June 24, 1998. The said batteries are zinc chloride batteries which are much inferior to the batteries being sold by plaintiff No. 2 under the trade mark Duracell. The trade mark Ultra has been shown prominently on the said products. The words "BPL" have been mentioned on the products as their house mark but Ultra as their trade mark is shown on the said batteries. Defendant No. 2 by the use of the said trade mark Ultra are misleading the consumers to project as if their products are a substitute for the products of plaintiff No. 2 known as Duracell Ultra. This action of defendant No. 2 has caused irreparable loss and injury to the plaintiffs inasmuch as the goodwill of the plaintiff would be prejudicially affected and the right of the plaintiffs on carry to their business will be severely jeopardised. The practice of misrepresentation on the part of defendant No. 2 is calculated to injure the interest of plaintiff No. 2 in trade and business. The use of the trade mark Ultra by the defendants amounts to infringement of the trade mark of plaintiff No. 2. Defendant No. 2 have thus intentionally and deliberately adopted the above said trade mark in order to take advantage of the goodwill and reputation of the trade mark of the plaintiff i.e. Ultra. The use of the trade mark Ultra by the defendant is identical/deceptively similar with the trade mark of plaintiff No. 2 i.e. Duracell Ultra. Defendant No. 2 have been using the said trade mark Ultra without any permission, license or consent of plaintiff No. 2 whatsoever Defendant No. 2 have dishonestly used the said trade mark Ultra with the full knowledge of the goodwill and reputation of the said trade mark Ultra all over the world. plaintiff No. 2 are the prior user and adopter of the trade mark Ultra along with Duracell in India than the defendant.

Defendant No. 2 have no justification whatsoever to use and adopt the trade mark Ultra in respect of identical goods.

9. Defendants have opposed the above application and prayed for the dismissal of the application and vacation of the ex parte injunction order dated July 1, 1998 passed by this Court, inter alia, on the following grounds; that defendant No. 2 are the prior adopter and user of the trade mark Ultra inasmuch as the plaintiffs launched their AA+ alkaline dry cell batteries much after the defendant, under the alleged mark Ultra. The word "Ultra" has been used by the manufacturers of dry cell batteries i.e. BPL - PTI Chemical Industries Ltd. in India since 1st June, 1998. The word Ultra is a descriptive and laudatory epithet having a direct reference to the character and quality of goods. It means according to the Dictionary of "English Language" beyond what is usual or ordinary, excessive. The word "Ultra" is thus descriptive and no monopolistic rights can be claimed by the plaintiffs therein as a trade mark. The suit is misconceived and without any cause of action as there is no goodwill that exists in respect of the word "Ultra" in favor of the plaintiffs. Goodwill arises out of the use of a trade mark in relation to a business. The goods bearing the word "Ultra" were sold by BPL-PTI, to defendant No. 2 in the first week of June, 1998 and the said batteries were sold by defendant No. 2 in the open market in the week commencing 15th June, 1998 which is prior to the use by the plaintiffs. Thus the suit of the plaintiffs which is for a passing off action is liable to be dismissed. There is no likelihood of any confusion or deception occurring amongst the consumers or in the market considering that the competing goods of both the parties are sold under their respective well-known trade marks namely, Duracell and BPL. The word "Ultra" merely signifies enhanced quality and is used as laudatory epithet for bona fide description of goods by both the parties. Further the packings and the trade dress of the competing goods are totally different. Hence there is a vast difference between the competing products. The allegations that the use of the word "Ultra" by the defendants will cause confusion and deception are misconceived and fraudulent, untenable and figment of imagination of the plaintiffs. None of the plaintiffs admittedly is the proprietor of the alleged trade mark. plaintiff No.1 is the distributor of the goods of plaintiff No. 2 and plaintiff No. 2 is allegedly a non exclusive licensee. None of the plaintiffs have thus got the locus standi to file the present suit.

10. Defendant No. 2 have got the legal and vested right to use the word "Ultra" which is a brand descriptor. The said word is used by defendant No. 2 also with their trade mark BPL which is registered under trade mark registration No. 429393 dated November 7, 1984 in Class 9. The said registration is valid, subsisting and not an issue in the present proceedings. The idea of using the word "Ultra" in relation to dry cell batteries was conceived way back in September, 1997. A decision was taken to brand descriptor Ultra Power in December 1997. Defendant No. 2 launched BPL Ultra cell batteries in the open market in the second week of June 1998 i.e., on June 15, 1998. BPL Ultra cell batteries became extremely popular on account of their excellent quality and

