

IN THE HIGH COURT OF KERALA AT ERNAKULAM

PRESENT:

THE HONOURABLE MR. JUSTICE P.B.SURESH KUMAR

FRIDAY, THE 13TH DAY OF MARCH 2015/22ND PHALGUNA, 1936

RFA.No. 339 of 2009 ()

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(AGAINST THE JUDGMENT AND DECREE IN OS.NO. 1/2005 OF DISTRICT COURT,
PATHANAMTHITTA DATED 29-11-2008)
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APPELLANTS/DEFENDANTS:

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- 1. DELMON DIAGNOSTICS & RESEARCH CENTRE
(D.D.R.C.) NEAR A.V.G. MOTORS, PIONEER TOWER
BUILDINGS, GENERAL HOSPITAL JUNCTION,
PATHANAMTHITTA-689 645, REPRESENTED BY ITS
PROPRIETORS HARSHAN AND MOHANDAS.**
 - 2. HARSHAN, PROPRIETOR, DELMON DIAGNOSTICS
RESEARCH CENTRE (D.D.R.C) NEAR A.V.G.MOTORS,
PIONEER TOWER BUILDINGS, GENERAL HOSPITAL JUNCTION,
PATHANAMTHITTA-689 645.**
 - 3. K.N.SIVADAS, LAB TECHNICIAN, DELMON
DIAGNOSTICS RESEARCH CENTRE (D.D.R.C)
NEAR A.V.G. MOTORS, PIONEER TOWER BUILDINGS,
GENERAL HOSPITAL JUNCTION, PATHANAMTHITTA -689 645**
 - 4. MOHANDAS V.N., VALLIKUNNIL HOUSE, CHITTAR.P.O.,
KUMARAMPEROOR, VADAKKEKKARA MURI, CHITTAR,
SEETHATHODU VILLAGE, RANNI TALUK.**

**BY ADVS.SRI.R.PARTHASARATHY
SRI.BIJI MATHEW
SRI.B.V.JOY SANKER**

RESPONDENT/PLAINTIFF:

**DOCTORS DIAGNOSTICS & RESEARCH CENTRE,
(D.D.R.C) REGISTERED OFFICE, P.B.NO.2488 ULLOOR,
MEDICAL COLLEGE.P.O., THIRUVANANTHAPURAM,
REPRESENTED BY ITS MANAGING PARTNER K.JOY JOSEPH,
REPRESENTED BY HIS POWER OF ATTORNEY HOLDERS
RTD. LT. COL.P.K.KUMAR, AGED 50 YEARS, S/O.LATE V.SATYAN,
APARNA, EAST PALACE ROAD, PALIAKARA, THIRUVALLA.**

**BY ADVS. SRI.GEORGE THOMAS (MEVADA)
SRI.MANU GEORGE KURUVILLA**

**THIS REGULAR FIRST APPEAL HAVING BEEN FINALLY HEARD
ON 13-03-2015, THE COURT ON THE SAME DAY DELIVERED THE
FOLLOWING:**

C.R.

P.B.SURESH KUMAR, J.

R.F.A.No.339 OF 2009

Dated this the 13th day of March, 2015

JUDGMENT

The defeated defendants in an action for passing off are the appellants in this appeal.

2. The plaintiff is a partnership firm. The case set up by them in the suit is that they are engaged in the business of medical and clinical laboratory services in the trade name “Doctors Diagnostics & Research Centre and DDRC” from 1991 onwards; that they have branches throughout the State including one at Pathanamthitta; that they came to know on 1.1.2005 that defendants 2 to 4 who are engaged in the same business in the name “Delmon Diagnostic & Research Centre” have added to the name of their concern the trade name of the plaintiff 'DDRC' and that the defendants are not entitled to use the trade name of the plaintiff 'DDRC' for their business. The relief sought for in the suit was a decree of prohibitory injunction restraining the defendants from passing off medical and clinical

laboratory services using the trade name 'DDRC' or any other deceptively similar name or mark.

3. Defendants 1, 2 and 4 contested the suit contending inter alia that the plaintiff had never used the trade name 'DDRC' in connection with their medical and clinical laboratory services business; that they have been using the trade mark 'DDRC' in relation to clinical laboratory services business since 2002; that they are the prior users of the trade mark 'DDRC' and that therefore, the plaintiff is not entitled to the relief sought for in the suit. A decree of permanent prohibitory injunction restraining the plaintiff from passing off medical and clinical laboratory services using the trade mark 'DDRC' was also sought for by defendants 1 and 2 in the suit by way of counter claim.

4. The trial court, on an analysis of the materials on record, decreed the suit and dismissed the counter claim. The defendants are aggrieved by the said decision of the trial court.

5. Heard the learned counsel for the appellants/defendants and the learned counsel for the respondent/plaintiff.

6. A trade mark is suggestive of the quality of a product or service and trade mark is used in connection with the business to

enable the purchasing public to identify the source of the product or service to ensure its quality. A right in a trade mark accrues by use. Passing off is a common law remedy available to the proprietor of a trade mark to protect his ownership rights over the trade mark. The principle behind an action for passing off is that one shall not sell his goods or services under the pretense that they are the goods or services of another. An action for passing off is thus an action for deceit. In **Reckitt and Colman Products Ltd v. Borden Inc and others** [(1990)1 All ER 873], the House of Lords explained the “classical trinity” of passing off thus :

