

IN THE HIGH COURT OF JUDICATURE AT MADRAS

Reserved on : 01.12.2016

Date of Verdict : 09.01.2017

CORAM

THE HONOURABLE MR. JUSTICE **M.M.SUNDRESH**

O.A.Nos.814 and 815 of 2016 and A.No.4773 of 2016 in

C.S.No.677 of 2016

- 1.M/s Maya Appliances Private Limited,
No.10/5, Royal Enclave,
Besant Avenue, Adyar,
Chennai-600 020.
Also having factory at # 3/140, I.T. Highway,
Oggiam, Thoraipakkam, Chennai-600 097.
Represented by its Authorised signatory
Mr.E.Mohan
- 2.Vijay Srinivasan
- 3.N.D.Venkatesan .. Applicants/Plaintiffs
- Vs.
- Butterfly Gandhimathi Appliances Ltd.,
143, Pudupakkam Village,
Kelambakkam-Vandalore Road,
Kancheepuram District-603 103. .. Respondent/Defendant

For applicants : Mr.P.S.Raman, S.C., for
Mr.T.K.Bhaskar

For Respondent : Mr.AR.L.Sundaresan, S.C., for
Mr.M.S.Bharath

ORDER

Pending the suit for permanent injunction, these
two applications in O.A.Nos.814 and 815 of 2016 have been

filed seeking temporary ones on the basis of infringement of a registered design and passing off. Seeking appointment of Advocate Commissioner, A.No.4773 of 2016 has been filed.

2. Heard Mr.P.S.Raman, learned Senior Counsel for Mr.T.K.Bhaskar, learned counsel for the applicants and Mr.AR.L.Sundaresan, learned Senior counsel for Mr.M.S.Bharath, learned counsel for the respondent and perused the documents and written submissions filed.

3. Before going into the issues governing the case, it would be appropriate to deal with the provisions and the principles of law. Apropos the provisions, they are placed hereunder for easy understanding:

THE DESIGNS ACT, 2000:

3.1. **Section 2(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 any 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 or 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 (43 of 1958) or property mark as defined in Section 479 of the Indian Penal Code (45 of 1860) or any artistic work as defined in clause (c) of section 2 of the Copyright Act, 1957.

3.2. **Section 4:** Prohibition of registration of certain designs:- A design which -
(a) is not new or original; or

(b) has been disclosed to the public anywhere in India or in any other country by publication in tangible form or by use or in any other way prior to the filing date, or where applicable, the priority date of the application for registration; or

(c) is not significantly distinguishable from known designs or combination of known designs; or

(d) comprises or contains scandalous or obscene matter, shall not be registered.

3.3. **Section 6:** Registration to be in respect of particular article: - (1) A design may be registered in respect of any or all of the articles comprised in a prescribed class of articles.

(2) Any question arising as to the class within which any article falls shall be determined by the Controller whose decision in the matter shall be final.

(3) Where a design has been registered in respect of any article comprised in a class or article, the application of the proprietor of the design to register it in respect of some one or more other articles comprised in that class of articles shall not be refused, nor shall be registration thereof invalidated-

(a) on the ground of the design not being a new or original design, by reason only that it was not previously registered;
or

(b) on the ground of the design having been previously published in India or in any other country, by reason only that it has been applied to article in respect of which it was previously registered:

Provided that such subsequent registration shall not extend the period of copyright in the design beyond that arising from previous registration.

(4) Where any person makes an application for the registration of a design in respect of any article and either -

(a) that design has been previously registered by another person in respect of some other article; or

(b) the design to which the application relates consists of a design previously registered by another person in respect of the same or some other article with modifications or variations not sufficient to alter the character or substantially to affect the identity thereof,

then, if at any time while the application

is pending the applicant becomes the registered proprietor of the design previously registered, the foregoing provisions of this section shall apply as if at the time of making the application, the applicant had been the registered proprietor of that design.

3.4. **Section 19:** Cancellation of registration: (1) Any person interested may present a petition for the cancellation of the registration of a design at any time after the registration of the design, to the Controller on any of the following grounds, namely: -

(a) that the design has been previously registered in India; or

(b) that it has been published in India or in any other country prior to the date of registration; or

(c) that the design is not a new or original design; or

(d) that the design is not registrable under this Act; or

(e) that it is not a design as defined under clause (d) of section 2.

(2) An appeal shall lie from any order of the Controller under this section to the High Court, and the Controller may at any time refer any such petition to the High Court, and the High Court shall decide any petition so referred.

3.5. **Section 22:** Piracy of registered design:- (1) During the existence of copyright in any design it shall not be lawful for any person-

(a) for the purpose of sale to apply or cause to be applied to any article in any class of articles in which the design is registered, the design or any fraudulent or obvious imitation thereof, except with the licence or written consent of the registered proprietor, or to do anything with a view to enable the design to be so applied; or

(b) to import for the purposes of sale, without the consent of the registered

proprietor, any article belonging to the class in which the design has been registered, and having applied to it the design or any fraudulent or obvious imitation thereof; or

(c) knowing that the design or any fraudulent or obvious imitation thereof has been applied to any article in any class of articles in which the design is registered without the consent of the registered proprietor, to publish or expose or cause to be published or exposed for sale that article.

(2) If any person acts in contravention of this section, he shall be liable for every contravention-

(a) to pay to the registered proprietor of the design a sum not exceeding twenty five thousand rupees recoverable as a contract debt, or

(b) if the proprietor elects to bring a suit for the recovery of damages for any such

contravention and for an injunction against the repetition thereof, to pay such damages as may be awarded and to be restrained by injunction accordingly:

Provided that the total sum recoverable in respect of any one design under clause(a) shall not exceed fifty thousand rupees:

Provided further that no suit or any other proceeding for relief under this sub-section shall be instituted in any Court below the Court of District Judge.

(3) In any suit or any other proceeding for relief under sub-section (2), every ground on which the registration of a design may be cancelled under Section 19 shall be available as a ground of defence.

(4) Notwithstanding anything contained in the second proviso to sub-section (2), where any ground on which the registration of a design may be cancelled under section 19 has been availed of as a ground of defence and sub-section (3) in any suit or other proceeding for relief under sub-

section (2), the suit or such other proceeding shall be transferred by the Court, in which the suit or such other proceeding is pending, to the High Court for decision.

(5) When the Court makes a decree in a suit under sub-section (2), it shall send a copy of the decree to the Controller, who shall cause any entry thereof to be made in the register of designs.