reasonable pricing and were quickly picked up by the consumers. The sale of batteries of the defendant was so rapid that it touched a figure of Rs. 30 lacs within a short span of two weeks which was matter of concern to the plaintiffs. Hence they filed the present suit with ulterior motives. As for as Duracell, USA is concerned there is no commercial, bona fide and substantial sale made by them to plaintiff No. 2 admittedly prior to 4th week of June, 1998. Neither there is any prima facie case in favor of the plaintiffs nor does the balance of convenience lie in their favour. The balance of convenience is in favor of defendant No. 2 whose business worth Rs. 4 crores has come to a standstill on account of the impugned ex prate injunction order. It has Therefore, been prayed that the application moved by the plaintiff being false and frivolous be dismissed and the ex prate injunction order dated July 1, 1998 be vacated.

11. It has been urged for and on behalf of the plaintiffs by their senior counsel Mr. Rohtagi and Sardar Manmohan Singh that plaintiff No. 2 have got an exclusive right to use the trade mark Duracell under an agreement with plaintiff dated October 5, 1994. plaintiff No. 3, parent company of plaintiff No. 2, have been using the trade mark Duracell batteries Along with the trade mark Ultra in connection with the sale of different type of batteries in different countries all over the world for quite a long time. They have been using the same since February, 1998 in the international market. However so far as India is concerned they have started using the trade mark Duracell Along with trade mark Ultra since 2nd week of June, 1998. Application by the plaintiff No. 2 for the registration of the above said trade mark is pending with the Registrar of the Trade Marks. The plaintiff No. 2 have spent huge amounts in connection with the advertisement of the said trade mark in different leading papers and Journals. Trade mark ultra cell was got registered in Germany as far back as on March 25, 1981 whereas in Great Britain & Ireland on January 24, 1984 and in Switzerland on January 20, 1984. The products of the plaintiffs have acquired a lot of reputation and goodwill under the said trade mark Duracell Ultra. Their goods are known all over the world including India under the said trade name. The defendants without any right or title have started using the said trade mark Ultra for their products batteries. The plaintiffs came to know in regard to this fact on June 25, 1998. The defendants are thus passing off their batteries as that of the plaintiffs knowingly and consciously with ulterior motive in order to reap the benefits of the goodwill and reputation built by the plaintiffs. This misrepresentation of the goods by the defendants is likely to cause confusion in the mind of the public and they would purchase the goods of the defendants considering them as that of the plaintiffs. Hence need for an injunction from this Court to interdict them from doing so.

12. While countervailing the above arguments learned senior counsel for the defendants Mr. V.P. Singh has contended that the word Ultra is of common usage and it is descriptive of the quality of the goods and no body can claim exclusive right to use the same. Everybody is free to use the same. In any case the defendants are the prior user of the said alleged trade mark, in comparison to

the plaintiffs. Hence, the plaintiffs should not have any grievance on the said score against the defendants. Trade mark Ultra cannot acquire any goodwill and reputation in such a short period inasmuch as the plaintiffs claim the usage of the same in India since 2nd week of June. The defendants are selling their batteries under the trade mark BPL Ultra whereas the plaintiffs are selling their batteries under the trade mark Duracell Ultra. The two trade marks are altogether different from one another. Thus there is no possibility & likelihood of any confusion. Furthermore the packing material and get up of the two products/batteries is vastly different. Hence batteries manufactures by the defendants can never be treated as that of the plaintiffs. Thus the grievance of the plaintiffs is without any basis.

13. I have heard the learned counsel for both the parties at sufficient length and have very carefully examined their rival contentions and have given my anxious thoughts thereto.

14. It is manifest from the fact and arguments canvassed above that the plaintiffs through the present petition want to interdict the defendants from selling their batteries under the trade mark "Ultra" as the same is tantamount to passing off their goods as that of the plaintiff. The bone of contention in between the parties is the sale by the defendants of their batteries under the trade mark Ultra. A good salesman, according to the Vice-President of Chrysler Corporation, has got the following qualities. He has the curiosity of a cat, the tenacity of a bull dog, the friendship of a little child, the diplomacy of a way ward husband, the patience of a self sacrificing wife, the enthusiasm of a sinatra fan, the assurance of a Harvard man, the good humour of a comedian, the simplicity of a jackass and the tireless energy of a bill collector. Above mentioned are the attributes of a good salesman without any reference to the quality of the product. A salesman would succeed only in selling those goods which have got some inner worth in them. If a particular product is worthless, he would not be in a position to sell it, howsoever perfect he may be in his art of selling. He cannot instill a soul into a dead body. Thus a particular product is sold by its worth and quality. The worth and quality of product are known to the consumer and customer when they use it and consume it for a considerable period. With the passage of time the product acquires a name and fame and reputation which brings the customer. It is technically known as goodwill.

