

IN THE HIGH COURT OF DELHI AT NEW DELHI

W.P. (C) No. 1210 of 2005

Reserved on: 10th March 2010

Decision on: 28th April 2010

JOLEN INC.

..... Petitioner

Through: Mr. Sanjay Jain, Senior Advocate with
Mr. Reetesh Singh, Mr. Virendra Kumar and
Ms. Prabhsahay Kaur, Advocates

versus

SHOBANLAL JAIN & ORS

..... Respondents

Through: Mr. M.K. Miglani with
Mr. Sanat Kumar, Mr. Gaurav Miglani,
Mr. Kapil Kumar Giri and
Mr. Ankit Relan, Advocates

AND

W.P.(C) No. 1213 of 2005

JOLEN INC.

..... Petitioner

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Mr. Reetesh Singh, Mr. Virendra Kumar and
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..... Respondents

Through: Mr. M.K. Miglani with
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Mr. Kapil Kumar Giri and
Mr. Ankit Relan, Advocates.

CORAM: JUSTICE S.MURALIDHAR

1. Whether Reporters of local papers may be

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| allowed to see the judgment? | No |
| 2. To be referred to the Reporter or not? | Yes |
| 3. Whether the judgment should be reported in Digest? | Yes |

JUDGMENT

28.04.2010

1. These petitions challenge the separate orders dated 12th January 2005 passed by the Intellectual Property Appellate Board (IPAB) dismissing the Petitioner's appeals thereby upholding the orders dated 11th March 1999 and 11th October 2000 of the Assistant Registrar of Trade Marks (AR) refusing registration of the trademark JOLEN applied for by the Petitioner.

Background Facts

2. The Petitioner Jolen Inc., was formed as a partnership firm in the year 1955 in USA and later incorporated as a company in 1964. The Petitioner states that it is the proprietor of the invented trademark JOLEN coined from the names of the founders of the Petitioner company John & Evelyn. It is stated that the trademark JOLEN forms a predominant feature of the Petitioner corporate name and trading style. Its trademark JOLEN has been registered in more than 40 countries all over the world.

3. The Petitioner's JOLEN crème bleach is sold extensively in various countries including countries in the middle-east and Gulf from where a number of Indians frequently visit India and bring with them the Petitioner's JOLEN products for their personal use and as gifts for friends and relatives. It

is stated that Petitioner's JOLEN products have been brought to India also by
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Indians visiting abroad. The Petitioner's JOLEN crème bleach are extensively advertised in international magazines having large circulation in India. According to the Petitioner its JOLEN crème bleach is freely available in India in several Customs notified shops and duty free shops in India. Therefore, it is submitted that by virtue of the long, extensive and continuous use in the international market and wide publicity, the Petitioner's trademark JOLEN enjoys great reputation and goodwill. In the above circumstances, it has been pleaded that the Petitioner's JOLEN has acquired trans-border reputation which is spilled over to India.

4. The Petitioner applied for registration of the trademark JOLEN in India under No. 522509 on 9th January 1990 in Class 3. Respondent No. 1 trading as M/s Hindustan Rimmer through its proprietor Shobanlal Jain and its licensee Ashok Kumar trading as M/s Cosmo International filed oppositions DEL-9820 and 9821 respectively. By an order dated 11th March 1999, the AR allowed the oppositions and rejected the Petitioner's applications. The appeal, CM (M) No. 422 of 1999 filed in this Court by the Petitioner was transferred to the IPAB after the enactment of the Trade Marks Act, 1999 (TM Act, 1999). By the impugned order dated 12th January 2005 in TA/151/2003/TM/DEL[CM(M) 422/1999], the IPAB dismissed the Petitioner's appeal.

5. The Respondent No. 1 Shobanlal Jain also applied for registration of the trademark JOLEN under No. 555920 in Class 3 on 6th August 1991 (as associated with the registered trademark No. 434499 in Class 3) for a wide range of cosmetic goods. The said application was opposed by the Petitioner

under Opposition No. DEL 600. The AR by an order dated 11th October 2000 dismissed the Petitioner's application and allowed the Respondent's application for registration. The Petitioner's appeal filed in this Court, CM (M) No. 104 of 2001 was transferred to the IPAB. By the impugned order dated 12th January 2005, the IPAB dismissed the said appeal.

6. Certain related developments need to be mentioned. It is stated that Respondents 1 and 2 obtained registration of a trademark JOLEN in India under No. 434499B in Class 3 in respect of "tooth paste and perfumery". The Respondents applied for the above registration on 25th February 1985 and registration certificate was issued on 15th November 1991. The Petitioner filed rectification petition being Del-694 on 6th May 1994 for removal of the trademark JOLEN registered in favour of the Respondents under No. 434499B. The said application is stated to be pending before the Registrar. It is submitted by the Petitioner that as long as the said opposition was pending, the present case ought not to have been decided by the AR.