4.1. **Section 2(d):** A design has been defined under Section 2 (d) of the Design Act, 2000. This provision has an element of substantivity. It can be divided into two parts for convenience sake. The first part deals with a definition per se of the word "design". The second part excludes certain other activities. Thus, these two parts will have to be understood as a whole to know the actual import of the word "design".

4.2. The definition Section starts with the word "means". Thus, a definitive interpretation will have to be given to the said word, which by its own showing, excludes other modes. A design is to be applied to an article. Such a design has to "appeal to the eyes" being a part of a

finished product or article. It should not only appeal to, but also "to be judged by the eyes". In this context, the word "solely" assumes significance. Hence, the test for a design is through the eyes. The appeal will have to be created through the eyes by its attraction or uniqueness and into the mind. A judgment will have to be made also through the eyes alone. The appeal and judgment, qua, an individual are different terms. Once a feature appeals to and judged by an individual through his eyes, it becomes a design. In that process, from the eyes, the design goes into the mind and get exhibited through the other senses. Resultantly, an analysis of a design excludes any other exercise than the eyes of an individual as the singular tool.

4.3. When once the eyes capture a feature such as shape, configuration etc., being a design, it gets embedded and stored into the mind. Thereafter, the same individual sees the design once again, he identifies it with his first experience. Thus, at the first blush, an analysis through the eyes, is of most important. Such an act, followed by the consequential ones, are that of a common man being the judging factor. Hence, the tool for understanding and acknowledging a design is the eye of the common man, which connects and interacts with other senses.

4.4. When Mark Antony met Cleopatra, he did not touch the sumptuous feast prepared by her, as he already had one when his eyes captured her beauty and thus, satisfied his appetite. The following words of the Shakespeare would be apposite.

**"And for his ordinary pays his heart
for what his eyes eat only"**

4.5. 2000 years ago, Saint Thiruvalluvar in the Chapter coming under "love" felt that the eyes of a maiden has the capacity to drink the life out of a captivated man. Such is the power and impact of the eyes which would pierce the heart and take the life out.

4.6. Similarly, in Kambar's Ramayan, a classic description is made. When Rama met Seetha, both their eyes met, then made an attempt to lock each other followed by loss of sense, ultimately resulting in the exchange of hearts. Therefore, an impression is felt through the eyes by impacting the mind which does the act of captivation. What is important is the image that is captured through the eyes kept in the mind and then reverberate on seeing a similar or identical object.

4.7. Shakespeare narrates the stealing of the heart on the meeting of Cleopatra with Antony. **"When she first met Antony she pursed up his heart upon the river of Cyndus."** The language expressed by eyes is more potent than the expression through the mouth.

4.8. The second part of Section 2(d) of the Designs Act, 2000, also excludes other modes. In that, a mere mechanical device in substance stands excluded specifically. Similarly, a trade mark under the Trade and Merchandise Mark 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 stay outside. Therefore, a design under the Designs Act, 2000, has been defined with clarity by the express definition along with its exclusion. The second part of the definition clause has to be read in consonance with the first one. As discussed earlier, one has to understand the definition by not any other mode or method, but by the eyes. Under the second part, any work involving an artistic craftsmanship, including painting, sculpture, drawing and inclusive work of an Architecture, are taken out of the purview on purpose. Thus the necessary implication would be, a trade mark as defined under the Trade and Merchandise

Mark Act, 1958, which in turn has been incorporated under the Trade Marks Act, 1999, a copyright as defined under the Copyright Act, 1957 would not be species of the genus 'design' under the Designs Act, 2000. For the same reason, a copyright as defined under Section 2(c) of the Designs Act, 2000 has to be understood in tune with the definition under Section 2(d) and thus, not under the Copyright Act, 1957. On such analysis, the provisions of the Patent Act, 1970 also would not apply to a design as there is no "invention" involving a new product or process though an inventory/stock. Therefore, a novelty under the Designs Act will have to be confined to the shape or configuration among other similar aspects as defined under Section 2(d) of the Act. It is the aesthetic value and the attraction of a shape or configuration resulting in a design over a finished article which is material to be called as a "design".

5.1. Section 4: Section 4 of the Designs Act, 2000, speaks about prohibition of registration of certain designs. Accordingly, the design, which is not new or original; or has been disclosed to the public and one which is not significantly distinguishable from known designs, would attract prohibition qua a registration. Therefore, Section 4 of the Designs Act, 2000, places en express bar

imposing fetters on the registering Authority from indulging in such registration when the factors mentioned therein exist. In other words, such a registration, if done, would become a nullity, as mandated under Section 4 of the Act, which says that such a design "shall not be registered". After all, the Controller though is required to consider all relevant materials, would normally look into those produced by a Proprietor alone, at the time of granting registration. Thus it is on a defendant to satisfy the Court that Section 4 with all its rigors applies to a case.

5.2. Section 4(b) of the Designs Act, 2000, also speaks about the effect of prior publication. We are not concerned with the intention or otherwise of such a publication. The intent of the Legislature is very clear. Once a prior publication is made, a design escapes the scrutiny under the enactment. As it goes out of the purview, the protection to the said design though subsequently registered on the other products with some modification, would evaporate.

6. Similarly, a mere registration *per se* is not conclusive of the validity of the design being new and original. The following passage of the decision of the

Bombay High Court in **KEMP AND COMPANY AND OTHERS V. PRIMA PLASTICS LIMITED (2000 (2) PTC 96)**, is quoted with profit:

"It is true that the first plaintiff has got its design registered bearing No.169723 under the Design Act, but it is well settled principle of law that the certificate of registration by itself is not conclusive of the validity of the registration or that such design is new and original."

7. **Section 6:** Section 6 of the Designs Act, 2000, speaks about registration in respect of a particular article. Under this provision, there can be a registration by a same person for a subsequent product qua any article in a prescribed class. In that case, a mere registration of a prior one by the same person, will not prevent the registration of the subsequent one. The following paragraphs of the judgment in **WHIRLPOOL OF INDIA LTD V. VIDEOCON INDUSTRIES LTD., (MANU/MH/0639/2014)** would be apposite.