15. The goodwill of a business is ordinarily represented by a mark, symbol, name and a badge which is attached to the goods in order to distinguish them from the other goods of the same type. It indicates a source and origin of the goods from particular business house, firm and industry.

16. It is the goodwill of a particular business which is built by a trader by his hard labour and the sweat of his brow, over a number of years which is very jealously guarded by him. He would guard it as the eyelids guard an eye. It is the fruit of his labour and he would not like to share it with others.

17. Thus whenever a defendant passes off his goods as the goods of the plaintiff it would give rise to a cause of action in his favour. This is exactly the grievance of the plaintiffs in the present case which they have given vent to through the institution of the present suit.

18. The term "passing off" has not been defined anywhere under the Trade & Merchandise Act though there is a reference to the same u/s 27(2) and Sections 105(C) and 106 of the Act. Eminent jurist Salmond while animadverting on an action for passing off has got to say the following: "The gist of the conception of passing off is that the goods are in effect telling a falsehood about themselves, are saying some thing about themselves, which is calculated to mislead. The law on this matter is designed to protect traders against that form of unfair competition which consists in acquiring for oneself, by means of false or misleading devices the benefit of the reputation already achieved by rival traders." (Law of Torts, 17th Edn. p. 401).

19. Free and fair competition in the business is a must. It is very life blood to sustain the trade and industry. In the absence of the same it is inconceivable to have the goods at proper rate and of good quality. However, every liberty to be properly enjoyed must have certain checks and restrains otherwise it is likely to degenerate into an anarchy. "Trading must not only be honest but must not even unintentionally be unfair" (per Lord Morris in Parkar Knoll Vs. Knoll International 1962 RPC 265). Thus the law of passing off came into being to preclude unfair trading and to protect the rights of the traders to the goodwill which they have developed in their business over a period of time.

20. The plaintiff to succeed in an action for passing must show the following:-

1. That there is a misrepresentation by the defendant with regard to his goods which is likely to lead to confusion in the mind of the people as a result whereof they may treat the goods of the defendant as that of the plaintiff.
2. Such representation is likely to cause damage to the reputation, goodwill and fair name of the plaintiff.
3. The said reputation must have been made during the course of the trade.
4. plaintiff must be the prior user of the trade mark in point of time than the defendant.
5. Registration of the trade mark is inconsequential in an action for passing off.
6. plaintiff need to prove actual loss and damage in an action for passing off.

21. Learned counsel for the defendants has contended that the word "Ultra" is a descriptive word. It is neither a fancy word nor a coinage of any one. It is a dictionary word with a definite meaning to it. The word "Ultra" as per the Concussed Oxford Dictionary means" beyond; on the other side of extremely excessively". Since the said word is a word of English language the plaintiffs cannot claim any exclusive rights therein. It is simply a laudatory epithet which is

used in order to described the quality trade ad trait of a particular article in the market. Hence anyone can us the same and the plaintiffs could possibly have no objection to the same. The user of such a word cannot be registered as a trade mark u/s 9(d) of the Trade and Merchandise Marks Act, 1958.

22. Learned counsel of the plaintiffs, on the other hand have urged to the contrary. According to them, a descriptive word can be very well registered as a trade mark. There is no bar to the use of descriptive word with a meaning in English language of being registered as a trade mark.

23. It is a well recognised principle of law that a trader or a businessman can acquire exclusive rights to use a particular word with dictionary meaning as a trade mark if it is shown to the satisfaction of the Court that it has acquired a secondary meaning or a distinctive character with the constant user for a considerable period of time. The user of the impugned word must be to such an extent that it has lost its primary meaning and has acquired a distinctive character. The moment the same is used it must remind the consumer of the goods of the plaintiffs. It has become so popular with the public by way of goodwill or a reputation that the moment it is used and referred to a picture emerges in the mind of the consumer of the article in question which is being sold under the said trade name. Thus the only qualification attached to the use of a descriptive word as a trade mark is that it must have been associated and used in connection with the goods of the plaintiffs for such a considerable period that it has come to acquire an altogether different meaning other than the one which it conveys in the language.

