
(2001) 04 DEL CK 0008
In the Delhi High Court
Case No : Suit No. 1500 of 1987

The Sidhpur Sat-Isabgol Factory

APPELLANT

Vs

Delhi Sat-Isabgol Industries

RESPONDENT

Date of Decision : 16-04-2001

Acts Referred:

Copyright Act, 1957 — Section 2

Citation : (2001) 93 DLT 228

Hon'ble Judges : Jiwan Dass Kapoor, J

Bench : Single Bench

Advocate : Ms. Sabia Tramboopracha, for the Appellant;

Judgement

J.D. Kapoor, J.—The plaintiff is engaged in the manufacture and sale of Fleaseed Husk i.e. Sat-Isabgol for the last nearly four decades. Way back in the year 1948 it adopted an original artistic carton in respect of Fleaseed Husk.

2. The distinctive features of the carton comprise of a unique colour combination of white, parrot-green and blue. The main face of the carton has got a background of parrot-green colour upon which the expression "SAT-ISABGOL" appears in distinctive, particular and semi-circular manner in white colour with blue ghost image contiguous thereto. Beneath the expression SAT-ISABGOL, the words FLEASEED HUSK appear in bold blue letters. Along with an exclamation mark, followed by white oval. Along with an exclamation mark, followed by white oval device with blue border wherein the device of telephone appears superimposed upon the device of a factory with smoking chimneys on the background in blue colour. The name of the plaintiff appears on a rectangular white panel there under. The lower portion of the carton has got a criss-cross pattern in blue colour. The said features have been reproduced on the other side of the carton except that the expression "Registered Sat-Isabgol" and the name of the plaintiff appears in Devnagri script. The side panels of the carton have got white background with the expression "The Sidhpur Sat-Isabgol Factory" represented in small green lettering running all around, and the descriptive matters super-

imposed thereon in English and Devnagri Script in blue colour. The opening flap has got marking in blue colour for the purpose of guiding the manner of opening the flap/carton. The aforesaid carton as a trademark has been used so extensively in the course of the business that the purchasing public and the trade have come about to identify and recognise the said carton/mark exclusively with the goods and business of the plaintiff and none else.

3. According to the plaintiff it has acquired exclusive rights to use the said carton/mark by way of priority in adoption, long, continuous and extensive user and, Therefore, any limitation or deceptive similarity by someone else is bound to cause confusion amounting to passing off.

4. The plaintiff also holds registration under the Trade and Merchandise Marks Act, 1958 under No. 159047 as of 1.6.1953; 197082 as of 25.7.1960 and 275126 as of 21.9.1971. Thus registrations are valid, subsisting and are in full legal force. Though the constitution of the plaintiff firm has been changing from time to time, lastly it was changed on 2nd of May 1985.

5. Some time in the year 1974 the plaintiff also adopted another original artistic pouch in respect of goods of its manufacture and sale, specimen of which is Mark A-1. Thus it is also owner of the copyright of the said pouch and has got an exclusive right to the reproduction thereof in any material from including its colour combination, get-up, lay-out and arrangement.

6. The grouse of the plaintiff is that the defendant has adopted an identical and/or deceptively similar carton/mark/pouches in respect of the goods of its manufacture and sale by way of substantially reproducing all the distinctive features of the plaintiff's carton/mark in order to earn profits in illegal manner by passing off its goods and business as the goods and business of the plaintiff. The infringing carton also comprises of a colour combination of white, parrot-green and blue. The main face of the carton has got a background of parrot-green colour upon which the expression "Sat-Isabgol" appears in an identical semi-circular matter in white colour with blue ghost image contiguous thereto. Beneath the expression Sat-Isabgol, words "FLEASEED HUSK" appears in bold blue letters along with an exclamation mark followed by white oval device with blue border wherein device of Ganesh appears superimposed above the device of a factory with smoking chimneys in the background in blue colour. The name of the defendant appears on a rectangular white panel. The lower portion of the carton has got a criss-cross pattern in blue colour. All the aforementioned features have been reproduced on the other main face of the carton.

7. As the defendant has copied all the distinctive features of the plaintiff's carton/mark, the use of the main carton/pouches by the defendant amounts to infringement of the plaintiff's trademark and copyright and it is bound to cause confusion and deception in the mind of unwary class of purchaser as the goods of the defendant are likely to be passed off as the goods of the plaintiff. Hence this suit for permanent injunction restraining the infringement of the copyright,

infringement of trademark and against passing off action and for rendition of accounts of profits earned by the defendant illegally apart from the delivery of the goods.