"45. As correctly submitted on behalf of the Plaintiff, the argument completely overlooks the scheme of **Section 6** of the Act. A careful

reading of Section, as a whole, manifests the legislative scheme and/or intent that where the proprietor is the same, registration can be granted (i) of the same design in relation to other articles in the same class; and (ii) for the same or other articles with minor modifications (i.e. modifications or variations not sufficient to alter the character or substantially to affect the identity thereof. Putting it in the converse when there is no identity between the registered proprietor and the new applicant, an application for the registration of the same design in respect of another article or the same design with modifications of a minor nature to the same article or another article will not be entertained. The legal principle can be loosely described as "one design one proprietor", since the law treats minor KPPNair -48- NMS 2269 OF 2012 iterations of a design as non-existent. Sections 6 (3) and 6 (4) of the Act however recognize an exception to this rule viz. where the registered proprietor and the applicant for fresh registration are one and the same. They contemplate that once there is an identity between the original registered proprietor and the fresh applicant, registration of a design

with minor variations or registration of the same design for a different article will be permitted. In other words, the act contemplates registration of two design with minor and/or incremental variations, provided the proprietor is the same. If the proprietors were to be different, these minor and/or incremental variations would not be considered as sufficient to permit registration."

8. **Sections 19 and 22:** Section 19 of the Designs Act, 2000, deals with a case of cancellation of registration on specified grounds. A prior publication of a design would be a ground for cancellation, apart from a design being not new or original. Sections 19 and 4 travel on the same channel. Section 22 of the Designs Act, 2000, comes under Chapter V dealing with legal proceedings. Sub Section (2) is a substantive provision. This provision speaks about contravention and a suit by a Proprietor. Sub Section 2(a) has to be read with the proviso No.1. This sub-section merely deals with a contravention. Therefore, it quantifies the amount payable. The amount payable under Section 22(a) of the Act is recoverable as a contract debt. Therefore, Section 22(2)(a) of the Act does not deal with a civil suit. Sub section (b) deals

with a situation in which a suit has been laid. As per this provision, a suit for recovery of damages and for injunction can be laid.

9. Under Sub Section 22(3) of the Act, a design is liable for cancellation on the grounds mentioned under Section 19 of the Act, defence available to the defendant. Thus, in a case where a suit has been laid by a Proprietor, there is no monetary limit qua damages and all the defences available under Section 19 of the Act, can be pressed into service by the defendant. When once the infringement takes place and the Court is prima-facie satisfied, an order of injunction will have to be followed. It is well open to the defendant to raise, even at the interlocutory stage seeking a prima facie consideration from the Court. In a case where a registration is obtained by a plaintiff, it is for the defendant to dispel the initial presumption through the defence available under Section 19 of the Act, apart from resting his case under Section 4 of the Act. It also applies to the functionality aspect as well. However, in a case where the plaintiff has taken the plea of functionality and made a prior publication, a mere registration *per se* would not give a right for an order of injunction. In such a case, the onus is shifted to the plaintiff to establish its case.

Ultimately, it is for the Court to decide on the pleading and documents of the parties, even at the interim stage.

10. **FUNCTIONAL ASPECT:-**

10.1. Designs Act deals with features that are defined in a "finished article" whereas an invention deals with a "new product" or "process involving inventive steps" and capable of industrial application. We are dealing with a design on a finished article under the Designs Act. Thus it does not have any application on an unfinished article. The Patents Act on the contrary deals with a new product or process subject to the conditions mentioned therein. As that waters do not mix, functional aspect in an article per se would not come within the purview of the Designs Act, 2000. The issue qua functionality is outside the scope of the Act. Where a functionality aspect forms the basis, the Designs Act, 2000, would lose its significance. It would rather vanish, particularly in view of the prior publication made. The following passage of the Delhi High Court in **MICOLUBE INDIA LIMITED VS. RAKESH KUMAR AT MIPR (2013(2) 0156)**, would emphasise this.

"Before one proceeds further, it may be relevant to indicate here some well accepted principles which operate in the

field of designs law. Design as is generally understood refers to the features of shape, configuration, pattern or ornament when applied to an article. It is for this reason that designs such as these are described as Industrial Designs. It is these designs which are covered under the Designs Act. Designs can be two dimensional or three dimensional. While pattern or an ornament would ordinarily be applied to an article; shape and configuration, become the article itself. Designs in that sense relate to the non-functional features of the article. Therefore, by necessary corollary, a design which has functional attributes cannot be registered under the Designs Act. This is the essence of Section 2(d) of the Designs Act. The protection under the Designs Act is granted only to those designs which have an aesthetic value or otherwise appeal to the eye."

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10.2. However, there may be cases of overlapping when a design in an article may have incidental functionality. In such a case, one has to see the product as a whole and decide.

10.3. In general term, the product's feature

would become functional when it is essential to the use or purpose of the article. When it affects the cost or quality of the article also, an element of functionality would arise. The question would be whether a particular product configuration is a competitive necessity or not. To put it differently, the exclusive use of a product feature puts a competitor at a significant non-reputational - related disadvantages, then it becomes "functional". Between these two factors, when the feature being functional becomes essential to use or purpose of the article which includes costs and quality, the other test is not required. Therefore, functionality rests on utility which is determined in the light of superiority qua design and thus, acquires the initiation of an "effective competition". The following principle as laid in **VALU ENGINEERING, INC., V. REXNORD CORPORATION (UNITED STATE COURT OF APPEALS, FEDERAL CIRCUIT DATED JAN. 23 2002)** would be apposite:

"Inwood involved the standards for appellate review of district court findings under § 32 of the Lanham Act, codified at 15 U.S.C. § 1114(1) (2000), relating to the misuse of another's trademark in connection with the sale or advertisement of goods where such use is likely to cause confusion or deception.

Although the issue of functionality was not directly before the Court, the Court noted, in describing the proceedings below where functionality had been at issue, that "[i]n general terms, a product feature is functional if it is essential to the use or purpose of the article or if it affects the cost or quality of the article." 456 U.S. at 850 n.10. This statement was later characterized as the "traditional rule" of functionality. *TraFFix*, 121 S.Ct. At 1261-62.

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The court of appeals criticized the district court for finding functionality where granting MDI exclusive use of the design would only hinder competition "somewhat," *id.* at 940, stating: "[t]he appropriate question is whether the particular product configuration is a competitive necessity," and that "[h]aving any effect on cost or quality is not enough. Exclusive use of a feature must 'put competitors at a significant non-reputation-related disadvantage' before trade dress protection is denied on functionality grounds." *Id.* at 940 (quoting *Qualitex*, 514 U.S. At 165, 115 S.Ct.1300).

.....

This was incorrect as a comprehensive definition." *TraFFix*, 121 S. Ct. at 1261.