24. Christopher Wallow in his book entitled "The Law Of Passing Off" at page 315 under the holding "Descriptive terms and secondary meaning" has got this to say on this aspect of the matter "As an entirely separate matter, a trader who chooses to use a name or mark which is prima facie descriptive of his goods, services or business runs the risk that the public will continue to use the term, in its descriptive sense rather than identifying it with him. He must prove that the mark has acquired a secondary meaning as denoting his goods, and the burden of doing so is higher in proportion to the descriptive quality of the mark. Even if secondary meaning is proved two problems remain. One is that no trader can be prevented from using the word in its old descriptive sense if he avoids misrepresentation. The second is that other traders may use similar and equally descriptive names or marks as their own and will be allowed to do so even if a degree of confusion results". He further goes on to comment "A mark which is prima facie descriptive will only be protected if it can be shown to have acquired secondary meaning; that is to say if it has become distinctive of the plaintiff. Of course distinctiveness is an essential precondition for all marks, whether descriptive or fancy, but the burden of proof is significantly higher for prima facie descriptive terms" (at page 308 referred to by learned counsel for he defendants during the course of his arguments).

25. To the same effect are the observations of Kerly in his book "Law of Trade

Marks and Trade Names."

26. It was held as far back as the year 1896 by the House of Lords in Reddaway Vs. Banham, (Reports of Patent, Design, and Trade Mark Cases, Vol. XIII, page 218),"..... that when words which are descriptive of an article have come to denote the goods of a particular manufacturer, he is entitled to restrain others from using them so as to deceive purchases, notwithstanding that the word are a description of the goods;....".

27. The same view was given vent to by Hon"ble Supreme Court in Kaviraj Pandit Durga Dutt Sharma Vs. Navaratna Pharmaceutical Laboratories, ; and by this Court in different judgment i.e., Kala Niketan Vs. Kala Niketan, ; Charna Dass & M/s Veer Industries (India) Vs. M/s. Bombay Crockery House 1984 PTC 102; Globe Super Parts Vs. Blue Super Flame Industries, and Madan Lal and others Vs. Janardan and others, . Thus it can be held without any hesitation that there is no bar and impediment in the use of descriptive word by way of trademark provide it is shown that it has become almost synonymous with the goods of the plaintiffs and thereby has lost its primary meaning.

28. Now, the question which falls for decision is as to whether the plaintiffs have succeeded herein to have shown the same in the present case. Trade mark Ultra cell was got registered in Class 9 in Germany on March 25, 1981 whereas the same was registered in Switzerland, Spain, Portugal, France, Australia, Benelux and United Kingdom on January 20, 1984 as is manifest from para 1 of the replication, in reply to paras 1 to 5 of the written statement. It is also clear from the said paragraph that the application for registration of the trade mark Ultracell is pending in Italy since September 8, 1982. Similarly, an application for registration of the trade mark Duracell Ultra is pending in India (vide para 8 of the plaint). The plaintiffs have produced quite a good number of documents in order to prima facie show and prove that the trade mark Ultra has been registered in different countries on the dates mentioned above.

29. It has been urged for and on behalf of the plaintiffs that the plaintiffs have invested huge amounts in advertising and familiarizing the consumers with Duracell Ultra all over the world and throughout the length and breadth of the country and have thus acquired very wide reputation in respect of the above said trade mark Duracell Ultra. The knowledge and awareness of the trade mark Ultra in respect of the goods belonging to the plaintiffs is not restricted to the people of the countries where the said trade mark is being used for a number of years. The reputation and goodwill of the said trade mark has not only transcended the geographical boundaries of the said countries but also have permeated every nook and corner of the world. The plaintiffs prior to launching of the batteries under the trade mark Duracell Ultra initiated actions and took up steps in order to familiarise the consumers and market with regard to the intended launch of Duracell Ultra. This action on the part of the plaintiffs included publication of articles and advertisements in different Newspapers and Journals.

30. Project Spinster: It was undertaken on July 25, 1996 in order to develop marketing strategy for the introduction of the battery under the trade mark Duracell Ultra. A meeting was held in connection therewith on July 14, 1997 photocopies of the same have been placed on the file of the Court.

31. Then there is a letter dated July 28, 1998 from Peter Hopping Associates Inc. to M/s. Milagros Mendez Gillette Company, Prudential Tower Building, Boston. It shows that the enclosed material was sent in connection with the use of the term ultra, for a study which was fielded in August 1997.

32. Then there is a copy of the Advanced Battery Name Test Supervisor Specifications dated August 15, 1997.

33. Duracell Ultra also finds a mention in the Annual Report of the Gillette Co. for the year 1997. It is a report dated October 1997.

34. The art work for Duracell Ultra was Finalised on October 16, 1997. Sample of Duracell Ultra were made available for performance testing in October, 1997.