7. The Petitioner filed Civil Suit No. 397 of 2000 in the High Court at Madras against the Respondents and others for permanent injunction restraining them from passing off their cosmetic preparations bearing the trademark JOLEN and from infringing the copyright in the artistic work in the JOLEN carton. The Petitioner applied for interim reliefs in the said suit. Against the refusal by the Single Judge to grant reliefs, the Petitioner preferred appeals before the Division Bench. By a judgment dated 30th April 2004 *Jolen Inc., v. Shobanlal Jain* 2005 (30) PTC 385 (Mad-DB), the Division Bench allowed the Petitioner's appeal and granted injunction
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restraining Respondents and others from using the trademark JOLEN for cosmetic preparations and from using the imitative carton. The special leave petition Nos. 11663 to 11665 of 2004 filed by the Respondents were dismissed by the Supreme Court on 2nd August 2004.

8. It is stated that since the Respondents and others continued to use the trademark JOLEN as part of their corporate name/trading style notwithstanding the judgment of the Division Bench of the Madras High Court, the Petitioner filed yet another suit, C.S. No. 831 of 2004 in the Madras High Court and an interim injunction was granted on 20th October 2004 restraining Respondents from using the trademark JOLEN as part of their corporate name/trade name. The injunction is stated to be operating.

9. The ground of opposition by the Respondents to the Petitioner's application for registration of the trademark JOLEN under No. 522509 in respect of "hair bleach, skin creams and lotions, astringents toilet waters, colognes, perfumes, eye makeup, face power, rouge and nail polish" in Class 3 was that the mark applied for was not distinctive of the goods of the petitioner and was hit by Sections 9, 11(a) and 11(e), 12 and 18 of the Trade and Merchandise Marks Act, 1958 (TM Act 1958). The Petitioner filed separate counter statements to the above notice of opposition in the month of November 1996. The Respondents 1 and 2 filed evidence in support of their opposition along with their affidavit. The Petitioner filed affidavit by way of evidence in February 1997. In this affidavit, the Petitioner set out in detail about the packaging of the mark, its prior adaption and use, the worldwide

registration, international use and sales figures, goodwill and reputation attached to the mark JOLEN. The Petitioner also gave details of the worldwide registration for the trademark JOLEN, range of cosmetic products in respect of which it had registrations; year-wise expenditure on advertisement in US\$ for the years 1986 to 1993; the sale invoice in different countries; advertisements in various international magazines and newspapers having circulation in India, and documents showing the sale of the Petitioner's mark JOLEN crème bleach in India.

10. The case of the Petitioner was that the adoption of the Petitioner's mark JOLEN by the Respondents was fraudulent. It was a slavish imitation of the Petitioner's mark and failed to substantiate the claim of the user of the mark JOLEN. It was stated that the trademark JOLEN was a well-known trade mark used exclusively by the Petitioner. It was submitted that the earlier registration No. 434499 in Class 3 had been obtained by the respondents through fraud and misrepresentation.

The Orders of the Assistant Registrar

11. By an order dated 11th March 1999, the AR allowed the opposition filed by Respondents 1 and 2 and dismissed the Petitioner's application. The summary of the findings of the AR was as follows:

- (a) The trademark applied for by the Petitioner was identical to the registered trademark JOLEN of the Respondent under No. 434499B dated 25th February 1985 and the perfumes covered by the said registration were goods of the same description as that applied for by the Petitioner.

Hence the registration of the mark was prohibited under Section 12(1) of the TM Act 1958.

- (b) The respondent could rely upon the use of the said mark JOLEN by their licensee, Respondent No. 2 and it was not necessary for the purpose of Section 11(a) that the Respondents should rely upon the use and the reputation of their own trademark. The Petitioner had failed to prove that there was any sale of goods or advertisement of trade mark JOLEN by it in India.
- (c) There was no evidence produced by the petitioner to show that the magazines and newspapers in which the trademark JOLEN was advertised, had any circulation in India at that point in time. There was, therefore, no use by or reputation of the Petitioner in India in respect of the trademark JOLEN as on the date of its application. There was also no clear and cogent evidence in respect of the said mark's trans-border reputation in India.
- (d) The evidence produced by the Respondents indicated that a substantial number of traders/traders identified JOLEN products as manufactured by the Respondents as on the date of the application. Therefore, the use of the said trademark by the Petitioner was likely to cause confusion and therefore prohibited under Section 11(a) of the TM Act 1958.
- (e) The claim by the petitioners for registration of the trade mark JOLEN held by the Respondents was hit by Section

18(1) of the TM Act 1958.

- (f) The Petitioner's evidence did not show use of the trademark JOLEN prior to the date of the application. Therefore, the Petitioner could not take advantage of Section 33 of the TM Act 1958.

