
(1937) 08 MAD CK 0014
In the Madras High Court

S. Meera Sahib and Brothers

APPELLANT

Vs

Hajee M. Abdul Azeez Sahib

RESPONDENT

Date of Decision : 19-08-1937

Acts Referred:

Citation : AIR 1938 Mad 1 : (1938) ILR (Mad) 466 : (1937) 46 LW 635 : (1938) 2 MLJ 651

Hon'ble Judges : Alfred Henry Lionel Leach, C.J.;Varadachariar, J

Bench : Full Bench

Judgement

Alfred Henry Lionel Leach, C.J.—This appeal and Appeal No. 29 of 1937 arise out of a suit which was filed on the Original Side of this

Court for an injunction in a passing off action and as they have been heard together they will be dealt with in one judgment. The appellant in this

appeal was the defendant in the suit, and the appellant in Appeal No. 29 was the first plaintiff. The respondent in this appeal was the second

plaintiff. It will be convenient to refer to them as the first plaintiff, the second plaintiff and the defendant, respectively.

2. The second plaintiff is a piece goods merchant carrying on business in Madras. For twelve years before the suit he had been in the habit of

buying white twill from the first plaintiff, a company carrying on business in London. For the purposes of the case the first plaintiff has been treated

as the manufacturer of the goods, although he in fact did not make them. Having bought the twill from the first plaintiff and imported it into Madras

the second plaintiff sold it in the Madras Presidency where it has become well known as ""diamond"" twill. It is known as ""diamond"" twill because on

it is stamped in gold the picture of a diamond with lines representing radiation from the diamond. Above the diamond is printed in gold the word

diamond"" and below the word ""twill"". The form of these letters is unusual. The mark was designed by the first plaintiff and so far as business in

England is concerned it has been accepted as belonging to the first plaintiff, but it is common ground that the first plaintiff has never sold goods in

India bearing this mark. His business has been confined to selling twill to the second plaintiff, who with the full consent of the first plaintiff has sold it

in India as his own ""diamond"" twill. In fact, the goods have been shipped by the first plaintiff to the second plaintiff with the mark stamped on them,

and in a letter, dated the 12th July, 1928, written, by the first plaintiff to the second plaintiff the first plaintiff said:

We have already assured you that we would not under any conditions supply other dealers with twill stamped with your trade mark.

3. The words ""your trade mark"" refer to the diamond mark. In the plaint, however, it was claimed that the plaintiffs were jointly entitled to the

exclusive use of the mark and an injunction was asked for on this basis.

4. The defendant is also a Madras piece goods merchant doing business throughout the Presidency. He, like the second plaintiff, imports twills and

other classes of piece goods for sale here. From 1933 to 1935 he was importing twill under a mark which he called the ""gold-star"" mark. It

consisted of a five pointed star with another star in the centre of it. Around this central star were ten other smaller stars. From the star were thin

lines intended to represent radiation. Above the star were the words ""gold-star"" and underneath the word ""twill"". The lettering was of an entirely

different character to the lettering of the mark used by the second plaintiff. In 1935 the defendant changed his mark in the following respects: (i) he

altered the form of the letters to the very distinctive form used by the second plaintiff; (ii) he filled in the body of the star which had the effect of

changing its appearance considerably and made it more in conformity with the plaintiff's diamond; and (iii) he changed the thin lines representing

rays of light to thicker ones and thus made them more like the lines in the diamond mark. It is this new mark which the plaintiffs allege constitutes a

colourable imitation of the diamond mark and in respect of which they seek the injunction.

5. The case was tried by Gentle, J., who held that the defendant had deliberately changed his mark for the purpose of making it look like the

diamond mark and that in its altered form it constituted a colourable imitation of that mark. After discussing the evidence the learned trial Judge

rejected the contention that the plaintiffs were the joint owners of the mark, but held that the second plaintiff was entitled to an injunction on the

ground that the mark had become associated in the public mind with the goods sold by him. Accordingly he dismissed the first plaintiff from the

suit, but granted an injunction to the second plaintiff with costs. He also awarded him a sum of Rs. 500 by way of damages. The defendant has

appealed against the decree passed against him, and the first plaintiff has appealed against the order embodied in it dismissing him from the suit.