35. The plaintiffs have also placed photocopies of extracts from different Journals such as, Asian Photography dated March 1, 1998, Economic Times dated February 20, 1998, International Business dated March 15, 1998, Business Standard dated June 15, 1998, Pioneer dated June, 15, 1998, Better photography dated June 1, 1998, News Scan dated June 10, 1998 and Times of India dated June, 15, 1998, in order to show and prove that wide publicity was made with regard to the launching of Duracell Ultra. Report dated August 5, 1998 is with regard to the market survey conducted by IMRB to assess the impact of wide publicity and availability of Duracell Ultra in the Indian market.

36. Besides the above the plaintiffs have also placed on record photocopies of the invoices with regard to the sale of Duracell Ultra in Great Britain which show sales worth million of rupees. These invoices are dated March 4, 1998; April 5, 1998; May 1, 1998; May 5, 1998; May 6, 1998; May 7, 1998; May 8, 1998; May 14, 1998; and May 22, 1998. Then there are invoices with regard to the sale in this country which are dated June 23, 1998 and June 24, 1998.

37. Inspired by the above documents placed on the file of this Court learned counsel for the plaintiffs, Mr. Mukul Rohatgi, Senior Advocate, has vehemently argued that the said documents go to show at least prima facie that the plaintiffs are the prior user and adopter of the trade mark Duracell Ultra. Sales worth millions of rupees were made under the said trade mark in Great Britain.

38. The defendants on the other hand have not placed even a tiny piece of paper in order to show prima facie that they ever made any advertisement with regard to their cells under the trade mark BPL Ultra. However, it is true that the defendants have placed on record a report from Palmadai Ultra Power. Then there is a purchase order dated January 6, 1998 from BPL PTI Chemicals to M/s. Palmadai Design which shows that a sum Rs. 12,000/- was paid for concept design and layout of BPL Ultracell. Again there is a letter from BPL PTI Chemical

to Shetron Ltd. dated January 21, 1998 enclosing positive for sample printing of mental jackets. Then there are photocopies of the invoices dated January 22, 1998 from Universal Print System Ltd. to BPL PTI Chemical Ltd. for making positive for metal jackets photocopies of the invoice dated January 27, 1998 raised by Palamadai Design to BPL PTI Chemical for preparation of design and art work. The invoice dated March 4, 1998 from Shetron Ltd. for the supply of printed material jacket. Letter dated March 24, 1998 from BPL to Color Cartons Ltd. asking them to supply HLS Coated Chromo Paper with Ultracell printed on it. Invoice dated June 5, 1998 raised by BPL PTI Chemicals against BPL Ltd. Calcutta, Invoice dated July 6, 1998 from BPL PTI Chemicals to BPL Ltd. c/o Shivam Agencies Pvt. Ltd. The defendants have also placed on record invoices giving details of the sales conducted by BPL PTI to BPL Ltd. for the month of June, 1998. Then there is an invitation card for the launch of said dry cell battery on June 15, 1998, invoices dated June 19, 1998 raised by BPL Ltd. on their distributor in New Delhi. There are invoices dated June 30, 1998 raised by BPL Ltd. on their distributors all over India.

39. After going through the documents placed on record it becomes crystal clear that the latest sale made by the defendants are to their distributors dated June 19, 1998.

The other documents which have been placed on record by the defendants are in connection with their preparations which they made for launching their product, i.e., the dry cell battery under the trade name BPL Ultra such as with regard to design and jackets for their product. The earliest document in connection therewith which has been placed on the record is dated December 27, 1997.

40. The plaintiffs on the other hand, have shown that they got their trade mark registered as far back as on March 25, 1981. They further got their trade mark Ultracell registered on January 20, 1984 in different countries. The Project Spinster was launched on July 25, 1996 in order to develop the marketing strategy for introducing the different type of batteries under the mark Duracell Ultra. Since then they continued to take different steps for the launching of their product under the trade name Duracell Ultra on, different dates in the year 1997 and 1998. Ultimately the goods were sold worth millions of rupees during the month of March, April and May in Great Britain and the same were also sold in India on 23.6.1998. It can thus be safely concluded therefrom that the plaintiffs are the prior user and adopter of the trade mark Duracell Ultra.

41. Learned counsel for the defendants has then contended that the sale made by the plaintiffs in Great Britain cannot be taken into consideration while deciding the question of prior user. I am sorry I am unable to agree with the contention of the learned counsel for the defendants. No reason, whatsoever was given as to why the said sales cannot be taken into consideration while deciding the question as to who is the prior user except that the sales were made by one Duracell North Atlantic Group. Hence, the said sales cannot ensure for the benefit of the plaintiffs and it cannot be held on that score that they are the prior users.