12. As regards the Petitioner's Opposition No. DEL 600 under No. 555920 in respect of cosmetic goods included in Class 3, the Registrar passed an order dated 11th October 2000 holding:

- (a) There was no merit in the contention of the Petitioner that since the Respondents had not filed any counter-statement under Section 21(2) of the TM Act, 1958 to the application filed by the Respondents, their opposition should be deemed to have been abandoned.
- (b) There was no evidence on record to show that there would be any likelihood or confusion in India if the Respondents use the mark JOLEN. Therefore Section 11(a) of the TM Act 1958 had no application.
- (d) Admittedly the earlier registration of the mark under No. No. 434499 in Class 3 was in the name of the Respondents. This was an additional factor in their favour. The application made by the Respondents for registration in Class 3 was only an extension for the earlier registration already granted in Class 3 (tooth paste and perfume).
- (f) As such the Respondents had been using the mark since

1987, i.e., for about four years as on the date of the application. The said use was sufficient to distinguish the Respondent's goods from other traders. Therefore, the registration of the mark in favour of the Respondents was justified under Section 9 of the TM Act 1958.

The impugned order of the IPAB

13. By the impugned order dated 12th January 2005 the IPAB rejected the Petitioner's appeals. After referring to the observations in "***Intellectual Property***" by ***W.R. Cornish, Third Edition, at page 550***, the decision of the Supreme Court in ***N.R. Dongre v. Whirlpool Corporation 1996 (5) SCC 714*** and this Court in ***Jolen Inc v. Doctor & Company (2002) 2 CTMR 6***, it was held that the Appellant, i.e., the Petitioner herein had "totally failed to produce any piece of evidence regarding the number of immigrants from foreign countries or the tourists returning to India who brought the appellant's products to India". There was no evidence to show that even a small number of Indians were aware of the products. After discussing the various advertisements in the foreign magazines, the IPAB held that the Petitioner had not produced any evidence with regard to the circulation of any of the said magazines in India as well as the channels through which such magazines were circulated. The Respondents had established prior use since 1985 whereas the Petitioner's application was filed in 1991 claiming user of the said trade mark since December 1985. The Petitioner had failed to establish through evidence that by way of advertisements in foreign journals about their trans-border reputation. It was held that in order to substantiate

the claim to a trans-border reputation the mark should be shown to be a well-known one having been identified by a large number of persons. Therefore evidence regarding availability of journals and the volume of circulation had to be proved. Reputation and goodwill had to be proved and not presumed.

14. Referring to the judgment of the Madras High Court in *Jolen Inc., v. Shobanlal Jain*, the IPAB held that the said judgment was not binding since the findings on facts were only prima facie. It was held that the IPAB had to dispose of the appeal independent of any observations of the Madras High Court in the aforementioned judgment. It is further held that the fact that the Petitioner had filed the suit in 2000 and had not till the date of the disposal of the appeal raised any objection to the use of the mark by the Respondent No. 2. Respondent No. 2 had proved that they were the prior users. The Petitioner had failed to establish trans-border reputation. The appeals were accordingly dismissed.

Submissions of Counsel

15. This court has heard the submissions of Mr. Sanjay Jain, the learned Senior Counsel, appearing for the Petitioners and Mr. M.K. Miglani, the learned counsel appearing for the Respondents 1 and 2.

16. It is submitted by Mr. Sanjay Jain that the IPAB erred in holding that the Petitioner had not proved its trans-border reputation. Relying on the observations of this Court in *N.R. Dongre v. Whirlpool Corporation AIR 1995 Delhi 300*, it is submitted that in the present case, the existence of the trans-border reputation of the Petitioner's marks was proved by the evidence
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placed on record. Since the Petitioner's goods were being sold in the open market there was no confusion or deception by the registration of the impugned mark. Therefore, Section 11(a) of the TM Act 1958 did not apply. It is submitted that the Respondents' marks are identical with that of the Petitioner. The trademark, trade dress, colour scheme, get up, font size, layout, carton and the labels used therein were identical with that of the Petitioner. The IPAB also failed to appreciate that in Class 3 goods there are several other items and therefore the mere fact that the registration is obtained for toothpaste and perfumes by the Respondents did not automatically mean that the registration could not be granted to the Petitioner in respect of other goods although falling in the same class. Referring to the decision in *Vishnudas Trading v. Wazir Sultan Tobacco Ltd.* 1996 PTC 16 (SC) 512, it is submitted that registration with regard to one category of goods does not prevent registration of trademarks with respect to other goods in the same class. The findings of the Madras High Court in *Jolen Inc., v. Shobanlal Jain* affirmed by the Supreme Court clinched the issue in favour of the petitioners. Mr. Jain also places reliance on the judgments in *Milmet Oftho Industries v. Allergan Inc* 2004 (12) SCC 624 and *Hyundai Corporation v. Rajamal Ganna* 2007 (35) PTC 652 (Del). Highlighting the approach of the Courts in cases of passing off and infringement involving identical marks, Mr. Jain referred to the decisions in *Atlas Cycles Ltd. v. Atlas Products Pvt. Ltd.* 146(2008) DLT 274; *Kaviraj Pandit Sharma v. Navratna Pharmaceuticals Laboratories* AIR 1965 SC 960; *Hero Honda Motors Ltd. v. Shree Assuramji Scooters* 2005 (4) RAJ 186 (Del); *Revlon Inc. v. M/s Sarita Manufacturing Co.* AIR 1998 Del 38 and *Frito Lays India v. Radesh Foods* 2009 (40) PTC 37 (Del).