The Court then reaffirmed the "traditional rule" of *Inwood* that "a product feature is functional if it is essential to the use or purpose of the article or if it affects the cost or quality of the article." *Id.* The Court further held that once a product feature is found to be functional under this "traditional rule," "there is no need to proceed further to consider if there is competitive necessity for the feature," and consequently "[t]here is no need . . . to engage . . . in speculation about other design possibilities. . . . Other designs need not be attempted." *Id.* At 1262.

.....
 As we stated in *Brunswick Corp. v. British Seagull Ltd.*, 35 F.3d 1527, 1531, 32 USPQ2d 1120, 1122 (Fed. Cir. 1994), "functionality rests on 'utility,' which is determined in light of 'superiority of design,' and rests upon the foundation of 'effective competition.'"

.....
 Functionality may be established by a single competitively significant application in the recited identification of goods, even if there is no anticompetitive effect in any other areas of use, since competitors in that single area could be adversely affected."

10.4. Thus, in a suit laid for contraventions under the Designs Act, question of functionality is an incidental issue. Being a defence available, it is for the defendant to plead and prove. The incidental overlapping qua functionality which is not predominant in a product, will not affect the right of the plaintiff under the Designs

Act, 2000. The onus to prove otherwise, a defence to be established by the defendant. In such a case, the defendant also will have to prove that the functionality has come into being only through a particular design registered in favour of the plaintiff and therefore, it cannot be used through any other means. Of course, it is for the Court to decide ultimately, as the onus would shift depending upon the fact situation.

11. PASSING OFF:-

11.1. As the principle governing "passing off" is very often repeated, this Court does not want to repeat, as it has been dealt with in extenso in **BANANA BRAND WORKS PVT. LTD., V. KAVAN ANTANI AND ANOTHER** (2016 (4) Law Weekly 33) and in O.A.No.1102 of 2015 and A.No.6797 of 2015 in C.S.No.828 of 2015 dated 21.10.2016. Suffice it is to state that the fundamental principles popularly called as "classic trinity" as enunciated in **Jif Lemon's case** (1991 All England Reporter 873) still continues to rule the field. Here is a fruitful recapitulation of the given passages:

"7. PASSING OFF:-

7.1. *An action for "passing off" also comes under*

the common law. An action for "passing off" is much wider than an infringement. The principle governing "passing off" has already been dealt with by this Court in **BANANA BRAND WORKS PVT. LTD., V. KAVAN ANTANI AND OTHERS ((2016) 4 Law Weekly 33)**, which reads as follows.

"6.3. Ultimately, the Courts are concerned with the damages or their likelihood. Therefore, absence of intention and the real damage cannot be the factors standing the way of getting an order of protection. Fraud is not an absolutely necessary element and thus, a mere absence of intention to deceive is not a defence. In a case of infringement qua identity and similarity with the registered mark, the requisite parameters are the same as passing off.

7. Intention is not required:-

When we speak about misrepresentation, a narrow interpretation is not required. It has to be seen and understood from the point of view of the protection, such as, act of misrepresentation, though not necessarily intentional, can be, by any one starting from the manufacturer to the retailer. The reason is that such an act is attached to the goods or services as

the case may be. It is also attributable to the last of the transaction and therefore, it should also be seen from the point of view of the end seller.

10. PASSING OFF:-

The concept of "passing off" has already been dealt with by this Court in **A.Nos.1554 and 1555 of 2016 and O.A.Nos.1145 and 1146 of 2015 in C.S.No.854 of 2015 dated 30.06.2016**, wherein it has been held as follows.

"8.1. Passing off is a concept in the domain of common law remedy. It offers protection to a party, when the other makes an attempt to pass off his goods through a misrepresentation, as that of the former. What is required in a passing off is the existence of a goodwill, damage or injury to it and through representation. This fundamental principles called as classical trinity has been enunciated in **Jif Lemon's case (1991 All England Reporter 873)**, which deduced the larger requirement enunciated in the Advocate's case (**ERVEN WARNINK V. TOWNEND & SONS LTD., ((1979) 2 ALL E.R. 927)** (See **S.SYED**

MOHIDEEN V. P.SULOCHANA BAI ((2016) 2 Supreme Court Cases 683) .

8. A party, who comes to the Court, has to establish the three basic requirements as mentioned above, while seeking an order of protection. An actual injury is not a *sine qua non* and thus, likelihood of damage would suffice. A misrepresentation by the defendant to the public may or may not be intentional. What is sufficient is that an action qua a defendant, which leads or likely to lead a prospective customer to believe that the goods or services offered by it are that of the plaintiff. Such a deception can either be proved on evidence and if not by the decree of probability, of course, to the satisfaction of the Court."

7.2. The scope of passing off vis-a-vis an infringement has been dealt with by the Apex Court in a recent judgment in **SYED MOHIDEEN MOHIDEEN V P.SULOCHANA BAI ((2016) 2 Supreme Court Cases 683)**. The following passage of the said judgment is apposite.

31.1. Traditionally, passing off in common

law is considered to be a right for protection of goodwill in the business against misrepresentation caused in the course of trade and for prevention of resultant damage on account of the said misrepresentation. The three ingredients of passing off are goodwill, misrepresentation and damage. These ingredients are considered to be classical trinity under the law of passing off as per the speech of Lord Oliver laid down in the case of Reckitt & Colman Products Ltd. v. Borden Inc [MANU/UKHL/0012/1990](#) : (1990) 1 All E.R. 873 which is more popularly known as "Jif Lemon" case wherein the Lord Oliver reduced the five guidelines laid out by Lord Diplock in Erven Warnink v. Townend & Sons Ltd. [1979] AC 731, 742 (HL)] (the "Advocate Case") to three elements: (1) Goodwill owned by a trader, (2) Misrepresentation and (3) Damage to goodwill. Thus, the passing off action is essentially an action in deceit where the common law rule is that no person is entitled to carry on his or her business on pretext that the said business is of that of another. This Court has given its imprimatur to the above principle in the case of Laxmikant V. Patel v. Chetanbhat Shah and Anr. [MANU/SC/0763/2001](#) : 2002 (2) R.C.R. (Civil) 357 : (2002) 3 SCC 65.

31.2. The applicability of the said

principle can be seen as to which proprietor has generated the goodwill by way of use of the mark name in the business. The use of the mark/carrying on business under the name confers the rights in favour of the person and generates goodwill in the market. Accordingly, the latter user of the mark/name or in the business cannot misrepresent his business as that of business of the prior right holder. That is the reason why essentially the prior user is considered to be superior than that of any other rights. Consequently, the examination of rights in common law which are based on goodwill, misrepresentation and damage are independent to that of registered rights. The mere fact that both prior user and subsequent user are registered proprietors are irrelevant for the purposes of examining who generated the goodwill first in the market and whether the latter user is causing misrepresentation in the course of trade and damaging the goodwill and reputation of the prior right holder/former user. That is the additional reasoning that the statutory rights must pave the way for common law rights of passing off.

