

* **THE HIGH COURT OF DELHI AT NEW DELHI**

+ **RFA 750 OF 2010**

% Reserved on: 04.11.2011
Pronounced on:24.2.2012

KIRAN SHOES MANUFACTURERS ... APPELLANT
Through: Mr. C.M. Lall, Advocate with Mr.
Navel Kastia, Mr. Pranay Sarkar
and Ms. Ekta Sarin, Advocates.

VERSUS

REGISTRAR OF COPYRIGHTS & ANR. ... RESPONDENTS
Through: Mr. N.K. Kantawala, Advocate for
R.2.

CORAM :-

**HON'BLE THE ACTING CHIEF JUSTICE
HON'BLE MR. JUSTICE RAJIV SAHAI ENDLAW**

A.K. SIKRI, ACTING CHIEF JUSTICE:

1. Very brief yet crisp order dated 30th June, 2010 passed by the Copyright Board on an application preferred by the respondent no.2 herein under Section 50 of the Copyright Act, 1957 is the subject matter of the present appeal. The respondent no. 2 had filed the said application for expunction of registration number A-62685/02 granted by the Registrar in favour of the appellant herein. Before we take note of the basis on which expunction of the registration was sought, it would be apposite to find out what this registration is about. The appellant which is

a registered partnership firm with its office in Kathmandu, Nepal claims that it is a well established and renowned firm engaged in the business of manufacturing and marketing of sports shoes and footwear since 1990. It also boost about the excellent quality of its product which has demand in Nepal as well as in India. The goods are manufactured and marketed under the trade mark 'GOLD STAR' alongwith the side trim device which is a part of their trade mark label applied to the footwear. The appellant also claims that it has spent considerable time and money to establish the aforesaid trade mark.

2. The side trim device of the sport shoes which is a part of the trade mark as well, is said to be the artistic work which was designed by one Shri Mukti Chakraborty for the appellant firm who assigned all rights therein to the appellant. Treating it to be an artistic work, the appellant applied for and was granted copyright therein namely side trim of its sport shoe for "GOLD STAR" in India vide Registration No.A-62685/2002 dated 11th October, 2002. The respondent herein felt aggrieved by the said registration and thus filed application under Section 50 of the Copyright Act for expunction thereof which, as stated above has been allowed by the Copyright Board, directing the Registrar to expunge the said entry from the Register. The order of the Board discloses that the expunction was sought on the following grounds:-

- (a) Violation of rule 16 (3) of the Copyright Rules, 1958 since respondent was aware of the petitioner's interest in the impugned work. Petitioner had opposed the application for registration of trade mark for the same

mark GOLD STAR before the Registrar of Trade Marks;

(b)disentitlement under section 15 of the Copyright Act, 1957 since respondent has got registered the mark under the Design Act as design under registration number 178564 dated 27.1.1999;

(c) respondent had been using the mark as licensee of the petitioner. Thus the ownership of the work belongs to the petitioner.

3. While allowing the application, the entire reasoning is given in one para which reads as under:-

“4. It is manifest that the mark was intended to be used as affixation to shoes since respondent is in that business. In any case, use thereof would have been for more than 50 by now. Thus the impugned registration falls within the mischief of Section 15 (2) of the Act. Name of the author mentioned in the impugned certificate is Mr. Mukti Chakraborty. Thus the first owner of the work is that person. Applicant for registration in the matter is the respondent, a firm. It is nowhere ascertainable from the pleadings including the written submissions now filed that the first author had assigned the work to the respondent. On this count also registration fails.”

The aforesaid extract discloses following reasons which prevail with the Copyright Board while passing the impugned order:-

(i) The mark was intended to be used as affixation to shoes since the appellant is in that business. Thus the registration applied was for artistic work which was to be applied to goods;

- (ii) Use thereof would have been for more than 50 y by now and, therefore, the registration falls within the mischief of Section 15(2) of the Copyright Act;
- (iii) The name of the author is Shri Mukti Chakraborty who is first owner of the work and the appellant has nowhere shown that Shri Chakraborty had assigned this mark to the appellant.