17. Appearing for the Respondents, Mr. M.K. Miglani, the learned counsel submitted that the Respondent's licensee has obtained the permission of the Drugs Controller and started manufacturing and selling cosmetics under the trademark JOLEN in 1987. According to the Respondents, its use of the mark was open, continuous and extensive. When the Respondent's application for registration of mark JOLEN was accepted and advertised in the Trademarks Journal, it was not opposed by any member of the trade or public and therefore registration was granted for toothpaste and perfumery.

18. It is submitted that after the Petitioner filed a subsequent application 15th November 1991 for registration of cosmetics, the Petitioner herein filed oppositions and issued various caution notices. It filed a suit against Doctor & Company in 1993. Therefore, it had complete knowledge about the Respondents and yet took no action. It is submitted that the JOLEN is not an invented word but is a name of the city in Afghanistan. It is claimed that there are several businesses being run in the name JOLEN. While the Respondents successfully proved by evidence their long and bona fide user of the mark, the Petitioner had failed to prove any sale, advertisement of its goods in India using the mark JOLEN. The Petitioners failed to prove that its goods under the mark JOLEN had any trans-border reputation. Since the goods of the Petitioner were not available in India at the relevant point in time, the learned AR had rightly concluded that there was no likelihood of deception or confusion.

19. It is submitted that the present petition relates a mark adopted and used in and around the 1980s, i.e., the era of pre-globalization and pre-liberalization of economy. It is claimed that in the said era, the means of communication, publicity and advertisement as also the means of travel were not as advanced as now where simultaneous launching of a product and/or brand in various countries throughout the world has become the norm. If one went by the sale figures of the petitioner's products in 20 countries worldwide, then only 35,000 odd products priced 3\$ each were found to be sold. The sales were therefore negligible and could not substantiate the claim of the Petitioner's product enjoying an immense reputation which has spilled over to India. Therefore, there is no question of the Respondents trading upon any goodwill or reputation of the Petitioner in the said market. Relying upon the decisions in *Management of Madurantakam Co-op. Sugar Mills Ltd. v. S. Vishwanathan* (2005) 3 SCC 193 and *Union of Bank of India v. Chanderkant Gordhandas Shah* (1994) 6 SCC 271, it is submitted that the High Court exercising jurisdiction under Article 226 of the Constitution will not re-examine factual disputes or the evidence and sit in appeal over the concurrent findings of the AR or the IPAB. The scope of the powers of the judicial review were limited to correcting errors of law or procedural errors leading to manifest injustice or violation of principles of natural justice. Reliance in this regard is also placed on the judgments in *Chandigarh Administration v. Manpreet Singh JT 1991 (4) SC 436*; *Lalit Popli v. Canara Bank* (2003) 3 SCC 583 and *Indian Iron & Steel Co. Ltd. v. Prahlad Singh* (2001) 1 SCC 424. It is submitted that in any event in paras 14 to 18, the IPAB had discussed the evidence produced on record. It had

discussed law relating to trans-border reputation and held that that the Petitioner had miserably failed to prove the same. The IPAB had rightly opined that the question of dishonesty of adoption have to be gone into only where the Petitioner proved that it is a well known mark having trans-border reputation. The Petitioner admittedly never manufactured or sold its products in India and even its application for registration was on “proposed to be used” basis. Therefore, the question of confusion between the two marks did not arise since the Petitioner’s mark was not even known, much less, used in India. Further as held in *Pioneer Nuts & Bolts Pvt. Ltd. v. Goodwill Enterprises* [2009 (41) PTC 362 Del.], the use of a mark in advertising media must be concurrent with the placing of the goods in the market if it is to be regarded as a trademark. Reliance is also placed on the judgments in *The Gillette Co. v. A.K. Stationery* [2001 PTC 513 Del.] and *M.S. Smithkline Beecham Plc v. M.S. Hindustan Lever Ltd.* [2000 PTC 83 Del.].