“Neither the appellants nor the respondents contend that the principles of law are in any doubt. The law of passing off can be summarised in one short general proposition, no man may pass off his goods as those of another. More specifically, it may be expressed in terms of the elements which the plaintiff in such an action has to prove in order to succeed. These are three in number. First, he must establish a goodwill or reputation attached to the goods or services which he supplies in the mind of the purchasing public by association with the identifying 'get-up' (whether it consists simply of a brand name or a trade description, or the individual features of labelling or packaging) under which his particular goods or services are offered to the public, such that the get-up is recognised by the public as distinctive specifically of the plaintiff's goods or services. Second, he must demonstrate a misrepresentation by the defendant to the public (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by him are the goods or services of the plaintiff. Whether

the public is aware of the plaintiff's identity as the manufacturer or supplier of the goods or services is immaterial, as long as they are identified with a particular source which is in fact the plaintiff. For example, if the public is accustomed to rely on a particular brand name in purchasing goods of a particular description, it matters not at all that there is little or no public awareness of the identity of the proprietor of the brand name. Third, he must demonstrate that he suffers or, in a quia timet action, that he is likely to suffer damage by reason of the erroneous belief engendered by the defendant's misrepresentation that the source of the defendant's goods or services is the same as the source of those offered by the plaintiff."

Courts in our country have been adhering to the above principles which are recognised as part of the common law in the area of passing off. It is, therefore, clear that the elementary fact to be established by the plaintiff in an action for passing off is that he has acquired a goodwill or reputation attached to the product or service which he supplies, in the mind of the purchasing public by association with the identifying trade mark under which his product or service is offered to the public and that the public is recognising the product or service of the plaintiff on account of the distinctiveness of the trade mark. In addition, the plaintiff has also to establish that a misrepresentation by the defendant to the public is leading or likely to lead the public to believe that the product or service offered by him is the product or service of the

plaintiff. The plaintiff has to further establish that he suffers or likely to suffer damage by reason of the erroneous belief engendered by the misrepresentation of the defendant.

7. The first aspect to be considered is therefore, whether the plaintiff has succeeded in establishing that they have acquired a goodwill or reputation attached to the service which they supply in the name of the trade mark 'DDRC', so as to enable the public to recognise the services of the plaintiff on account of the distinctiveness of the said trade mark. Ext.B1 is the registration certificate obtained by the defendants during December, 2004 under the Shops and Commercial Establishments Act to establish the medical and clinical laboratory business at Pathanamthitta. The mark 'DDRC' is shown as part of the name of the concern of the defendants in Ext.B1. Ext.B6 is the application filed by the second defendant before the Pathanamthitta Municipality for registration of the establishment of the defendants at Pathanamthitta on 5.2.2003. In Ext.B6 also, the mark 'DDRC' is shown as part of the name of the concern of the defendants. Ext.B7 is another application for licence submitted by the second defendant before the Pathanamthitta Municipality on 5.6.2003. In Ext.B7 also, the trade mark

'DDRC' is shown as part of the name of the concern of the defendants. Ext.A5 is the certificate of registration obtained by the plaintiff under the Shops and Commercial Establishments Act on 4.6.2003 for their business at Pathanamthitta. Ext.A5 does not contain the trade mark 'DDRC' either as prefix or suffix to their name "Doctors Diagnostic and Research Centre" shown in the said document. Thus, the materials on record do not indicate that the plaintiff has been using the trade mark 'DDRC' in connection with the medical and clinical laboratory services carried on by them, so as to enable them to acquire a reputation and goodwill in the name of their trademark 'DDRC'. It is seen that the impugned decision has been rendered by the court below solely based on Exts.C1 to C3 documents. Exts.C1 to C3 are the mahazer, rough sketch and report submitted by the Advocate Commissioner appointed in the suit. Exts.C1 to C3 would only show that the defendants have been using the trade name 'DDRC'. As noticed above, the fact that the defendants are using the trade name 'DDRC' is not in dispute.

8. The learned counsel for the plaintiff contended that the documents produced by the defendants would establish that the plaintiff has been using the trade name 'DDRC' long prior to the

establishment of the business by the defendants. He relied on Exts.B24 , B31 and B32 documents to substantiate the said contention. Exts.B24 is a receipt issued from the Pathanamthitta branch of the plaintiff to a third party on 16.7.2000 in connection with the services rendered by them. The e-mail address of the plaintiff is shown in Ext.B24 as ddrc@satyam.net.in. Exts.B31 and B32 are the receipts issued by the plaintiff from their Thiruvananthapuram branch to third parties in connection with the services rendered by them. In Exts.B31 and B32, in addition to the e-mail address referred to above, the name of the office premises of the plaintiff is shown as 'DDRC complex'. Ext.B31 is dated 19.7.2000 and Ext.B32 is dated 31.1.2001. According to the learned counsel for the plaintiff, the e-mail address and the name of the office premises of the plaintiff as shown in the aforesaid documents would show that the plaintiff has been using the mark 'DDRC' prior to the use of the mark 'DDRC' by the defendants. True, the documents referred to by the learned counsel would show that the letters 'ddrc' were part of the e-mail address of the plaintiff prior to the establishment of the business of the defendants at Pathanamthitta. It is also evident that the name of the office of the plaintiff at Thiruvananthapuram was 'DDRC

complex'. But, merely for the reason that the letters 'ddrc' were part of the e-mail address of the plaintiff and part of the name of the office of the plaintiff, it cannot be inferred that they have acquired a reputation in that name in the services rendered by them. The impugned judgment, in the circumstances, is liable to be set aside. However, in so far it is shown that the letters 'ddrc' were used in the e-mail address and the letters 'DDRC' were used in the name of the office building of the plaintiff, I am of the view that a retrial is necessary for a complete adjudication of the disputes between the parties to the suit.

In the result, the appeal is allowed, the impugned judgment is set aside and the court below is directed to dispose of the suit afresh after affording the parties an opportunity to adduce further evidence. Parties shall appear before the court below on 23.5.2015.

P.B.SURESH KUMAR, JUDGE

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