4. It is clear from the above that the Copyright Board has proceeded on the basis that the device in question is capable of registration under the Designs Act, as even if it is artistic work, it is relating to the goods. On this premise, registration under Copyright Act is cancelled invoking the provisions of Section 15(2) thereof which reads as under:-

“15 (2) Special provision regarding copyright in designs registered or capable of being registered under the Designs Act, 1911-

(1) x x x x

(2) Copyright in any design, which is capable of being registered under the Designs Act, 1911 (2 of 1911), but which has not been so registered, shall cease as soon as any article to which the design has been applied has been reproduced more than fifty times by an industrial process by the owner of the copyright, or, with his licence, by any other person.”

5. The case set up by the appellant is that provisions of Section 15 (2) of the Copyright Act are not applicable inasmuch as no registration under the Designs Act has been obtained by the appellant in respect of the concerned work. It is also contended that the appellant had used the

label/work as a trade mark much prior to its application submitted to the Copyright Office for registration under the Copyright Act. The mark was widely used since 1990 and the appellant had also applied for registration of the work “GOLD STAR” (Device/Label) “Side Trim” under the Trademarks Act, under Class 25 for Footwear by Application No. 816260. This was duly disclosed before the Copyright Board as well. It is further contended that the work in question namely “side trim” is an artistic work with “GOLD STAR” inscribed thereupon and cannot be registered/registerable as a ‘design’ under the Designs Act, 2000. Our attention was drawn to Section 2 (d) of the Designs Act which defines “design”. Our attention was also drawn to the Section 45 of the Act particularly proviso thereof to contend that there was no existing mark that was identical to the mark/label of the appellant and this exercise was done by the Registrar, Copyright Board before granting the registration. The appellant has also pointed out that it had initiated legal proceedings against those parties who had surreptitiously applied for design registration for “side trim” under the name of “Uni Star” and obtained the registration under the Designs Act and the suit was filed in this Court in the year 2008 i.e. on 8th October, 2008 which fact is also ignored by the Copyright Board. It is also contended that the proceedings which are initiated by the respondent no.2 are vexatious proceedings and the Copyright Board has failed to appreciate the same.

6. It is also the contention of the appellant that the application for expunction moved by the respondent no.2 was highly belated which was filed six years after the registration even when the respondent no.2 being distributor of the appellant had full knowledge of the devices accorded

registration No. A-62685/02 but the Board totally ignored this aspect of delays and laches.

7. In nutshell, the argument of the appellant is that the work in question is an artistic work and not covered by the Designs Act and the Designs Act would not cover the design in question.

8. The respondent no.2 on the other hand contends that the device is not artistic work at all. It is in fact a design which is capable of registration under the Designs Act and 'side trim' has been registered under the Designs Act in the name of Rohit Plastic, Delhi and also Uni Star Footwear with slightly different side trim. The respondent no.2 has thus refuted the contention of the appellant in this behalf. This is the heart of the matter and outcome of the appeal largely depends on the decision on this issue. Therefore, we take up this aspect for consideration in the first instance.

9. It is clear from the reading of Section 15 (2) of the Copyright Act that if a particular artistic work is capable of treating as design, and is meant for the use of goods and can be registered under the Designs Act, its registration under the Copyright Act as artistic work is not permissible. It would mean that even an artistic work which is commercially exploited in relation to goods in the manner provided under the Designs Act, it ceases to be a work which would get protection under the Copyright Act. The proper course of action in such cases is to get the same registered under the Designs Act. The term "design" defined in Section 2 (d) of the Act reads as follows:-

“Section 2 definitions:

- (d) “design” means only the features of shape, configuration, pattern, ornament or composition of lines or colours applied to any article whether in two dimensional or three dimensional or in both forms, by an industrial process or means, whether manual, mechanical or chemical, separate or combined, which in the finished article appeal to and are judged solely by the eye; but does not include any mode or principle of construction of anything which is in substance a mere mechanical device, and does not include any trade mark as defined in Clause (v) of Sub-Section (1) of Section 2 of the Trade and Merchandise Marks Act, 1958 or property mark as defined in Section 479 of the Indian Penal Code or any artistic work as defined in Clause (c) of Section 2 of the Copyright Act, 1957.”

