
(2002) 12 MAD CK 0106

In the Madras High Court

Case No : O.S.A. No"s. 14 to 18 of 1997

Ramachander Laxminarayan Karva

APPELLANT

Vs

Jagannath Khubchand Karva

RESPONDENT

Date of Decision : 05-12-2002

Acts Referred:

Trade Marks Act, 1999 — Section 10, 8

Citation : (2003) 1 LW 429 : (2003) 1 MLJ 246

Hon'ble Judges : S. Jagadeesan, J;K. Govindarajan, J

Bench : Division Bench

Advocate : Gladys Daniel, for the Appellant; Uma Ramanathan, for the Respondent

Final Decision : Allowed

Judgement

S. Jagadeesan, J.—The appeals are arising out of the common judgment dated 23.9.1996 in C.S.Nos.975, 984, 985, 1012 and 1000 of 1987 where under the suits filed by the appellants herein were dismissed.

2. The appellant herein filed the suits C.S.Nos.975, 984 and 985 of 1987 for permanent injunction restraining the respondents herein and their men from infringing the appellant's registered trade mark by the offending mark "THREE TOPS", "Double Elephant", and the appellant's trade mark Nos.217448-B, 217450-A by the use of the offending trade mark crescent with star and also for permanent injunction restraining the respondents from passing off their goods viz., Ammonium Chloride salt bars with the offending marks on such goods which are deceptively and confusingly similar to the appellant's trade mark and for a direction to the respondents herein to surrender for destruction the Ammonium Chloride salt bars with the offending marks including the labels, stationery and other printed materials and also for furnishing the accounts of the profit earned by the respondents through the sale of Ammonium Chloride Salt bearing the offending trade marks.

3. So far as C.S.1000 and 1012 of 1987 are concerned, the appellant sought for the relief of permanent injunction restraining the respondents from passing off the Ammonium Chloride Salt of the respondents as for the goods of the appellant bearing the appellant's trade mark "5 Deepak" and "Three kites" by using the offending marks on such goods of the respondents and also for direction to surrender for destruction all Ammonium Chloride Salt Tablets bearing the offending marks with all name plates, dies, labels, stationery and other printed materials containing the offending marks and also for rendering the accounts of the profit earned by the respondents.

4. So far as the trade marks concerned in these two suits were unregistered at the time of filing the suits. But it is admitted that subsequent to the filing of the appeals, those trade marks were also registered and consequently the appellant filed C.M.P.11819, 11821 and 11924 of 1997 for amendment of the plaint seeking the appropriate relief of injunction restraining the respondents from using the offending trade marks, apart from the original relief of passing off.

5. The appellant is the registered partnership firm, having its factory at Hyderabad and is engaged in manufacturing of Ammonium Chloride Salt in the shape of bars, tablets and pellets. They are marketing their product throughout India. The trade mark "THREE TOPS", which is the subject matter of the suit C.S.975 of 1987, was registered in trade mark No.219415-A Class 1 in respect of Ammonium Chloride; Trade Mark No.219416-A Class 5 in respect of Ammonium Chloride; trade mark No.219417-A Class 30 in respect of salt. For different designs of top the following registered numbers have been obtained by the appellant.

Trade mark No. Class Goods

224266-A 1 Ammonium Chloride 224267-A 5 Ammonium Chloride 224265-A 30 Salt Apart from the above said trade mark, the appellant also registered the devise of Three Tops with the words "THREE TOPS" placed between the tops under the Registered No. 265692-A in Class-1 which is being renewed from time to time.

6. The second trade mark which is the subject matter of C. S. Nos. 984 of 1987 is Double Elephant and the diamond with the initials of the appellant viz. , "RLK" which is the registered trade mark No. 217452-A under Class 5 in respect of Ammonium Chloride.

7. The trade mark which is the subject matter of C. S. Nos. 985 of 1987 is containing the word SALAMMONIAC decorated with crescent and a star on either side with initials in capital "RLK" within the crescent. The registered numbers of the trade mark are 217448 Class 1 and 217450 Class 5.

8. The subject matter of C. S. Nos. 1000 of 1987 is five deepaks. Though it was unregistered at the time of filing of the suit, subsequent to the filing of the appeal, there is no dispute that the same was registered.

9. The subject matter of the suit C. S. 1012 of 1987 is three kites.

10. The grievance of the appellant is that the respondents are also using the identical trade marks of the appellant for their Ammonium Chloride product.