8. Defendant has at the outset castigated the plaintiff that the plaintiff has not come with clean hands as it has not disclosed the names of the partners and is also guilty of laches and inordinate delay as the plaintiff knows well that the defendant has been using the trademark "Ganesh" in its distinctive indicium with common features as to its get-up, make-up and colour scheme in relation to fleaseed husk as the defendant has been selling its product under the said trademark for the last more than three years. On merits the defendant has averred that there is no similarity between the trade mark of the parties. It is stated that the goods of the plaintiff are sold, demanded and asked for as "Telephone Brand" Sat Isabgol. It is averred that the defendant's goods are known as "Ganesh Brand" as there is a device of Ganesh on the cartons. The colour scheme is also different and the full address given on cartons and pouches is also different as that of the plaintiff. It is stated that the telegraphic address given is "Goleywala".

9. As to the nature of the trademark as well as the mark of the carton the defense set up by the defendant is that the get-up, make-up and colour scheme are common to trade and commonly used by numerous traders in connection with their trade and fleaseed husk (Sat-Isabgol) and no particular trader can claim rights to use the same being publici juris.

10. According to the defendant the trade mark with a device of Lord Ganesh with such common features is absolutely different from the alleged pleaded trade mark of the plaintiff and there is no similarity in the two and the defendant's trader cannot in any way be said to be fraudulent and colourable imitation of the plaintiff's pleaded trademarks and, Therefore, the question of confusion to any customer does not arise. Some of the traders with the same colour scheme, get-up etc. are showing their trademarks as that of Appu, Monkey, Suraj, Lakshmi, Shiv, Chata etc.

11. It is averred that the defendant has adopted the trademark of Lord Ganesh with such common features honestly and used his mark concurrently and its application for registration of the said trademark has already been ordered to be advertised in the trademark journal by the Registry at Bombay. Further neither does the work come within the definition of Copyright nor is the plaintiff owner of the alleged Copyright.

12. However, after having set-up such a forcible defense, the defendant did not pursue its claim further and allowed itself to be proceeded ex parte. In support of its claim the plaintiff has filed affidavit by way of evidence. The documents produced and proved by the plaintiff (Exhibit P-2, P-4, P-5, P6, P-7, P8 & P-9) as under:-

1. Exhibit P-2 is the carton adopted by the plaintiff.

2. Exhibit P-4 is the pouch adopted by the plaintiff.
3. Exhibit P-5, P-6 & P-7 are the plaintiff's Trademark Registrations bearing Nos. 159047 & 197082 & 275126.
4. Exhibit P-8 is the document showing the sale figures of the plaintiff.
5. Exhibit P-9 is the document showing the details of promotional expenses of the plaintiff's product.

13. As is apparent from the aforesaid documents the plaintiff is the owner of the Copyright of the carton in respect of the fleaseed husk (Sat-Isabgol). The whole of the carton is also registered as a trademark under the Trade and Merchandise Marks Act, 1958. So much so the front of the carton is also registered as a trademark. The only minute deviation is the device of "Ganesh" appearing on the carton of the defendant whereas the plaintiff's carton contains the device of "Telephone". Apparently, the plaintiff is the prior user as it has adopted the carton way back in the year 1948. Obviously these are the original artistic work and the plaintiff is the owner of the copyright.

14. However according to the defendant itself the trademark or the cartons has not been registered as yet though an application for registration was made by it in 1986. It is by virtue of this application that the defendant claims the user from 1st April, 1986. The perusal of the photo copy of the application shows that the main feature in the copyright registration is not the carton but the representation of the wording "Delhi Sat Isabgol Industries". It further shows that the device of "Ganesh" is not in the manner as the carton used by the defendant.

15. In support of the plea that the delay if any may be a consideration for refusing an ex parte injunction but it does not oust the plaintiff from seeking relief of permanent injunction for either infringement of the trade mark or the copyright or for action of passing off, the counsel for the plaintiff has placed reliance upon Hindustan Pencils (P) Ltd. Vs. India Stationery Products Co. and Another, wherein following view was taken:-

"Even though there may be some doubt as to whether laches or acquiescence can deny the relief of a permanent injunction, judicial opinion has been consistent in holding that if the defendant acts fraudulently with the knowledge that he is violating the plaintiff's rights then in that case, even if there is an inordinate delay on the part of the plaintiff in taking action against the defendant, the relief of injunction is not denied. The defense of laches or inordinate delay is a defense in equity. In equity both the parties must come to the Court with clean hands. An equitable defense can be put up by a party who has acted fairly and honestly. A person who is guilty of violating the law or infringing or usurping somebody else's right cannot claim the continued misuse of the usurped right."