Comparison of the two marks

20. Before considering any issue in the present case, the two competing marks and cartons may first be examined. This Court was shown the cartons and packaging used on the Petitioner’s products and those for the Respondent’s products. If these two are placed side by side, even the most trained eye would not be able to make out one from the other. In fact, this was acknowledged too by the counsel for the Respondents. The Court had to use a black rubber band around the carton of the Petitioner only to identify it. The portion of the packaging reflecting the mark used by the Petitioners is as

under:



21. The position of the packaging reflecting the mark used by the Respondents is as under:



22. Elsewhere in the packaging and in the container placed within it, the Respondents have depicted the word the word 'JOLEN' within an oval with identical lettering in identical font against a blue background. The mark JOLEN and every aspect of it as used and depicted by the Respondents is a classic example of slavish imitation of the mark of the petitioner. It is so brazen that the Respondents have copied even the byline 'Lightens Excess Dark Hair' appearing below the word JOLEN. There is also no manner of doubt that an average customer will mistake the Respondents' products as that of the Petitioner. The confusion is also likely to be about the origin of the

goods. The name of the manufacturer is given in an insignificant portion of the Respondents' carton in an extremely small font. The Respondents products in the above packaging with the JOLEN mark are likely to be viewed as counterfeit of the petitioner's obviously more expensive foreign branded products. The Indian law concerning trademarks does not permit this kind of a brazen and slavish imitation of a well known international mark. It is inconceivable how the AR and IPAB did not appreciate this moot obvious feature of the case.

23. Along with its written submissions, the Respondent has placed samples of eight such packages each containing mark JOLEN since 1955. That by itself makes no difference to the strength of the Petitioner's mark JOLEN which has been shown to have international goodwill and reputation. It is also not disputed that the Petitioner had registration in respect of the said mark JOLEN in 40 different countries worldwide and other categories. The adoption and use of the mark JOLEN by the Respondents in Class 3 goods including perfumery is neither prior nor honest.

Sub-species of articles in a class to be considered

24. What was required to be appreciated by both the AR of Trade Marks as well as the IPAB was that in particular the goods in Class 3 with which they were concerned, cosmetics was a sub-species. As rightly explained by the Supreme Court in *Vishnudas Trading v. Wazir Sultan Tobacco Ltd.*, the mere fact that the Respondents had a registration for the mark JOLEN in respect of toothpaste and perfumery did not automatically mean that they were entitled to the registration for the trade mark JOLEN for cosmetics as well. In para 45 and 46 of *Vishnudas Trading v. Wazir Sultan Tobacco Ltd.*, WP(C) Nos. 1210 & 1213 of 2005

it was explained (PTC @ p.534-35):

“In our view, if a trader or manufacturer actually trades in or manufactures only one or some of the articles coming under a broad classification and such trader or manufacturer has no bonafide intention to trade in or manufacture other goods or articles which also fall under the said broad classification, such trader or manufacturer should not be permitted to enjoy monopoly in respect of all the articles which may come under such broad classification and by that process preclude the other traders or manufacturers to get registration of separate and distinct goods which may also be ground under the broad classification. If registration has been given generally in respect of all the articles coming under the broad classification and if it is established that the trader or manufacturer who get such registration had not intended to use any other article except the articles being used by such trader or manufacturer, the registration of such trader is liable to be rectified by limiting the ambit of registration and confining such registration to the specific article or articles which really concern the trader or manufacturer enjoying the registration made in his favour. In our view, if rectification in such circumstances is not allowed, the trader or manufacturer by virtue of earlier registration will be permitted to enjoy the mischief of trafficking in trade mark. Looking to the Scheme of the registration of trade mark as envisaged in the Trade Marks Act and the Rules framed there under, it appears to us that registration of a trade mark cannot be held to be absolute, perpetual and invariable under all circumstances... The "class" mentioned in the 4th Schedule may subsume or comprise a number of goods or articles which are separately identifiable and vendible and which are not goods of the same description as commonly understood in trade or in common parlance. Manufactured tobacco is a class mentioned in Class 34 of 4th Schedule of the Rules but within

the said class, there are number of distinctly identifiable goods which are marketed separately and also used differently. In our view, it is not only permissible but it will be only just and proper to register one or more articles under a class or genus if in reality registration only in respect of such articles are intended, by specifically mentioning the names of such articles and by indicating the class under which such article or articles are to be comprised.”

International market and reputation for cosmetic products

25. The second peculiar feature is that there is a relatively large international market and therefore formidable reputation for international brands of cosmetics even in India. While there is a domestic industry in cosmetics, the attraction for the perfumes facial crèmes and other toiletry products from abroad is phenomenal. This explains why when travelling abroad or visiting India as NRIs persons who have settled abroad invariably pick up perfumes and other foreign brand toiletry items. The duty-free shops in international airports abound in these luxury goods. Therefore the question of foreign cosmetic products having a trans-border reputation is nothing strange or unique. The AR and the IPAB have obviously missed this distinction when appreciating the evidence of use and marketing in the form of advertisements of the products in foreign and Indian magazines. It is not uncommon to find foreign magazines carrying glitzy advertisements in beauty and hairdressing saloons. In the era of cosmetics, therefore, the visibility and reputation enjoyed by an international brand has to be viewed differently from that enjoyed by non-luxury and non-cosmetic products.