32. Thirdly, it is also recognized principle in common law jurisdiction that

passing off right is broader remedy than that of infringement. This is due to the reason that the passing off doctrine operates on the general principle that no person is entitled to represent his or her business as business of other person. The said action in deceit is maintainable for diverse reasons other than that of registered rights which are allocated rights under Recent Civil Reports the Act. The authorities of other common law jurisdictions like England more specifically Kerry's Law of Trademarks and Trade Names, Fourteenth Edition, Thomson, Sweet & Maxwell South Asian Edition recognizes the principle that where trademark action fails, passing off action may still succeed on the same evidence. This has been explained by the learned Author by observing the following:--

15-033 "A claimant may fail to make out a case of infringement of a trade mark for various reasons and may yet show that by imitating the mark claimed as a trademark, or otherwise, the Defendant has done what is calculated to pass off his goods as those of the claimant. A claim in 'passing off' has generally been added as a second string to actions for infringement, and has on occasion succeeded where the claim for

infringement has failed"

32.1. The same author also recognizes the principle that Trade Marks Act affords no bar to the passing off action. This has been explained by the learned Author as under:--

15-034 "Subject to possibly one qualification, nothing in the Trade Marks Act 1994 affects a trader's right against another in an action for passing off. It is, therefore, no bar to an action for passing off that the trade name, get up or any other of the badges identified with the claimant's business, which are alleged to have been copied or imitated by the Defendant, might have been, but are not registered as, trade marks, even though the evidence is wholly addressed to what may be a mark capable of registration. Again, it is no defense to passing off that the Defendant's mark is registered. The Act offers advantages to those who register their trade marks, but imposes no penalty upon those who do not. It is equally no bar to an action for passing off that the false representation relied upon is an imitation of a trade mark that is incapable of registration. A passing

off action can even lie against a registered proprietor of the mark sued upon. The fact that a claimant is using a mark registered by another party (or even the Defendant) does not of itself prevent goodwill being generated by the use of the mark, or prevent such a claimant from relying on such goodwill in an action against the registered proprietor. Such unregistered marks are frequently referred to as "common law trade marks".

7.3. A person complaining of passing off has a broader remedy as against the act of infringement for the reason that it involves deceit and confusion. For the aforesaid purpose, a mere likelihood would be sufficient. Likewise, a right against passing off can be asserted even as against a registered mark holder and in the absence of a registration of a mark or a design as the case may be in favour of the applicants. The said principle has also been reiterated by the High Court of Delhi in the decision of the Full Bench in **MOHAN LAL, PROPRIETOR OF MOURYA INDUSTRIES V. SONA PAINT & HARDWARES (2013(55) PTC 61)**.

7.4. Passing off is an action meant to protect and preserve the reputation of a party. The said concept has

also got an element of public interest as it intends to protect the public against the fraudulent sale by way of imitation, which might indirectly affect the quality of the product copied. In such a case, it is not absolutely necessary for the applicants to prove long user to establish reputation and goodwill. The test for likelihood of confusion is through the eyes of a man of imperfect recollection with an ordinary memory. Incidentally, it can also be seen from the point of view of the end user. In this context, the following paragraphs of the Apex Court in **SATYAM INFOWAY LTD., VS. SIFYNET SOLUTIONS PVT. LTD., ((2004) 28 PTC 566)** is apposite.

12. The next question is would the principles of trade mark law and in particular those relating to passing off apply? An action for passing off. as the phrase "passing off itself suggests, is to restrain the defendant from passing off its goods or services to the public as that of the plaintiff's. It is an action not only to preserve the reputation of the plaintiff but also to safeguard the public. The defendant must have sold its goods or offered its service in a manner which has deceived or would be likely to deceive the public into thinking that the defendant's goods or services are the plaintiff's. The

action is normally available to the owner of a distinctive trademark and the person who, if the word or name is an invented one, invents and uses it. If two trade rivals claim to have individually invented the same mark, then the trader who is able to establish prior user will succeed. The question is, as has been aptly put, who gets there first? It is not essential for the plaintiff to prove long user to establish reputation in a passing off action. It would depend upon the volume of sales and extent of advertisement.

13. The second element that must be established by a plaintiff in a passing off action is misrepresentation by the defendant to the public. The word misrepresentation does not mean that the plaintiff has to prove any malafide intention on the part of the defendant. Of course, if the misrepresentation is intentional, it might lead to an inference that the reputation of the plaintiff is such that it is worth the defendant's while to cash in on it. An innocent misrepresentation would be relevant only on the question of the ultimate relief which would be granted to plaintiff. What has to be established is the likelihood of confusion in the minds of the public, (the word "public" being understood to mean actual or potential

customers or users) that the goods or services offered by the defendant are the goods or the services of the plaintiff. In assessing the likelihood of such confusion the courts must allow for the "imperfect recollection of a person of ordinary memory"

29. What is also important is that the respondent admittedly adopted the mark after the appellant. The appellant is the prior user and has the right to debar the respondent from eating into the goodwill it may have built up in connection with the name.

30. Another facet of passing off is the likelihood of confusion with possible injury to the public and consequential loss to the appellant. The similarity in the name may lead an unwary user of the internet of average intelligence and imperfect recollection to assume a business connection between the two. Such user may, while trying to access the information or services provided by the appellant, put in that extra 'f' and be disappointed with the result. Documents have been filed by the respondent directed at establishing that the appellant name Sify was similar to other domain names such as Scifinet, Scifi.com etc. The exercise has been undertaken by the respondent presumably to show that

the word 'Sify' is not an original word and that several marks which were phonetically similar to the appellants' trade name are already registered. We are not prepared to deny the appellant's claim merely on the aforesaid basis. For one, none of the alleged previous registrants are before us. For another, the word 'sci-fi' is an abbreviation of 'science fiction' and is phonetically dissimilar to the word Sify. (See Collins Dictionary of the English Language).