"..... If a party, for no apparent or a valid reason, adopts, with or without modifications, a mark belonging to another, whether registered or not, it will be

difficult for that party to avoid any order of injunction because the Court may rightly assume that such adoption of the mark by the party was not an honest one. The Court would be justified in concluding that the defendant, in such an action, wanted to cash in on the plaintiff's name and reputation and that was the sole, primary or the real motive of the defendant adopting such a mark. Even if, in such a case, there may be an inordinate delay on the part of the plaintiff in bringing a suit for injunction, the application of the plaintiff for an interim injunction cannot be dismissed on the ground that the defendant has been using the mark for a number of years."

16. Reference was also made to *Whitman Vs. Disney Productions* 263 F2d 229 wherein following observations were made:-

"Mere passage of time cannot constitute laches, but if the passage of time can be shown to have lulled defendant into a false sense of security, and the defendant acts in reliance thereon, laches may, in the discretion of the trial Court, be found."

17. Since in the instant case the defendant had only applied for registration of the trade mark in 1986 though has been carrying on the business on the strength of the same trade mark for the last three years prior to the filing of the written statement and since the application has not been allowed as yet the act of the defendant is dishonest in adopting the same trade mark and is nothing short of encroaching on the plaintiff's name and reputation and, Therefore, delay if at all nay is not fatal so far as relief for permanent injunction is concerned. Had it been an honest and concurrent use by the defendant such a delay might have defeated the claim of damages or rendition of accounts. However in *Hindustan Pencils case* (supra) this Court has observed that where there is an honest concurrent user by the defendant then inordinate delay or laches may defeat the claim of damages or rendition of accounts but the relief of injunction should not be refused because it is the interest of the general public which is the third party in such cases which has to be kept in mind.

18. The plaintiff adopted the carton in question in the year 1948. It got the trade mark registered in the year 1953, 1960 and 1971. The pouch was adopted in the year 1974. It incurred huge expenses for its promotion between 1974 & 1985. The plaintiff has proved that it came to know about the defendant's product in the year 1987 and immediately filed the suit. So much so the plaintiff has also been diligent in taking action against the other parties who had taken the same plea that the carton is common to the trade. The get up and colour scheme and other features show that it cannot be common to the trade as it reflects and projects the artistic work. Merely because there was a deviation in the device of "Ganesh" does not mean that there was no intention on the part of the defendant to pass off the goods as those of the plaintiff.

19. Support in this regard was derived by the learned counsel from *William Grant & Sons Ltd. Vs. McDowell & Co. Ltd.* Fleet Street Reports (1994) 690 wherein

following observations were made with regard to the artistic work, nature of the label or the carton:-

"In my view when a manufacturer skilfully blends factual information with features on the label which are intended to distinguish his own product from the products of other manufacturers, and, the blending of the factual information and their distinguishing features is achieved in a manner which combines the aforesaid particulars and features as a unified whole, or a representation, then such a representation is a label, which, depending upon the manner in which the various features are harmonised with each other, may give rise to a claim that the label is "artistically" made. Actually being so, it is thus, by itself copyrightable matter."

20. It is the overall similarity which may be deceptive in nature that goes to determine the act of passing off. For taking an action for passing off it is not necessary that the trade marks should be registered. But in the instant case not only the whole of the trade mark but the carton has been registered under the respective Acts.

21. The basic test to find out whether a particular mark is publici Jurisdiction or not is that if the mark has come to be so public because of its universal use that it does not confuse or deceive by the use of it the purchasers of the goods of the original trader. The object to protect a trade mark is merely to prevent the trader from being deceived or confused by the other persons goods as his goods.

22. Merely because a person gets a trade mark registered first does not mean that he has an unfettered right to protect it. In a celebrated case Ford Vs. Foster (1872) 7 Ch 611 a person has been trading under a particular mark for forty long years but without getting it registered but the same mark was got registered by another person only four years before. It was held:-

"Monstrous injustice would have been done if a man who has had a trade mark for perhaps forty years should lose it because another man who had it for four years had happened to register it first".

23. In The Andhra Perfumery Works joint family Concerns Vs. Karupakula Suryanarayaniah and Others, it was held that whether a word or mark is a publici Jurisdiction is a question of fact. If the word has attained distinctiveness as mark of a particular person this distinctiveness may be lost. Unless and until the distinctiveness is lost it is entitled to recognition.