26. This Court rejects the wholly improbable explanation given by the

Respondents that JOLEN is not an invented word but the name of a city in Afghanistan. There is no way that the Respondents who also claim to be in the cosmetics industry for many years, were not aware of JOLEN bleach crème which has been available internationally since 1955. It is impossible that the Respondents were suddenly inspired to adopt the name of a city in Afghanistan for their products. It is incredible how such a far-fetched explanation was accepted by both the AR and the IPAB. This Court has no hesitation whatsoever in holding that the adoption by the Respondents of JOLEN, a well known mark of the Petitioner internationally, was dishonest.

Goodwill and reputation of the Petitioner's product

27. It is not the first time that the Courts have been asked to examine whether the Petitioner enjoys an international reputation for its marks. Between the same set of parties, a judgment has been delivered by the Division Bench of Madras High Court in *Jolen Inc., v. Shobanlal Jain*. The said judgment discusses in detail the goodwill and reputation enjoyed by the Petitioner's products. It also discusses the comparison between the marks and the labels used by the Petitioner and the Respondents. Paras 35 and 36 of the said judgment in *Jolen Inc. v. Shobanlal Jain* are relevant and read as under (PTC @ p.407-408):

“35. Before considering the question whether the appellant has prima facie established that it has trans border reputation, we find from the sample of products produced before us that the respondents have copied the trademark JOLEN in its entirety not only in the colour scheme, get up and lay out, but also in the style in which the word JOLEN is printed by the appellant both in the container as well as in the carton. We find that the

respondents have copied the colour scheme, getup and lay out of the appellant completely and in its entirety in respect of the products marketed by the respondents in the container as well as in the carton. We also find that there is neither an addition of a letter, nor there is any subtraction of any letter from the word JOLEN, nor there is any modification in the style in printing the letters JOLEN by the respondents. In other words, the appellant's trademark JOLEN has been copied slavishly by the respondents and the copy is complete in all respects. No doubt, in the container of the respondents an additional information is available to the effect that it is manufactured by Hindustan Rimmer which is followed by the expression, 'manufactured in technical collaboration with Laboratoire Nouveau, U.S.A. and marketed by Jolen International Limited'. We are of the view that the addition of the words in the container and carton does not help the respondents as in the advertisements they have advertised that the goods were manufactured in collaboration with Laboratoire Nouveau, U.S.A. and marketed by Jolen International Limited and the expression used in the advertisements cannot be said to be without any purpose except to convey to a purchaser that he or she is purchasing a product made in collaboration with a company in U.S.A.

36. The appellant has also prima facie established that it has got prior user, though it has been denied by the respondents. The appellant has produced several advertisements, the earliest of which is of the year 1967 published in the magazine Glamour, found in volume II of the typed-set of papers. It was followed by other advertisements effected in the years 1968, 1976, 1977, 1980, 1982, 1983 and 1984 all found in volume II of the typed-set of papers. The appellant produced various invoices prior to 1997 and also produced copy of statement of advertising figures, found at page 8 of Vol. II of the typed-set of papers. No doubt, the respondents deny that the appellant is having prior

user, but these documents prima facie establish that the appellant has been marketing the goods under the trademark JOLEN from the year 1967 and there are no grounds to disbelieve or discard those documents. In *Haw Par Bros. International Ltd. v. Tiger Balm Co. (P) Ltd. & Ors* 1996 PTC (16) 311 it was held as under:

"At the interlocutory state, it is the practice to accept documents filed along with affidavit. The respondents have also filed number of such documents and if regular proof is necessary, the documents filed by both sides should be completely ignored. If that procedure is adopted, it is not possible in any interlocutory application to grant relief to parties."

No doubt, the respondents got the registration of the trademark. This Court in *Haw Par Bros. International Ltd. v. Tiger Balm Co. (P) Ltd. & Ors* 1996 PTC (16) 311, in paragraphs 78 and 79 held that it is no defence to passing off that the defendant's mark is registered. This Court also noticed the judgments in *Century Traders v. Roshan Lal Duggar and Co.* AIR 1978 Delhi 250 and *Sushil Vasudev v. M/s. Kwaliti Frosen Foods Private Limited* 1993 (1) Kar. LJ 609 which was confirmed on appeal in C.A.No.234 of 1994 by order of the Supreme Court dated 19.7.1994 and ultimately in paragraph-87 it held that the prior registration of trademark is not a ground in the case of passing off action. The Delhi High Court in *N.R. Dongre v. Whirlpool Corporation* AIR1995 Delhi 300 has taken the same view and the Supreme Court in *N.R. Dongre v. Whirlpool Corporation* 1996 PTC (16) 583 has approved the view of the Delhi High Court holding that the registration of trademark has no consequence for passing off action."