10. In *Bharat Glass Tube Limited Vs. Gopal Glass Works Ltd.* (2008) 10 SCC 657, the Apex Court interpreted the expression “Design” in the following terms:

“35. The expression, 'design' has come up for interpretation in English courts. The expression, design is almost *pari materia* with the definition of design in the Indian context. The expression, 'design' in the English Act which is known as the Registered Designs Act, 1949 reads as under:

In this Act the expression, 'design' means features of shape, configuration, pattern or ornament applied to an article by any industrial process, being features which in the finished article appeal to and are judged solely by the eye, but does not include

- (a) a method or principle of construction or
- (b) features of shape or configuration which
 - (i) are dictated solely by the function which the article has to perform, or
 - (ii) are dependent upon the appearance of another article of which the article is intended by the author of the design to form an integral part.

The history of this definition has been detailed by Russel- Clarke and Howe on Industrial Designs (Seventh Edition) at para 3.11 at page 74 which reads as under:

“3-11. This definition contains a cumulative series of requirements, many of which have been the subject of judicial decision and analysis. The historical process by which this definition has evolved is of importance to its present day interpretation and application. Some of the more important embellishments to the definition, such as those dealing with eye appeal and methods or principles of construction, have found their way into the pre-2001 statutory definition as a result of the explicit adoption such requirements were held to be implicit in the earlier and less elaborate statutory definitions of "design". This manifests an intention by the legislature to adopt and make explicit the principles developed in those cases.

X XX XX

3.13. The words of the section are: "...design means features of shape configuration, pattern or ornament applied to an article...." Thus a registrable design, as defined by the RDA (A), must have reference to some specific article to which it is to be applied. The design to be registered " is a shape, configuration or pattern to be applied a particular specified article". It can be readily seen that a particular pattern of surface ornamentation could be applied to wide range of different articles. An application for registration was not in respect of the pattern as such, but in

respect of its application to the specific article named. If it was desired to register the same design, e.g. a surface pattern or decoration, in respect of a series of different articles (apart from the special case of articles which together form a set), then a separate application had to be made in respect of each article, and each application to register was numbered separately and treated as a separate and distinct application.

In the case of designs consisting of features of shape or configuration, there may of course be cases where the design is intrinsically applicable only to a specific kind of article. The article itself does not, however, constitute the design. In *Dover v. Nurnberger Celluloid Waren Fabrik Gebruder Wolff*, Buckley L.J. said:

Design means, therefore, a conception or suggestion or idea of a shape or of a picture or of a device or of some arrangement which can be applied to an article by some manual, mechanical or chemical means. It is a conception, suggestion, or idea, and not an article, which is the thing capable of being registered.... It is a suggestion of form or ornament to be applied to a physical body. [Pugh v. Riely Cycle Co Ltd. (1912) 29 R.P.C. 196]

Accordingly, it is submitted that a design is an idea or conception as to features of shape, configuration, pattern or ornament applied to an article. Although that idea, while still in the author's head, may be potentially capable of registration, in fact it must be reduced to visible form to be identifiable, and until it is so reduced there is nothing capable of registration. It may be so rendered either by its being embodied in the actual article, or by its being placed upon a piece of paper in such a way that the shape or other features of the article to be made are clear to the eye. Whenever the means of identification (under some of the old Acts, provision was made whereby

a mere verbal description could in some cases be accepted as sufficient), as soon as the idea is reduced to a form which is identifiable, there is something which is a "design", and which, if new or original, may be registrable.”