24. Even if for a moment it is assumed that the plaintiff is not entitled to have the monopoly over the get-up, make up and colour scheme of the carton and marks of the plaintiff are commonly used by the various traders and, Therefore, no particular trader can claim rights to use the same being publici Jurisdiction and since the trade mark of the defendant with device of Lord Ganesh with such common features is absolutely different from the alleged pleaded trade mark of the plaintiff still the fact remains that the plaintiff is the long, continuous and

prior user as it had adopted the carton as well as the pouch way back in 1948 and, Therefore, any act in copying in toto or substantially with a deviated device of Lord Ganesh falls within the mischief of passing off.

25. There is a unanimity of view that the act of passing off is an actionable wrong. There is also unanimity as to what comes within the ambit of wrong of passing off. Some of the observations of different authorities areas under:-

"It is an actionable wrong for a trader so to conduct his business as to lead to the belief that his goods or business are the goods or business of another. This wrong is known as "passing off". It is immaterial whether the false representation, as to goods or business, involved in passing off, is made expressly bywords, or impliedly, by the use or imitation of a mark, trade name or get-up with which the goods of another are associated in the minds of the public. But although this is the most common form of passing off it is only a special instance of a more genera rule that any misrepresentation calculated to give one trader the benefit of another's goodwill is actionable. (Clerk and Lindsell on torts, 15th Edition Page-1377 Paras 27 & 28).

"Apart from statute, an action will lie for the passing off of a work as the work of the plaintiff, if its title or appearance is such as to lead the public to believe that they are purchasing, or using, a work of the plaintiff and injury is likely to accrue to the plaintiff; it is not necessary to show an intention to deceive. The thing said to be passed off must, however, resemble the thing for which it is passed off." (Halsbury's Laws of England, 4th Edition, Vol. 9 para 806).

"the tort of passing off is not anchored to the name or trade mark of a product or business but is wide enough to encompass other descriptive material, such as slogan or visual images associated with the plaintiffs" product by means of an advertising campaign, if that material had become part and the goodwill of the plaintiff's product, the test of which was whether the plaintiff had acquired an intangible property right of his product by virtue of the product deriving from the advertisement a distinctive character recognised by the market, and in applying that test of the Court had to bear in mind the balance to be maintained between the protection of the plaintiff's investment in his product and the protection of free competition." (Cadbury Schweptes (P) Ltd. and others Vs. Pub Squash Co. (P) Ltd. (1981) 1 All ER 213 .

26. When tested on the anvil of the aforesaid parameters within which the action for passing off falls there is no escape from the conclusion that there is not only infringement of the trade mark which was duly registered by the plaintiff but also of its copyright apart from the act of the defendant being covered by the mischief of passing off. Merely because there is a deviation with regard to the image of the device in respect of "Ganesh" & "Telephone" does not mean that the entire layout or the carton of the trade mark would undergo a change.

27. The test is how does an unwary customer at first instance and glance select the articles or the goods. The overall look of the cartons and the trade mark of

the defendant reflects pronounced deceptive similarities and even experienced person would also get confused as to its source and origin.

28. The defendant has substantially reproduced all the distinctive features of the plaintiff's cartons/mark in as much as there is infringed carton which comprises colour combination of white, parrot-green and blue and the main face of the carton has got a background of parrot-green colour upon which the expression "Sat Isabgol" appears in an identical semi-circular matter in white colour with blue ghost image contiguous thereto. So much so "Fleasseed Husk" appears in bold blue letters Along with an exclamation mark followed by white oval device with blue border wherein device of Ganesh appears superimposed above the device of a factory with smoking chimneys in the background in blue colour.

30. Thus each and every feature of the plaintiff's distinctive carton including its colour combination, get up, lay out, arrangement and even the descriptive matters had been copied by the defendant without even a slight change. Reproduction of an artistic work in entirety with little imperceptible deviation cannot be protected by the doctrine of "public juris" nor can it escape the mischief of passing off.

31. Thus from any aspect we may examine the cartons/pouches of the defendant, there is no escape from the conclusion that this amounts to not only infringement of copy right within the meaning of Section 2(c) of the Copyright Act as the plaintiffs are the proprietors and author of the said artistic work and infringement of the trade mark as they are the proprietors of the trade mark but also amounts to actionable wrong of passing off by virtue of being the prior and continuous user of the carton.

32. The defendant has failed to show why did he chose not only deceptively similar but entirely identical carton with a little deviation of the device of Ganesh.

33. In my view there is no other object or reason than to encash upon the goodwill and reputation accruing to the plaintiff's product and with a view to pass off its goods as those of the plaintiff.

34. In view of the foregoing reasons the suit of the plaintiff is decreed in respect of prayers (a), (b), (c) & (d), as the learned counsel for the plaintiff has given up the claim in respect of the prayer (e) i.e. for rendition of accounts of the profits earned by the defendant.