28. The Madras High Court also considered the decision of this Court in *Jolen Inc v. Doctor & Company* (2002) 2 CTMR 6. Paras 21, 22 and 23 of the said judgment of this Court, which are relevant read as under:

“21. It is not necessary that the association of the plaintiff's mark with his goods should be known in the countries other than its origin or to every person in the area where it is known best, mere advertisement in other countries is sufficient if the trade mark has established its reputation and goodwill in the country of its origin and countries where it is registered.

22. In modern world, advertisements in the newspapers travel beyond the country where party is engaged in business through overseas editions or otherwise. Even, if it is assumed that such advertisements or mark do not travel beyond the borders of the countries where the plaintiff has the business still it has a right to protect its reputation and goodwill. It is more so where the trade name has been pirated in totality and not by way of having deceptive or confusing similarity. We are living in a world where there is enormous mobility. Well travelled Indians and tourists cannot remain unaware of international commodities. Reputation always travels faster than men. Whenever, persons travelling abroad for business or pleasure or any other purpose viz., study or temporary postings come across an article of a trade name of international reputation they are bound to be confused as to the source and quality if they happen to see that commodity in their country where there is no physical market. Mere likelihood of confusion is sufficient.

23. In *N.R. Dongre v. Whirlpool Corporation*, 1996 PTC (16) 583 (SC), Supreme Court has taken the view that even advertisement of trade mark without existence of goods in the market is also to be considered as use of the trade marks."

29. In para 41 of its judgment in *Jolen Inc. v. Shobanlal Jain* , the Madras High Court observed as under (PTC @ p. 411-412):

“41. Learned senior counsel for the respondents submitted that the cases relied upon by the learned senior counsel for the appellant are distinguishable and the decision of the Delhi High Court in the appellant's own case *Jolen Inc. v. Doctor & Company* (supra), has been rendered without any evidence. He referred to the orders of the Registrar of Trade Marks and submitted that the appellant has not established the trans-border reputation. He referred to *N.R. Dongre* case, cited supra, and submitted that in that case the goods were sold in India and the mark was advertised in magazines having circulation in India and Whirlpool is one of the fortune 500 companies. As far as *Tiger Balm* case (supra), is concerned, he submitted that the plaintiff had made actual sales in India and had advertised the goods in magazines having circulation in India. He also referred to the facts of that case and submitted that there was no long user by the defendant therein and hence, the decision is not applicable. However, we find on the facts of the case that the appellant has effected advertisements bearing the trademark JOLEN in international magazines having circulation in India. The appellant in the plaint referred to various magazines in which the goods of the appellant were advertised having circulation in India and averred that the goods of the appellant have been brought to India by Indians visiting abroad and distributed among the relatives. The respondents in the counter affidavit have not denied the averments made by the appellant in the plaint, but they merely stated that they were not aware of the advertisements. In the absence of any denial by the respondents, it must be taken that the appellant has advertised the trademark JOLEN in various international magazines having circulation in India. Learned senior counsel for the appellant also referred to various magazines found in paragraph-10 of the plaint. The respondents have also not stated that there were no sales of the appellant's products in India. The appellant has also produced copy of invoices. Moreover, the

policy of the Government of India is open economy and under the Government Policy, the entry of appellant's goods to India is not prohibited. The Delhi High Court in *N.R. Dongre* case (supra), held that 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, etc. though the product may not be available in those countries. As far as the present case is concerned, it is the case of the appellant that the goods are available in India. The appellant has produced two bills to show the sales in India. It is also its case that the goods are brought to India by the visitors from foreign countries. The Delhi High Court also held that 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 and the manner in which or the source from which the knowledge has been acquired is immaterial. The Supreme Court in *N.R. Dongre* case (supra), held that the advertisement of trademark without existence of goods in the market is also to be considered as use of the trademark and it is not necessary that the association of the plaintiff's mark with his goods should be known all over the country or to every person in the area where it is known best.”

30. The Madras High Court in para 42 of its judgment in *Jolen Inc., v. Shobanlal Jain* noticed that the Petitioner had produced copies of advertisements to show that its goods have been advertised in various international magazines having circulation in India. Further in view of the free market, the goods were freely available in India. The bills produced by the Petitioner would not be held to be false documents. It was consequently held that “the availability of goods in India coupled with the advertisements

in various international magazines having circulation in India would prima facie establish that the expression JOLEN points to the appellant which is the source for manufacture of the mark is emanating from the appellant”. It was categorically held that there was no need for there to be an agency or dealer in India to deal with the Petitioner’s goods in order to establish trans-border reputation. It was then observed as under (PTC @ p. 413):