11. The respondents contested the claim of the appellant. In respect of the trade marks concerned in C. S. Nos. 975, 984 and 985 of 1987 are concerned, they pleaded acquiescence and further they pleaded that their trade marks are not deceptively similar to the trade mark of the appellant. In respect of the trade marks in C. S. Nos. 1000 and 1012 of 1987, the respondents claim that they are not passing off their goods as that of the appellant as there is no similarity of the trade mark used by them. There is a clear identification, differentiating the trade marks of the appellant from the trade mark of the respondents. Consequently the appellants have not made out any case and the suits are liable to be dismissed.

12. Both sides have let in documentary evidence. No oral evidence was let in by either side. The learned Judge who tried the suit ultimately found that there is no similarity between the trade marks of the appellant and the respondents and each trade mark has got its own identity which is very visible and as such there is no question of the buyers purchasing the goods unaware of the concerned trade mark. There cannot be any confusion in the mind of the purchasers of the goods and consequently dismissed all the suits. Against which these appeals have been filed.

13. The learned counsel for the appellant vehemently contended that in all the suits the trade marks used by the respondents are very much identical to that of the appellant's trade mark. The learned Judge is not correct in noting the minute differences on comparison of the respective trade marks to hold that the trade marks of the respondents are not identical with that of the appellants. Now that all the five trade marks which are the subject matter of these appeals are registered, the appellants are entitled for an injunction restraining the respondents from using the offending trade mark. It is for the court to consider as to whether the trade marks of the respondents are similar or identical to that of the appellant on a cursory look. It is not for the court to go into the minute details regarding the differences to find out as to whether the trade mark of the respondents are similar or not? In fact the court has to compare the trade mark of both in generality at the broad outlook of the same. If the trade marks of the appellant as well as the respondents are looked at, a mere look of both would be clear that they are identical. Hence the findings of the learned Judge rendered on the basis of the minute difference to distinguish the offending trade marks of the respondents cannot be sustained.

14. The learned counsel for the respondents contended that so far as the registered trade marks of the appellant are concerned, the appellants have acquiesced the use of such trade marks by the respondents. The appellants even though were aware about the use of the offending trade marks by the

respondents for quite long period, they failed to take immediate action and as such the suits are liable to be dismissed on the ground of laches on the part of the appellants. In the year 1979 there was a compromise between the parties and as such as per the terms of the compromise the respondents are entitled to use the trade marks which are the subject matter in these proceedings. So far as the unregistered trade marks are concerned, it was contended by the learned counsel for the respondents that the respondents were using those trade marks from earlier point of time and they have objected for the registration of those trade marks in favour of the appellant. Even though the appellant obtained the registration in their favour, the question to be decided is as on the date of filing of the suit. The subsequent event cannot be taken into consideration as that is not the cause of action pleaded in the suit.

15. The learned Judge took the pains of comparing the trade marks used by the appellant as well as the respondents and extracted the existing differences between the two. On a comparison of the said trade marks, the learned Judge found that there was no similarity much less the deceptive similarity between the two and each trade mark has its own identity and distinguishable from the other and consequently dismissed the suits. Hence there is no illegality in the findings of the learned Judge calling for any interference from this court.

16. On the basis of the above arguments, the issues arise for consideration in these appeals are:

(1) Whether the respondents are using the trade marks, offending the registered trade marks of the appellant?

(2) Whether the registration of the trade mark during the pendency of the appeal can be taken into consideration to mould the relief?

(3) To what other relief the parties are entitled to?

17. Before proceeding with the discussion, it is necessary to consider the principles to decide the deceptive resemblance and thereby the infringement and the passing off arises. For deceptive resemblance two important questions are:

(1) Who are the persons whom the resemblance of the marks must be likely to deceive or confuse? and

(2) What rules or comparison are to be adopted in judging whether such resemblance exists.

As to confusion, it is perhaps an appropriate description of the state of mind of a customer who, on seeing a mark thinks that it differs from the mark on goods which he has previously bought, but its doubtful whether that impression is not due to imperfect recollection which is clear from the decision of the Supreme Court in *Amritdhara Pharmacy Vs. Satyadeo Gupta*, where the respondent had applied for the registration of the trade name "Lakshmandhara" in respect of a medicinal preparation for the alleviation of various ailments. This was opposed by

the appellant whose trade name "Amridhara" had already been registered in respect of similar medicinal preparation. The question, which arose, was whether the name "Lakshmandhara" was likely to deceive the public or cause confusion to the trade. While interpreting Sections 8 & 10 of the Trade Marks Act, the Apex Court observed at pages 452-454 as follows:

"It will be noticed that the words used in the sections and relevant for our purpose are "likely to deceive or cause confusion". The Act does not lay down any criteria for determining what is likely to deceive or cause confusion. Therefore, every case must depend on its own particular facts, and the value of authorities lies not so much in the actual decision as in the tests applied for determining what is likely to deceive or cause confusion. On an application to register, the Registrar or an opponent may object that the trade mark is not registrable by reason of clause (a) of Section 8, or sub-section (1) of Section 10, as in this case. In such a case the onus is on the applicant to satisfy the Registrar that the trade mark applied for is not likely to deceive or cause confusion. In cases in which the tribunal considers that there is doubt as to whether deception is likely, the application should be refused. A trade mark is likely to deceive or cause confusion by its resemblance to another already on the Register if it is likely to do so in the course of its legitimate use in a market where the two marks are assumed to be in use by traders in that market. In considering the matter, all the circumstances of the case must be considered. As was observed by Parkar, J in RE PIANOTIST CO. 's Application, 1906 23 RPC 774 which was also a case of the comparison of two words--

"You must take the two words. You must judge them, both by their look and by their sound. You must consider the goods to which they are to be applied. You must consider the nature and kind of customer who would be likely to buy those goods. In fact you must consider all the surrounding circumstances and you must further consider what is likely to happen if each of those trade marks is used in a normal way as a trade mark for the goods of the respective owners of the marks."

18. Now let us apply the above test to the facts of the case under our consideration. The appellant as well as the respondents are manufacturing Ammonium Chloride in different shapes. A cursory glance of the trade mark "Three Top" used by the appellant is almost identical in all respect to that of the trade mark used by the respondents. When the appellant's trade mark is registered, there is no excuse for the respondents to copy the same. When the goods manufactured by them are the same, definitely the similarity in the trade mark of both the parties would create confusion in the mind of the consuming public.

10. Even in respect of the "two elephants" in the appellant's trade mark, the elephants' tusks are in a lifted position; whereas in the trade mark of the respondents, the tusks are in a regular hanging position. In between the two elephants, within the diamond mark, the letters "RKL" are engrossed in the

appellant's trade mark and the letters "KCI" are engrossed in the respondent's trade mark. Except these two dissimilarities, in other respects, just for a cursory glance the trade mark in general, the similarities are more.

11. In respect of the word "SALAMMONIAC" also the word "SALAMMONIAC" is in between the two crescent with star. Inside the crescent the letters "RLK" are found in the appellant's trade mark. So far as the respondents' trade mark are concerned, it is also identical except the letters. Inside the crescent the letter "K" is engrossed in respect of the respondents' trade mark. Yet another trade mark used by the respondents is number "101" inside the crescent.

12. So far as the "three kites" are concerned, there is nothing to point out as to the dissimilarity of the trade marks used by the appellants as well as the respondents. Both are identical with each other, in all respects.

13. The various decisions of the Apex Court have clearly laid down that what has to be seen in the case of passing off action is the similarity between the competing marks and to determine whether there is likelihood of deception or causing confusion. This is evidence from the decisions of the Apex Court in the cases of National Sewing Thread Co. Ltd. Vs. James Chadwick and Bros. Ltd. (J. and P. Coats Ltd., Assignee), , Corn Products Refining Co. Vs. Shangrila Food Products Ltd., , Amritdhara Pharmacy Vs. Satyadeo Gupta, , Kaviraj Pandit Durga Dutt Sharma Vs. Navaratna Pharmaceutical Laboratories, and F. Hoffmann-la Roche and Co. Ltd. Vs. Geoffrey Manner and Co. Pvt. Ltd., .

14. In dealing with the question of burden of proof, in an action for an infringement of the trade mark, the Apex Court in DURGA DUTT SHARMA's case 1965 SC 980 held as under:

"When once the use by the defendant of the mark which is claimed to infringe the plaintiff's mark is shown to be "in the course of trade", the question whether there has been an infringement is to be decided by comparison of the two marks. Where the two marks are identical no further questions arise; for then the infringement is made out. When the two marks are not identical, the plaintiff would have to establish that the mark used by the defendant so nearly resembles the plaintiff's registered trade mark as is likely to deceive or cause confusion and in relation to goods in respect of which it is registered (Vide S. 21). A point has sometimes been raised as to whether the words "or cause confusion": introduce any element which is not already covered by the words "likely to deceive" and it has some times been answered by saying that it is merely an extension of the earlier test and does not add very materially to the concept indicated by the earlier words "likely to deceive". But this apart, as the question arise in an action for infringement the onus would be on the plaintiff to establish that the trade mark used by the defendant in the course of trade in the goods in respect of which his mark is registered, is deceptively similar. This has necessarily to be ascertained by a comparison of the two marks - the degree of resemblance which is necessary to exist to cause deception not being capable of

definition by laying down objective standards. The persons who would be deceived are, of course, the purchasers of the goods and it is the likelihood of their being deceived that is the subject of consideration. The resemblance may be phonetic, visual or in the basic idea represented by the plaintiff's mark. The purpose of the comparison is for determining whether the essential features of the plaintiff's trade mark are to be found in that used by the defendant. The identification of the essential features of the mark is in essence a question of fact and depends on the judgment of the Court based on the evidence led before, it as regards the usage of the trade. It should, however, borne in mind that the object of the enquiry in ultimate analysis is whether the mark used by the defendant as whole is deceptively similar to that of the registered mark of the plaintiff. "

15. In CADILA HEALTH CARE LTD v. CADILA PHARMACEUTICALS LTD (2001) 2 CTC 430 , the Supreme Court, after referring to various judgments, in the concluding paragraph has laid down the following factors to be considered while deciding the question of deceptive similarity:

"(a) The nature of the marks i. e. , whether the marks are word marks or label marks or composite marks, i. e. both words and label works.

(b) The degree of resemblence between the marks, phonetically similar and hence similar in idea.

(c) The nature of the goods in respect of which they are used as trade marks.

(d) The similarity in the nature, character and performance of the goods of the rival traders.

(e) The class of purchasers who are likely to buy the goods bearing the marks they require, on their education and intelligence and a degree of care they are likely to exercise in purchasing and/or using the goods.

(f) The mode of purchasing the goods or placing order for the goods and

(g)Any other surrounding circumstances which may be relevant in the extent of dissimilarity between the competing marks. "

16. From the above principles, the question of infringement as well as passing off can be decided only on the basis of the nature of similarity between the two trade marks. In that case, it is for the court to have a look at the trade marks of both the parties and on comparison decide the degree of similarity and the possibility of confusion arising in the mind of the purchasers. When that be so, the degree of dissimilarity on comparison of the trade marks used by both the parties has no role to play.

17. In the case on hand, we have no doubt that the learned Judge had adopted the rule of comparison to find out the degree of dissimilarity and came to the conclusion that there are differences between the trade mark of the appellant and the offending trade mark of the respondents and as such those dissimilarities

would enable the purchaser of the commodity to identify the goods of the appellant as well as the respondents. Since the rule of comparison adopted by the learned Judge is against the rules laid down by the Apex Court, we are of the view that the findings of the learned Judge cannot be sustained.

18. When the offending trade marks of the respondents in all these appeals are identical to that of the appellant, we are of the view that no further question arises to find out as to whether the infringement is made out. Only when the trade mark used by the parties are not identical, it is for the appellant to establish that the trade mark used by the respondents merely resembles the appellant's registered trade mark. As already observed by us, on comparing by a cursory look of the trade mark used by the respondents along with the trade marks of the appellants, we can come to the conclusion that the same is similar in all respects with that of the appellant's trade marks, except as pointed out by the learned Judge the difference in the letters in the crescent in respect of the trade mark "SALAMMONIAC" which is the subject matter of C. S. 985 of 1987 and the position of the tusk of the elephants and the letters used within the diamond so far as the "Two Elephants" which is the subject matter in C. S. 984 of 1997 are concerned. When the degree of similarity is more in respect of both the trade marks, then it has to be held that the appellant's trade mark is being infringed by the respondents with the use of the identical trade marks. The negligible dissimilarity by minute comparison of the trade mark is not the basis to decide the question of infringement as the same is not the rule of comparison to find out the deceptive resemblance of the offending trade mark.

19. If we compare the trade mark of the appellant with that of the respondents, following the principles of rule of comparison, as laid down by the Apex Court referred to above, we have no doubt in our mind that all the trade marks used by the respondents which are the subject matters of these appeals are very much deceptively similar to that of the appellant's trade marks. Hence we are unable to agree with the findings of the learned Judge rendered in the suits and consequently the same are liable to be set aside.

20. Accordingly the appeals are allowed and the judgment and decree in the suits are set aside. There will be a decree in favour of the appellants as prayed for in the suits. No cost.