Learned counsel while advancing the said arguments is oblivious of the fact that it has been very clearly mentioned that the said company is a division of the Gillette Company (vide para 5 of the replication). I have already held in my discussion while meeting the said point that Gillette Company is the parent company of the plaintiffs herein. Hence, I feel that the plaintiffs are justified in concluding that the said sales would be the sales on behalf of their sister concern, i.e. a division of M/s. Gillette company, which the plaintiffs are.

42. There is another side of the picture. The world with the passage of time has become almost just like a city on account of the technical advancements in technology such as wireless, telephone, television, cinema and computers so on and so forth, made by the people inhabiting this terrafirma. Similar advancements have been made in the means of transport such as railways, ships, airlines. These days if a product is launched in a particular country the goodwill and reputation which a seller earns by selling his commodities in the market do not remain confined to the four corners of the said country. The reputation and goodwill and intrinsic worth of the said goods spread like a wild fire to every nook and corner of the world through magazines and newspapers, television, telephone, computers, films and cinema. I am supported in my above view by the observations of Division Bench of this Court as reported in N.R. Dongre and Others Vs. Whirlpool Corpn. and Another, "...A product and its trade name transcends the physical boundaries of a geographical region and acquires a transporter or overseas or extra-territorial reputation not only through import of goods but also by its advertisement. The knowledge and the awareness of the goods of a foreign trader and its trade mark can be available at a place where goods are not being marketed and consequently not being used".

43. It was then observed in para 14 of the said judgment, "...The knowledge and awareness of a trade mark in respect of the goods of a trader is not necessarily restricted only to the people of the country where such goods are freely available but the knowledge and awareness of the same reaches even the shores of those countries where the goods have not been marketed. When a product is launched and hits the market in one country, the cognizance of the same is also taken by the people in other countries almost at the same time by getting acquainted with it through advertisements in newspapers, magazines, television, video films, cinema, etc".

44. The same view was again reiterated by a Single, Judge of Calcutta High Court as reported in 1996, PTC (16) in Calvin Klein Inc. Vs. International Apparel Syndicate. "...The international reputation of the petitioner in the name and mark Calvin Klein Jeans, shirts and t-shirts is borne out by the advertisements of the respondents where Calvin Klein had been advertised as the "Great American Classic". There is nothing American about the respondent No. 1. One of the Magazines relied upon by the respondents refers to "Another Denim Giant Enters India". The only Denim Giant with the mark of Calvin Klein outside India is the petitioner. There is no evidence to the contrary. The insistence of trade within the

country by the applicant overlooks the nature of the complaint in passing off. The insistence of trade within the country by the applicant overlooks the nature of the complaint in passing off. The basis of the action is deception or the persuasion of the public to purchase goods of one in the belief that it is another's. It should not matter whether that other carries on business in the country. "The same view was reiterated by a Single Judge of this Court in 1997 (17) PTC 453 10 in Time Warner Entertainment Co., L.P. Vs. A.K. Das.

45. The discussion on the above point would not be complete unless I refer to the observations of a Single Judge of Great Britain in a case where no sale was made by the plaintiffs in a case for ad interim injunction. By that time only publicity was made for launching a particular products. I am tempted here to reproduce the observations made by Sir Robert Megarry V.C. as reported in 1981 Fleet Street Reporter (Vol. 7) page 228.... ".... I begin with the goodwill claimed by the BBC to have been built up in CARFAX as applied to their scheme. Although that scheme has not yet been launched, that does not prevent the BBC from having built up goodwill in it which is entitled to protection: see W.H. Allen & Co. Vs. Brown Watson Ltd. (1965) R.P.C. 191, where the title of an unpublished book was held to have become distinctive of that book, so that it could be protected against publication of a rival book under the same name. Here, there is ample evidence that a significant part of the public knew about the name CARFAX as distinctive of the BBC's system."

46. It is said that business today consists in persuading people to purchase the goods. This can be achieved only through advertisements. Advertising is the life of trade. By advertising one gains reputation and acquires goodwill with regard to the goods manufactured and sold in the market. I am supported in my above view by the observations of a Division Bench as reported in M/s. J.N. Nichols (Vimto) Ltd. Vs. Rose & Thistle AIR 1944 Cal. 43, wherein their Lordships opined as under: ".....Incidentally actual sale of the goods bearing such a mark. 'Use' to my mind can be in any form or way and does not necessarily mean that even more advertisement without having even the existence of the goods can be said to be an use of the mark and I need not dilate on this score".