36. Similarly our attention was also invited to para 27.07 of the law of Copyright and Industrial Designs by P. Narayanan (Fourth Edition) which reads as under:

“Design as a conception or idea "Design means a conception or suggestion or idea of a shape or of a picture or of a device or of some arrangement which can be applied to an article by some manual, mechanical or chemical means mentioned in the definition clause. It is a suggestion of form or ornament to be applied to a physical body". It is a conception, suggestion or idea, and not an article, which is the thing capable of being registered. It may according to the definition clause, be applicable to any article whether for the pattern or for the shape or configuration or for the ornament thereof (that is to say of the article) or for any two or more of such purposes. The design, therefore, is not the article, but is the conception, suggestion, or idea of a shape, picture, device or arrangement which is to be applied to the article, by some one of the means to be applied to a physical body.

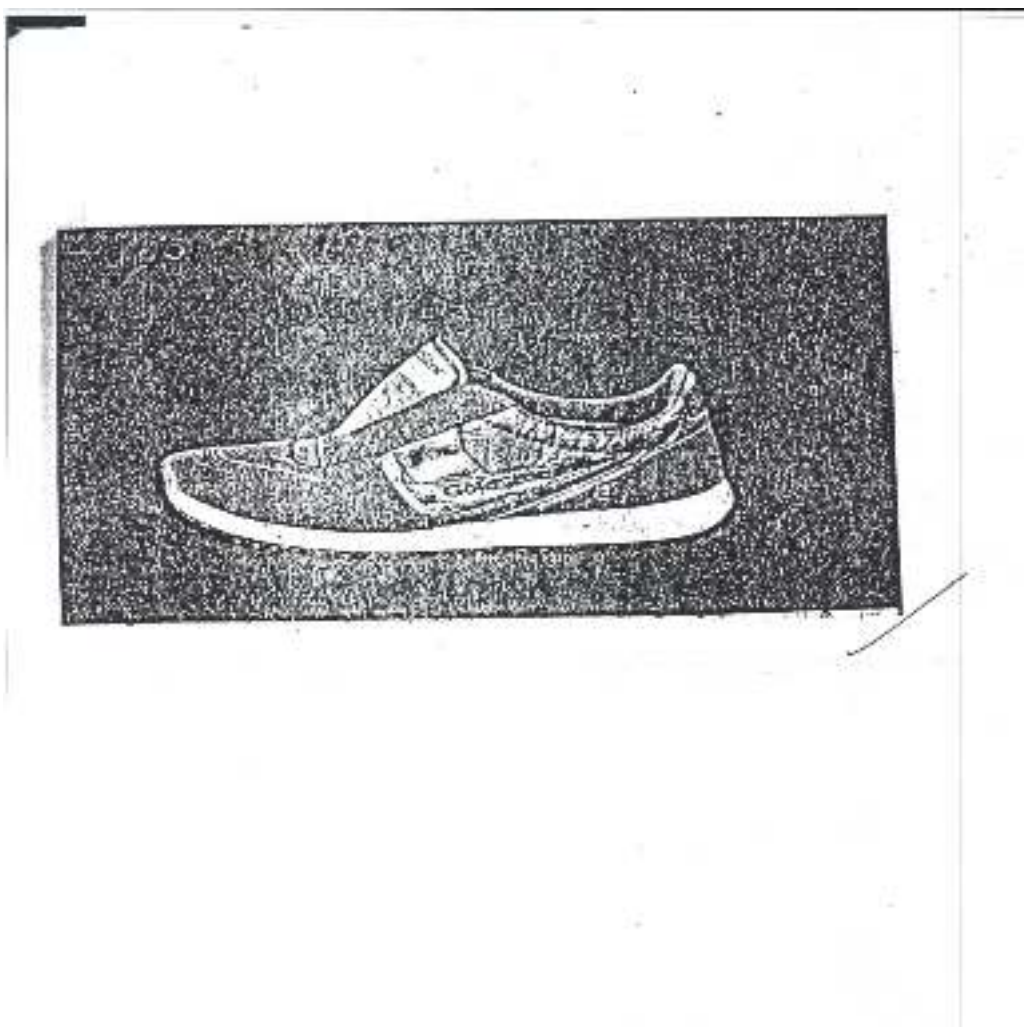
A design capable of registration cannot consist of a mere conception of the features mentioned in the definition, or in the case of an article in three dimensions, of a representation of such features in two dimensions. It must, in such a case, in order to comply with the definition, consist of the features as they appear in the article to which they have been applied by some industrial process or means. An applicant for registration of a design has to produce a pictorial illustration of the idea or suggestion which he has to establish as new or original;"