*7.5. A passing off action would lie where there exists a similarity of get up between the products which in turn would satisfy the test of likelihood of confusion and deceit. A useful reference can be made to the following passage in **RUSTON AND HORNBY LTD. V. ZAMINDARA ENGINEERING CO. (AIR (1970) Supreme Court 1649).***

"5. It very often happens that although the defendant is not using the trade mark of the plaintiff, the get up of the defendant's goods may be so much like the plaintiff's that a clear case of passing off would be proved. It is on the contrary conceivable that although the defendant may be using the plaintiff's mark the get up of the defendant's goods may be so different from the get up. of the

plaintiff's goods and the prices also may be so different that there "would be no probability of deception of the public. Nevertheless, in an action on the trade mark, that is to say, in an infringement action, an injunction would issue as soon as it is proved that the defendant is improperly using the plaintiff's mark.

6. The action for infringement is a statutory right. It is dependent upon the validity of the registration and subject to other restrictions laid down in ss. 30, 34 and 35 of the Act. On the other hand the gist of a passing off action is that A is not entitled to represent his goods as the goods of B but it is not necessary for B to prove that A did this knowingly or with any intent to deceive. It is enough that the get-up of B's goods has become distinctive of them and that there is a probability of confusion between them and the goods of A. No case of actual deception nor any actual damage need be proved."

7.6. While deciding a case of "passing off" with reference to the similarity, the Court has to see the products of both sides as a whole. This might include the shape, get up, label, package and the colour scheme. If

the combined features indicate a similarity to a naked eye, the consequence will have to flow. In such a case, the onus is on the respondent to give a plausible explanation to justify its adoption. This onus will become more pronounced when the applicants are the market leader and prior user. When we take about distinctiveness, it includes that of the products as a whole as well as a single one. In other words, the commonality governing the products along with the distinctiveness of a single product are factors for consideration against a violator. Ultimately, the Court has to sit in the arm chair of an end user and decide. So is the case with distinctiveness. The substantial volume of sale is a primary indicator of the distinctiveness of a product. However, these factors will have to be seen on the facts of each case.

7.7. The concept of initial interest confusion would certainly constitute a case of "passing off". There need not be any evidence of actual confusion and deception.

In **BAKER HUGHES LIMITED AND ANOTHER V. HIROO KHUSHALANI AND ANOTHER** (1998 (18) PTC 580 Del.), the High Court of Delhi has held as follows:

"54.....There can be an informed class of purchasers who have a degree of

knowledge and a sense of discrimination more substantial than that of an ordinary purchaser, but the mere fact that the customers are sophisticated, knowledgeable and discriminating does not rule out the element of confusion if the trade marks/trade names/corporate names of two companies are identical or if the similarity between them is profound. In several cases it has been held that initial confusion is likely to arise even amongst sophisticated and knowledgeable purchasers under a mistaken belief that the two companies using the same corporate name, trading name or style are inter-related. It is the awakened consumers who are more aware of the modern business trends such as trade mark licensing, mergers, franchising, etc. It is this class of buyers who are likely to think that there is some sort of association between the products of two different companies when they come across common or similar trade names or corporate names or trading styles used by them. The sophistication of a buyer is no guarantee against likely confusion. In some cases, however, it is also possible that such a purchaser after having been misled into an initial interest in a product manufactured by an imitator discovers his folly, but this initial interest being based on confusion and deception can give rise to a

cause of action for the tort of passing off as the purchaser has been made to think that there is some connection or nexus between the products and business of two disparate companies. This view finds support from various decisions gathered in Section 20.12 of the Filing Instructions 1988, Fall Cumulative Supplement from Callmann 'Unfair Competition, Trademarks and Monopolies'. This section reads as under:

"But even apart from the doctrine of greater care, if the manner of purchasing becomes routine, the possibility of confusion can arise notwithstanding the expertise of the purchasers (Layne-Western Co. Vs. Fry, 174 F Supp 621 (CCPA 1960). The mere fact that all the customers are discriminating technicians does not by itself insure against confusion; being skilled in the relevant art does not necessarily preclude confusion if the similarity between the marks is great (Wincharger Corp. Vs. Rinco, Inc., 297 F2d 261 (CCPA 1962)). "The words 'sophisticated' and 'knowledgeable' are not talismans which, when invoked, act magically to dissipate a likelihood of confusion. It must also be shown how the purchasers react to trademarks, how observant and discriminating they are in practice,

or that the decision to purchase involves such careful consideration over such a long period of time that even subtle differences are likely to result in a recognition that different marks are involved before an irrevocable decision is made"

(Refreshment Mach., Inc. Vs. Reed Industries, Inc., 196 USPQ 840 (TTAB 1977))." xx xx

xx

"In some cases it has been held that a different type of confusion, referred to as "initial confusion," is likely to arise even among sophisticated purchasers. As one Court has said: "by intentionally copying the trade mark of another more established company, one company attempts to attract potential customers based on the reputation and name built up by the first user, the older company. The danger here is not that the sophisticated purchaser [in the oil trading market] will actually purchase from Pegasus Petroleum believing that he has purchased from Mobil [Oil Co.]; the danger is that the purchaser will be misled into an initial interest in Pegasus Petroleum based on a mistaken belief as to the two companies' inter relationships [Mobil Oil Corp. Vs.

Pegasus Petroleum Corp., 229 USPQ 890].

It has also been suggested that sophisticated consumers, being more aware of such modern business trends as trademark licensing and conglomerate mergers, are more rather than less likely to suspect some association between disparate companies or products when they see what appears to be one company's mark on another's product [Lois Sportswear, USA, Inc. Vs. Levi Straus & Co., 230 USPQ 831, 837 (CA2, 1986)]."

55. In John Hayter's case (supra) the Court failed to notice the principle that even the informed, sophisticated and knowledgeable customers suffer from initial confusion where the corporate names, trade names or trade marks of two different companies are the same or similar to each other. Therefore, the view expressed in the case does not commend to me and compels me to respectfully depart from the same.

7.8. The Apex Court in MAHENDRA & MAHENDRA PAPER MILLS V. MAHINDRA & MAHINDRA LTD., (AIR 2001 Supreme Court 117) held as under.

"15. This question has been considered by different High Courts and this court in umpteen cases from time to time. On analysis of the principles laid down in the decisions, certain recognised parameters relating to the matter have emerged. Without intending to be exhaustive some of the principles which are accepted as well settled may be stated, thus, that whether there is a likelihood of deception or confusion arising is a matter for decision by the court, and no witness is entitled to say whether the mark is likely to deceive or to cause confusion; that all factors which are likely to create or allay deception or confusion must be considered in combination; that broadly speaking, factors creating confusion would be, for example, the nature of the market itself, the class of customers, the extent of the reputation, the trade channels, the existence of any connection in course of trade, and others."