47. It has then been urged that the plaintiffs used the trade mark Ultra for a very short period hence the plaintiffs could not have acquired the necessary goodwill and reputation during the said period. I am sorry I am unable to agree with the said contention. There is prima facie evidence with regard to the sale of the goods under the trade mark Ultra with effect from March, 1998 worth million of Rupees. Besides the sale, the plaintiffs have acquired goodwill and reputation through advertisements as observed above. Furthermore, the Courts are required to see whether the plaintiffs have acquired goodwill or reputation or not. They are not required to take into consideration the duration of the period during which the sales have been made. There is no such legal requirement. I am supported in my above view by the observations of Mr. Justice Buckley as reported in Standard Vs. Reay (1967) RPC 589, "... As regards the goodwill

which the plaintiffs did or did not have at the time when the defendants stated their fish and chip business in November 1966. Mr. Momckton says with great force that the plaintiffs then had only been trading for some three weeks, or perhaps rather more if one does not take the defendant's business as effectively under way until rather later than 5th November, 1966, and that that would be a very short time in which to acquire a goodwill of any value connected with a trade name. It would seem from the evidence that probably the plaintiffs were the only people in the Isle of Wight carrying on this sort of trade in the sort of way at the time when they began their business in October 1996. There is no suggestion that there were any other mobile fish or chip vans then operating in the Isle of Wight, and, although a period of three, four or five weeks may be a short time in which to build up a good-will associated with a particular trade name, it does not seem to me to be by any means impossible to suppose that amongst those members of the public who enjoy fish and chip and who find it convenient to be able to buy them ready cooked and supplied at convenient places where they can go and collect them, a new business of this kind might not attract to itself considerable notice and trade within quite a short time.....".

48. Learned counsel for the defendants Mr. V.P. Singh, Senior Advocate, has contended that the present suit is not maintainable inasmuch as plaintiff No. 2 which claim themselves as an authorised user of the impugned trade mark Ultra have failed to place on record anything trade mark Ultra have failed to place on record anything in order to show and prove that they have not any such right in the trade mark in question i.e. Ultra. Hence the present suit is liable to be dismissed on this short ground alone.

49. Learned counsel for the plaintiffs have urged to the contrary. According to them plaintiffs No. 3 who are very much a party to the present suit are the proprietor of the impugned trade mark Duracell Ultra. Hence they were competent to allow defendant No. 2 to use the said trade mark Duracell Ultra in connection with the batteries to be so throughout India. Learned counsel in this connection have placed on record photo copies of the two agreements i.e. the agreement dated October 5, 1994 and registered user agreement dated June 11, 1998 whereunder plaintiff No. 3 who are the proprietor of the trade mark Duracell Ultra permitted plaintiffs No. 2 a company incorporated under the Companies Act, to manufacture, produce and sell alkaline batteries under the trade mark Ultra.

50. The plaintiffs have at length dealt with this point in their replication (vide para 5). According to them, plaintiff No. 1 M/s. Indian Shaving Products Ltd. is a company incorporated under the Companies Act, 1956 51% of the shares in the said company are held by Gillette Company of U.S.A. Whereas plaintiff No. 2 is Duracell India Pvt. Ltd., a company incorporated under the Companies Act, 1956, 71.59% of the equity in the said company is held by Duracell Inc. U.S.A. The controlling stake in Duracell Inc., U.S.A. has been taken over by the Gillette Company, U.S.A. plaintiff No. 3 is N.V. Duracell, S.A. and is the proprietor of the

impugned trade mark and is also a part of Duracell Inc. U.S.A., as an associate company like Duracell Gmbh. and various other Duracell companies throughout the world. It is thus manifest from above that Gillette Company of U.S.A. is the patria potestas of all the companies who are a party to the present suit.

51. There is another aspect of the matter. Admittedly plaintiff No. 3 is the proprietor of the trade mark Ultra. There is no dispute on the said point. Hence the present suit is very much maintainable. They could have even granted an oral permission to plaintiff No. 2 to use the said trade mark Ultra. Admittedly there is no objection from the side of plaintiff No. 3 to the use of the trade mark Ultra by plaintiff No. 2. Therefore the argument of the learned counsel for the defendants, referred to above, is without any substance and is liable to be rejected.

52. It was next argued by the learned counsel for the defendant that the said trade mark Ultra is being used by several other persons/companies besides the defendants such as Toshiba, National and Sony. Thus the same has become publici Jurisdiction and the plaintiffs can not claim any exclusive right therein.