6. I will first deal with the appeal against the dismissal of the first plaintiff from the suit. In India there are no statutory enactments of the nature of

the Trade Mark Acts which have been passed in England, and relief here can only be granted on the ground that the defendant has done something

which is calculated to deceive. It is essential in a passing off action to show that there has been a false representation. It is not enough for a plaintiff

to claim that he has adopted a device as a trade mark and that the defendant has copied this device or used one so like it that deception is

possible. The plaintiff must show that he has used the mark claimed by him on his goods or in connection with them and that the mark has become

associated in the minds of the public with his goods. There must be user of the mark because without user no reputation can be acquired. In this

case the evidence does not show any reputation in the first plaintiff so far as India is concerned and this finding is sufficient to dispose of the first

plaintiff's appeal. It will be necessary to return to the question of user when discussing the position of the second plaintiff, but the first plaintiff

having clearly failed to establish a cause of action against the defendant his appeal must be dismissed. I might add that in the course of his

arguments the learned Advocate for the first plaintiff pointed out that it was not necessary for the plaintiffs, in view of the attitude of the defendant

to lay any stress in the trial Court on the plea of joint ownership. The defendant there conceded that either the first plaintiff or the second plaintiff or

both of them together had the exclusive right to the use of the diamond mark in India. We appreciate this, and it is our intention merely to deal with

the case so far as it affects the defendant and to say as little as possible with regard to the rights of the plaintiffs inter se.

7. Turning now to the defendant's appeal, I have no doubt that the defendant deliberately changed his mark in 1935 in order to make it resemble

the mark used by the second plaintiff and that he did this with the object of acquiring part of the second plaintiff's trade. I am further of the opinion

that the alteration was of such a character as to make it likely that the mark would be mistaken for the diamond mark. We have here a deliberate

intention to defraud. The learned advocate for the defendant, however, contends, that the second plaintiff is not entitled to the injunction granted to

him for two reasons. In the first place he says that the second plaintiff is not the maker of the goods, but merely an importer and therefore he must

show that the mark has become associated with his name in some special way as the importer of the goods, and not merely as the seller. In the

second place he says that before the second plaintiff can obtain relief he must also show that the ultimate purchaser associates the mark with his

name. He maintains that these conditions have not been fulfilled in this case.

8. On the first point the learned advocate for the defendant has cited many cases, but a detailed discussion of them is not called for. His argument

is really based on a passage in the judgment of the Privy Council in the case of Imperial Tobacco Company of India, Limited v. Bonnan (1924)

A.C. 755, where it was pointed out that an importer might get a valuable reputation for himself and his wares by his care in selection or his

precautions as to transit and storage, or because his local character is such that the article acquires a value by his testimony to its genuineness, and

if therefore, goods though of the same make are passed off by competitors as being imported by him he will have a right of action. But this

statement does not pretend to be exhaustive and to declare all the circumstances in which an importer may acquire the right to the exclusive use of

a trade mark. A merchant who sells particular goods under a particular trade mark is entitled to protection for that mark if he can show that it is

associated in the market with the goods which he sells, because the law will not permit a person to pass off his goods for those of another. This is

the governing principle and it matters not whether the merchant has goods made for him abroad or whether he has them made for him within the

country. A decision of the Privy Council which has a direct bearing on this case is that of Ullmann & Co. v. Cesar Leuba (1908) A.C. 443. The

plaintiffs there were manufacturers of watches in Switzerland and had acquired the business and trade marks of another Swiss firm of watch

manufacturers. The firm from which the plaintiffs had acquired these trade marks had been in the habit of supplying watches to a customer carrying

on business at Hong Kong who sold them under the manufacturers' trade marks. The plaintiffs instituted a passing off action in Hong Kong against

another dealer there on the ground that he was infringing the rights which they had acquired. Their Lordships held that the trade in Hong Kong

belonged to the original importer and that the plaintiffs had not sufficient interest to found a cause of action. The same principle was applied by this

Court in *Ebrahim Currim v. Essa Abba Sait* ILR (1900) Mad. 163 and by the Bombay High Court in *West End Watch Co. v. Berna Watch Co*

ILR (1910) 35 Bom. 425

9. In this case the evidence does establish the fact that the diamond mark is associated with the twill sold by the second plaintiff and having

established his reputation in connection with this mark the fact that the suppliers of the goods have also acquired a reputation in connection with it

in another country does not affect him. The manufacturer has never used the mark in India, and it was open to the second plaintiff to adopt it for his

business in India, which as I have already pointed out, he did with the full consent of the manufacturer. The defendant has altered his mark for the

purpose of gaining for himself part of the business which his rival has built up and in view of the probability of deception the second plaintiff has a

cause of action.

10. The contention of the defendant that the second plaintiff must show that the ultimate purchaser associates this mark with his name is also

fallacious. A reputation must be established, but that does not mean that the ultimate purchaser must know the actual name of the owner of the

goods. In this connection I will refer to certain passages in the judgments in *Birmingham Vinegar Brewery Company, Ltd. v. Powell* (1897) A.C.