7.9. *Thus, while dealing with the case of passing off, the Court may not be concerned with the trade mark of the parties, but the similarity involving the get up of the goods as held by the Apex Court in **RUSTON AND HORNBY LTD. V. ZAMINDARA ENGINEERING CO. (AIR (1970) Supreme Court***

1649) stated supra.

7.10. There is a small difference between an act of "passing off" in general and "product passing off". In dealing with the product "passing off" apart from the factors, such as, shape, get up, let out, package and colour scheme, overall configuration/appearance are relevant factors. The concept of novelty has to be seen in the context of each case. "

11.2. There are two facets of passing off, which we are concerned with in this case. One is a "product passing off" and another is "initial interest confusion". We are concerned with the products of the applicants and the respondent. In these two cases, it is not, as if the general principles will have to be given a go-by. Therefore, it could have relevancy while dealing with the facts of this case. When we deal with "product passing off", we are required to consider the two products of the parties concerned. These two products will have to be seen with respect to the same-ness, similarity or identity, as the case may be. However, in a case of a contravention of a registration granted already, its effect, will also have to be seen through the common law as well. While dealing with the product passing off, the concept of prior user would certainly apply. However, the element of long user

may not be strictly necessary in all cases. For example, a newly introduced product may attract the attention of huge customers by its quality and uniqueness. In such a case, the question of period of time loses its significance.

An injunction for passing off does not lie automatically. For example, the defendant succeeds through one of its defence under Section 19 of the Act, such as a prior publication having been made by the plaintiff over a design for which a protection is sought for through the Court. To put it differently, when a design comes under the public domain, it cannot be said that any subsequent user would be violating the common law remedy by its usage. In such a case, the other factors like intention, deceit, likelihood of confusion, apart from damage to reputation, would come. There is a difference between deceit and likelihood of confusion. A "deceit" is one out of intention. But a likelihood of confusion may not be with such intention. Considering the same, it has been held by Lord Denning in **PARKER KNOLL INTERNATIONAL LIMITED**

((1962) RPC 265) in the following manner:

"Secondly, 'to deceive' is one thing. To 'cause confusion' is another. The difference in this: When you deceive a man, you tell him a lie. You make a false representation to him and thereby cause him to believe a thing to be true

which is false. You may not do it knowingly, or intentionally, but still you do it, and so you deceive him. But you may cause confusion without telling him a lie at all, and without making any false representation to him. You may indeed tell him the truth, the whole truth and nothing but the truth, but still you may cause confusion in his mind, not by any fault of yours, but because he has not the knowledge or ability to distinguish it from the other pieces of truth known to him or because he may not even take the trouble to do so."

11.3. This has been quoted with approval by the Bombay High Court in **M/S SELVEL INDUSTRIES AND ANOTHER VS. M/s OM PLAST (INDIA) in Notice of Motion (L) No.1434 of 2016 in Suit (L) No.439 of 2016 dated 30th June/1st July 2016.**

11.4. An initial interest confusion has to be with respect to the nature of the product and the customers. We cannot exclude the attending factors, such as the reputation and goodwill of the plaintiff as against the defendant. The nature of the product also assumes

significance. After all, attraction would come qua a novelty and not the manufacturer as such. When no exclusivity can be claimed for a design on an article, then a remedy through the initial interest confusion being a facet of passing off, may not be of any help to a registered Proprietor. In such a case, the Court has to see the product as a whole along with the brand owners. Apropos, a registration under the Designs Act, we are concerned with the novelty and factors like shape configuration etc.

12. **TRADE DRESS:**

A trade dress constitutes the design and appearance of a product together with the elements making up the overall image that serves to identify the product presented to the consumer. The primary purpose of trade dress protection is to protect that which identifies a product's source. Thus a trade dress protection would involve a product packaging, design/configuration. There are certain similarities between a trade dress protection and design copying and trade dress would attract a contravention of a design under the Designs Act in a given case. In the same way, it would also attract a case of passing off. The concept of confusion and deceit also would apply to a case

of trade dress infringement. As a trade dress involves a secondary meaning some evidence that a consonance associates the trade dress with the source is required. The principle to be adopted between a case of passing off and contravention of a design under the Designs Act when the embargo under Section 4 would apply, also applies to a case involving trade dress.

13. **FACTS:**

13.1. The Applicants/plaintiffs are doing business in manufacturing and marketing of kitchen appliances. The first applicant launched its brand 'VIDIEM' in the year 2013, under which gas cook-tops, table top grinders and pressure cookers were sold. One of the home appliance is a frameless gas stove/gas cook-top.

13.2. As according to the applicants, the product has got several functional aspects, they filed a patent application on 01.10.2014, which is still pending. They also hosted a promotional video apart from making publication in the books such as "Mangaiyar Malar", exhibiting the functional aspects of the products. Pleadings have been made in the plaint qua the

functionality to the concept of framelessness. Thereafter, the applicants registered certain designs for the subsequent products under Registration Nos.272882, 272883, 276080, 272567 and 264344.

13.3. During the arguments, the learned Senior Counsel appearing for the applicants/plaintiffs also claims that for similar framelessness gas stoves, the applicants have applied for design registration in Design No.264342. However, this registration is not the subject matter of the suit and there are not even any pleadings to that effect. The respondent/defendant has introduced the same framelessness recently. It is not in dispute that the alleged infringing product of the respondent, is of a higher value than that of the applicants. The applicants have come forward to file the present suit for contravention of registered design under the Designs Act, 2000, and for passing off. Insofar as the design is concerned, it is contended that apart from copying the concept of framelessness, the colour scheme and other incidental features have also been copied. The respondent thereafter filed an application for cancellation under Section 19 of the Designs Act, 2000, which is still pending.

13.4. It is the case of the respondent that the concept of framelessness is neither new nor original. There are similar products/concepts already in vogue insofar as the hobs/cook-tops are concerned. Hobs, though got a concept of framelessness, is embedded and fixed on the floor. In other words, hobs do not contain the stand. The cook-tops are meant for larger cooking. Incidentally, two other concerns, such as L.G. Electronics and Green Chef Appliances Limited have been given registration, of which, one is stated to have got cook-top. The applicants state that requisite steps would be taken to cancel them. It is needless to state that these two registrations come under the same class. According to the respondent, the registration is not for the framelessness, but for the product as such. The applicants produced number of documents to show the amount spent on research. However, it is the case of the respondent that the said amount is not for the design, but the product as a whole including the alleged invention, if any, which is the subject matter of the patent in the application and the sales are for the entire set of products other than the one which are subject matter in the suit. Number of literatures have been relied upon by both sides with respect to the functional aspects

and the design of the products concerned. It is also not in dispute that the respondent is also a reputed concern having wide turnover than the applicants. Advertisement of the applicants also includes the statement that the products have been registered under the Patent Act, though factually incorrect. Both the counsels addressed the Court sprinkling with numerous citations.