“The circulation of international magazines in India wherein the goods of the appellant are advertised, the availability of the goods in India by the visitors bringing the goods to India or by persons going abroad from India and the availability of information in internet, web sites, etc., would be sufficient to create trans-border reputation. The respondents used the mark JOLEN by copying the same completely and they are using the trademark with same colour scheme, get up and lay out of the appellant on the carton and container and that would prima facie show the intention of the respondents is to pass off their goods as that of the appellant and the buyers are likely to be misled as if the products of the respondents are that of the appellant. The similarity in the products is also a relevant consideration and it is possible to visualize that a person who has settled in U.S.A. using the appellant's products on his or her visit to India would be easily misled by the respondents' products as that of the appellant's goods or it is possible to visualize the case of persons going abroad and bringing with them the appellant's goods to India either for their own use or to offer as gifts to the relatives and friends in India. The respondents have not offered any explanation for the adoption of the expression, 'JOLEN' as it is not a common expression which is a coined word derived from the names of the appellant's founders. We find that the adoption by the respondents of the mark is complete in all respects and the

intention of the respondents in adopting the same lay out, colour scheme and get up is only to gain economic advantages, the reputation and goodwill of the appellant.”

Trans-border reputation

31. In the considered view of this Court, the IPAB could not have simply labelled the judgment of the Madras High Court in ***Jolen Inc. v. Shobanlal Jain*** as “mere prima facie finding”. This Court has been shown the materials produced before the AR which was not even discussed by the IPAB. It also requires to be noted that much of this evidence has been discussed in the above judgment of the Madras High Court in ***Jolen Inc., v. Shobanlal Jain***.

32. In light of the above evidence, this Court is satisfied that the decision of the AR as well as the IPAB ought to be categorized as perverse. Although there is no quarrel about the settled proposition that this Court should not interfere under Article 226 of the Constitution with the concurrent findings of quasi-judicial authorities, this Court finds in the instant case that both the AR and the IPAB has ignored the settled principles of law by failing to appreciate the evidence placed on record and have rendered decisions that have resulted in manifest injustice to the Petitioner.

33. This Court has in ***Jolen Inc v. Doctor & Company***, acknowledged the trans-border reputation enjoyed by the Petitioner’s bleach crème. In paras 27, 28 and 29 of the said judgment it was observed by this Court as under (CTMR @ p. 15):

“27. When a party after copying a trade mark comes out with an Explanation as to its invention which is unbelievable or may be plausible, its attempt to synchronize combination of words is mere after-thought and is an act of searching excuses and Explanation. It is natural for the parties who have copied trade mark to try and explain its conduct and to look out for means to explain derivation of words so adopted. If trade mark having element of prior continuance and use has been copied, no amount of Explanation even if it is plausible is capable of defending infringement of copyright of such prior user.

28. However, in the instant case, there is uncanny degree of similarity between the plaintiff and defendant's trade mark, colour scheme, get up, lay out of the container and the carton etc. This could only mean that one of the parties has copied from the other and it has never been the case of the defendant that plaintiff has copied from them. Plaintiff's trademark has been in continuous and prior use. In the present case, defendants have quagmired themselves to invent Explanation. Even the Drug Controller has informed that trademark belongs to foreign proprietor.

29. To except a foreign trading company of repute copy of trademark from a non-decrepit, small time trader is mind boggling and hard to ram down the throat. In a situation like this, the inevitable conclusion is the adoption by a non-entity of a trademark of a party that has already established widespread reputation and goodwill as on the one hand adopter encashes and trades upon the goodwill of the trademark while on the other the established trademark suffers dilution and earns bad name.”

34. In *Milmet Oftho Industries v. Allergan Inc.*, the Supreme Court acknowledged the fact that since nowadays goods are widely advertised in

newspapers, periodicals, magazines and other media which is available in the country which resulted in a product acquiring a worldwide reputation. Thus, “if a mark in respect of a drug is associated with the respondents worldwide, it would lead to an anomalous situation if an identical mark in respect of a similar drug is allowed to be sold in India”. One note of caution that was struck was that if a multinational corporation had no intention of coming to India or introducing its products, such a company should not be permitted to prevent an Indian company from selling its products in India if the Indian company had genuinely adopted the mark and manufactured the product first in the market. Thus the ultimate test should be, who is first in the market.

35. As far as the present case is concerned, this Court has no hesitation in holding that it is the Petitioner which is first both in the international and the domestic market as its products with the mark JOLEN are shown to be available in India and prior to the use of the mark JOLEN on cosmetic products by Respondents in India.

Conclusion

36. For all of the above reasons, this Court has no hesitation in setting aside the impugned orders dated 11th March 1999 and 11th October 2000 of the AR and the common judgment of the IPAB dated 12th January 2005 in TA/176/2003/TM/DEL[CM(CM) 104/2001] and TA/151/2003/TM/DEL[CM(CM) 422/1999]. Necessary consequential orders granting the petitioner registration of its mark JOLEN and refusing registration to the Respondents of the same mark shall be passed by the AR within a period of

two weeks.

37. The writ petitions are allowed with costs of Rs. 30,000/- which will be paid by the Respondents 1 and 2 to the Petitioner within a period of four weeks from today.

S. MURALIDHAR, J.

APRIL 28, 2010

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