53. Admittedly, the said parties are not before this Court. Neither the said parties are claiming any relief against the plaintiffs nor the plaintiffs are claiming any relief against them. Hence the said defense, that other persons are also using the said trade mark, is not available to the defendants. The Court is called upon to decide disputes in between the parties which are before it. The Court cannot be expected to adjudicate upon a dispute which is not before it. A matter very much akin to the matter in hand came up before a single Judge of this Court. It was observed in Cool ways India Vs. Princo Air Conditioning and Refrigeration 1993 (1) ALR 401. The contention that a plaintiff himself is usurping or infringing the trade mark of a third party was not to be gone into by the Court while deciding the issue in between the parties. What is to be seen by the Court is as to whether the plaintiff has acquired good-will and reputation for his products. Moreover, the plaintiffs have placed on record a report on Urban Market for Batteries, October, 1997. A perusal of the same shows that Sony New Ultra was sold only one unit during the month of May, 1997. There is no sale in the month of June, July, August, September, 1997. Similarly, Sony has got no market share during the months of May, June, July, August and September, 1997. Thus the same is absolutely of no avail to the defendants. To the same effect is the view expressed by a learned Single Judge of this Court in Amrit Soap Company Vs. New Punjab Soap Factory 1989 (2) ALR 242. "The allegation that some other manufacturers are also using the same trade mark is of no consequence as the Court is concerned with parties before it only."

54. Learned counsel has then argued that the colour scheme and get up of the two products are entirely different. Furthermore the plaintiffs are using trade mark Duracell Ultra whereas the defendants are using the trade mark BPL Ultra. The said distinguishing features are sufficient enough to separate one product from the other and no misrepresentation is likely to be caused in between the

goods sold by the plaintiffs and that of the defendants. The purchasers who propose to purchase goods of the plaintiff can easily pick up them whereas those who want to have the goods of the defendants can have them easily by identifying them. I am sorry, I am unable to agree with the contention of the learned counsel for the defendant. The plaintiff admittedly are not objecting to the colour scheme and get up of the jacket of the goods of the defendants. Their case is that the defendants have usurped their trade mark and as such they are likely to filch their trade and cause loss and damage to their reputation as well as to their business. Thus the defense put forward by the defendants that the two products are dissimilar in their colour scheme and get up and dress material does not come to their rescue. Had the case of the plaintiff been that the trade mark used by the defendant is deceptively similar to that of the plaintiffs, in that eventuality the defendants could have shown that their goods are not likely to be treated and taken as the goods of the plaintiffs on account of their dissimilarity and distinctive features in colour scheme and get up and dress material. To the same effect are the observations of a Division Bench of this Court as reported in B.K. Engineering Co. Vs. Ubhi Enterprises (Registered) and Another, .

55. In the circumstances stated above this Court is of the view that the plaintiffs have established a prima facie case in their favor for the grant of ad-interim injunction. In case the injunction is not granted they are likely to suffer irreparable loss and damage and it will be well high impossible to compensate them in terms of money. On the other hand the defendants are not going to suffer any irreparable loss and damage. They can continue to sell their batteries under the other trade mark B.P. Excel and Power.

56. learned senior counsel for the defendants has referred to quite a good numbers of authorities during the course of his arguments :

- (i) Century Traders Vs. Roshan Lal Duggar Co., .
- (ii) J.R. Kapoor Vs. Micronics India AIR 1994 274.
- (iii) Proctor & Gamble Company Vs. Satish Patel & Ors. 1997 (1) A.L.R. 158.
- (iv) Standard Vs. Reay (1967) RPC 589.
- (v) Aktiebolaget Jonkoping Vulcan Vs. V.S.V. Palanichamy Nadar and Others, .
- (vi) City Link Travel Holdings Ltd. & Ors. Vs. Lakin & Anr. (1979) F.S.R. 653.
- (vii) Prakash Industries Ltd. Vs. Rajan Enterprises 1993 (4) D L 134.

57. I have very carefully gone through the said authorities, yet I am of the view that they are not applicable to the facts and circumstances of the present case.

58. In view of the above the application of the plaintiffs is allowed. The defendants, their servants and agents are hereby restrained from selling, offering for sale, advertising, directly or indirectly dealing in batteries under the trademark Ultra and from passing off their goods as the goods of the plaintiffs or

under any other trade mark which is deceptively similar to the trade mark Duracell Ultra.

59. Consequently, the application under Order 39 Rule 4 of the CPC moved by the defendants is hereby dismissed.