710 which is the well known "Yorkshire Relish" case. Lord Halsbury observed (page 713):

It may be true that the customer does not know or care who the manufacturer is, but it is a particular manufacture that he desires. He wants

"Yorkshire Relish" to which he has been accustomed, and which it is not denied

has been made exclusively by the plaintiff for a great number of years. This thing which is put into the hands of the intended customer is not "Yorkshire Relish " in that sense. It is not the original manufacture. It is not made by the person who invented it. Under these circumstances it is a fraud upon the person who purchases to give him the one thing in place of the other.

11. In the same way it would be a fraud to place in the hands of a customer who wanted diamond twill, twill bearing the mark of the defendant.

In the course of his judgment Lord Herschell said (page 715):

In the present case it seems to me that "Yorkshire Relish" meant the manufacture of a particular person. I do not mean that in the minds of the public the name of the manufacturer was identified, but that it meant a particular manufacture, and that when a person sold "Yorkshire Relish", as the defendants did, by selling it as "Yorkshire Relish" and calling it "Yorkshire Relish," they represented to the public that it was that manufacture which was known as and by the name of "Yorkshire Relish".

12. In *Madhavji Dharamsey Manufacturing Co., Ltd. v. Central India Spinning, Weaving and Manufacturing Co.* ILR (1916) 41 Bom. 49, Scott, C.J., held that where goods have acquired by a particular fancy description, combination or device, a reputation in the market it is immaterial that

the customers do not know who the maker is, and relied on the remarks of Lord Halsbury in the *Yorkshire Relish* case and similar remarks of

Lord Hatherley in *Wotherspoon v. Currie* (1872) L.R. 5. H.L. 508. It is, therefore, quite clear that the second plaintiff has not got to show that the

ultimate purchaser knows his name and associates his name with the diamond mark. It is sufficient if the ultimate purchaser knows that goods

bearing this mark have a reputation and that this mark denotes the goods which he wishes to buy.

13. We do not regard the damages awarded as excessive and the only further question requiring consideration is the form of injunction. The

learned trial Judge has issued an injunction prohibiting the use of the offending mark on all classes of piece goods. It has been said on behalf of the

defendant that this is too wide. In their plaint the plaintiffs asked for an injunction in respect of all classes of piece goods and in the trial court it was

not contended by the defendant that an injunction of this nature would be too

wide if the plaintiffs succeeded in establishing their rights to the diamond mark. It was in fact taken for granted that they would be entitled to an injunction in this form if the right to exclusive user was proved. The second plaintiff and the defendant deal in the same kind of piece goods and the diamond mark has become associated in the trade with the second plaintiff. In these circumstances we see no reason to alter the form of the injunction. Both the appeals are accordingly dismissed. In Appeal No. 20, the second plaintiff will be entitled to costs against the defendant, but the defendant will be entitled to costs in Appeal No. 29, as he has been successful there.

Varadachariar, J.

14. I agree. I wish to add a few words with reference to the decision in *Batchayi Rowther v. Ramaswami Pillai* (1935) 43 L.W. 210, as the

learned Counsel for the appellant relied on some observations of mine there as supporting his contention that the plaintiff in a "passing off" action

must show that the persons purchasing the goods knew of the manufacturer or merchant by name and associated such name with the goods. That

this is not the law is shown by the observations quoted by my Lord from the "Yorkshire Relish" case. To the same effect there are also statements

in *William Edge & Sons, Ltd. v. William Niccolls & Sons, Ltd* (1911) A.C. 693 and *Slazenger & Sons v. Spalding & Brothers* (1910) 1 Ch. 257.

(See also *Wulfing v. Jivandas & Co* I.L.R. (1924) 50 Bom. 402). As the observations of Lord Herschell in the "Yorkshire Relish" case have been

referred to in my judgment in *Batchayi Rowther v. Ramaswami Pillai* (1935) 43 L.W. 210, it will not be a fair interpretation of that judgment to

suggest that there is anything in it to support the appellant's present contention. The point I had then to determine was whether plaintiff has shown a

right to sue at all. He had certainly to establish some connection in a sense known to law, such as manufacturer, seller, importer, etc., between

himself and the article which was alleged to have obtained a reputation. On the evidence in that case, it appeared that it was his brother that had

been manufacturing and selling the goods but the plaintiff did not claim in his brother's right. There was very little evidence as to what happened

after the brother's death. It was on those facts that after making a quotation from *Muhamad Esuf v. Rajaratnam pillai* ILR (1909) Mad. 402, I

observed that there was ""no evidence to establish any such association in the public mind between the plaintiff's business and the goods bearing the mark in question.