Therefore, the concept of design is that a particular figure conceived by its designer in his mind and it is reproduced in some identifiable manner and it is sought to be applied to an article. therefore, whenever registration is required then those configuration has to be chosen for registration to be reproduced in any article. The idea is that the design has to be registered which is sought to be reproduced on any article. therefore, both the things are required to go together, i.e. the design and the design which is to be applied to an article.”

11. For the purpose of this case, it is the above mentioned interpretation of the expression “design” that has to be kept in mind. The work ‘side trim’ in question which was under the Copyright Act and which registration has been cancelled by the Board is visibly seen as under:



The way it is stretched on the side of the shoe can be seen from the picture of the shoe:-



It would be of significance to state at this stage that the appellant has got the design registered under Reg. No. 178564 in the year 1999 which shows that the aforesaid side trim is fit for registration under the Designs Act, 2000. The Copyright was obtained in the year 2002 for this side trim. After examining the aforesaid side trim minutely and having regard to the aforesaid fact, we are of the view that this side trim is a design under the Designs Act and, therefore, Section 15(2) would clearly be attracted. A Division Bench of this Court in the case of *Microfibres Inc. Vs. Girdhar and Co. and Anr.* 2009 (40) PTC 519 held that if the design is registered under the Designs Act, the Design would lose its

copyright protection under the Copyright Act. If it is a design registerable under the Designs Act but has not so been registered, the Design would continue to enjoy copyright protection under the Act so long as the threshold limit of its application on an article by an industrial process for more than 50 times is reached. But once that limit is crossed it would lose its copyright protection under the Copyright Act. This interpretation would harmonize the Copyright and the Designs Act in accordance with the legislative intent.

12. Therefore, in our opinion, the order of the Board is correct on this aspect and does not call for any interference.

13. This finding of ours would be sufficient to dismiss this appeal, we may however, point out that another reason given by the Board is that Shri Mukti Chakraborty is the first author and there is nothing on record to suggest that he had assigned this work to the appellant. In this appeal the appellant has produced letter of assignment as Annexure-A. Some other documents are sought to be relied upon to show that there is a valid assignment of the copyright by said Shri Mukti Chakraborty in favour of the appellant. However, when this objection was taken before the Board, it was incumbent upon the appellant to produce the necessary documents to dispel this objection of the respondents. Be as it may, we are not required to go into this issue and leave this question open.

14. At the same time, we would like to point out the submission of the respondent to the effect that the appellant has suppressed the fact that suit for dissolution of the appellant firm which is a partnership firm has been filed by one partner in Nepal District Court. It is also pointed out that respondent has even filed writ petition in this Court against the appellant in respect of trademark "GOLD STAR" registered in favour of the appellant which registration, according to the respondent no.2 has been fraudulently obtained by the appellant despite notice of opposition by the respondent no.2. It is also pointed out that not only the respondent no.2 but some other parties had also filed opposition/cancellation of trade mark proceedings against the registration of trade mark "GOLD STAR" and "SEVEN STAR" filed by the appellant. If these arguments are correct, they may become the additional basis for dismissal of the appeal. However, as the aforesaid aspects are still sub judice in various Courts, we are not making any comment thereon.

15. We accordingly dismiss the appeal leaving the parties to bear their own costs.

ACTING CHIEF JUSTICE

**(RAJIV SAHAI ENDLAW)
JUDGE**

FEBRUARY 24, 2012

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