14.Submission of the applicants:-

The learned Senior Counsel appearing for the applicants/plaintiffs submits that admittedly, the applicants are the registered Proprietors of the design. Substantial amount of money has been spent towards research. Reputation in the field of manufacturing gas stoves/cook-tops is well known. Till the applicants introduced the concept of framelessness, no one had conceived and adopted it. There is no explanation for the respondent to adopt it after two years from the date of introduction by the applicants. There is no suppression of facts involved in the statement qua registration and licence under the Patent Act, which is a bonafide mistake. A clear case of passing off is made out on a mere comparison of the two products. The Court has to see the similarity as against the difference. Not only the colour

scheme, but other aspects are also copied. There was a prior registration even before the publication made and therefore, the mandate of Section 4 of the Act would not apply. The design of the applicants being new and original, Section 4 of the Act does not have any application. Cancellation application under Section 19 of the Act has been filed by way of an after-thought by the respondent. For the product passing off, a mere look at the products would be sufficient. A mere registration under the Designs Act, 2000, in favour of the L.G. Electronics Limited and Green Chef Appliances Limited would not deny a relief. Appropriate steps would be taken to cancel the said registrations. They stand on a different footing than that of the respondent. The applications filed for registration under the Patent Act, would not take away the rights under the Designs Act. There is no material contradiction in the stand taken by the applicants in the pleadings. Accordingly, the learned Senior counsel submits that an order of injunction will have to be granted on a prima-facie consideration, since there is a valid registration in favour of the applicants as on today. Though several judgments have been relied upon, substantial reliance has been made on the judgment of the Bombay High Court in **M/S SELVEL INDUSTRIES AND ANOTHER**

VS. M/s OM PLAST (INDIA) in Notice of Motion (L) No.1434 of 2016 in Suit (L) No.439 of 2016 dated 30th June/1st July 2016 and WHIRLPOOL OF INDIA LIMITED V. VIDEOCON INDUSTRIES LIMITED (Notice of Motion No.2269 of 2012 in Suit No.2012 of 2012 dated 27.05.2014) .

15. Submission of the Respondent:-

The learned Senior counsel appearing for the respondent submits that the applicants have not come to the Court with clean hands. A wrong statement has been made with respect to the registration under the Patents Act, 1970. A prior publication has been made and therefore, the very basis of the suit itself falls to the ground. An application for cancellation was also made by the respondent. There is no new or original design involved, with the availability in the public domain. There is no similarity between the one and the other, based upon which suit has been laid. That is the reason why no reliance has been made on the first registration in the present suit. Therefore, in the absence of any pleadings, the same shall not be gone into. The respondent is the market leader. Thus, there is no question of causing any damage to the reputation of the applicants. The documents filed also do not show the amount spent and the revenue derived

qua the products in question. In other words, they cover the entire products of the applicants. There is no case of passing off made out. The defendant is using the colour combination ever-since the introduction of products without framelessness. The turnover and reputation of the respondent is much higher than the applicants. The price of the product of the respondent is much higher and therefore, there is no scope for passing off. No challenge has been made to the registration granted in the other two concerns. Therefore, it leads to an inference that the design registration is for the entire product as a whole and not for the framelessness alone. When once the applicants themselves have accepted and canvassed for functionality of the product, they cannot wriggle out of it and claim protection under the Designs Act, 2000. The registration obtained, is liable to be cancelled under Section 19 of the Act, in view of the mandate of Section 4. There has to be an exclusion of functional features from the Designs Act, 2000 and so is the case qua the Trade Marks Act, 1999. What the applicants seek is the protection under the Patents Act, 1970. Under the Designs Act, 2000, it is not permissible. The applicants have not proved that the sales are primarily due to the designs. Substantial reliance has been made on the following judgments:

- (1) **KEMP AND COMPANY AND OTHERS V. PRIMA
PLASTICS LIMITED (2000 (2) PTC 96); and**
- (2) **MICOLUBE INDIA LIMITED VS. RAKESH
KUMAR AT MIPR (2013(2) 0156)**

16.DISCUSSION:-

16.1. As the basic facts are more or less admitted, this Court is not willing to dwell much into it. The applicants are the prior user/registered Proprietor under the Designs Act, 2000. Their application for innovation qua the inventional aspects, is pending before the Controller of Patent. The respondent has also filed an application under Section 19 of the Designs Act, 2000. There are other persons, who got the registration, of which, one is for cook-op. The dispute primarily revolves around the design of framelessness. It is also not in dispute that the applicants have made a prior publication to a similar design much prior to the five registered designs, which are the subject matter of the suit, thus becomes a Achilles heel. The functionality of the aspect of framelessness is also admitted, as seen through the application for patent, advertisements made on in the pleadings of the plaint. There are certain admissions made on the similarities on the products, which underwent prior

publication and subsequently registered by the applicants. It is further to be seen that the product of the applicants being unregistered with prior publication and registered on the one hand and that of the respondent on the other hand, look alike, with certain minor variations. This can be seen by this Court for a mere comparison. There is no pleading with respect to the one other product stated to have been registered with framelessness and in any case, that is not the basis upon which the suit has been laid, though the respondent even on merits, contends that the said product has got no similarity to the one which underwent prior publication and the others which were registered thereafter.

16.2. When once there is no dispute on the factum of prior registration, the applicants would not be entitled to get the relief under the Act, based upon subsequent registrations. Unfortunately, as the applicants themselves have taken a clear stand with respect to the functionality of the framelessness, the question of onus on the respondent would not arise.

16.3. The learned Senior Counsel appearing for the

applicants has made substantial reliance on the judgment of the learned single Judge of the Bombay High Court in **WHIRLPOOL OF INDIA LTD V. VIDEOCON INDUSTRIES LTD., (MANU/MH/0639/2014)**. This Court is afraid that the said decision would not help the case of the applicants. A factual finding has been given in the said case about the lack of functionality available. The plaintiff therein did not seek for any monopoly qua a functional feature, which unfortunately is not the case herein. A finding has been rendered to the effect that the distinctive design of the WHIRLPOOL is not meant to the functionality of a product by making it to look more attractive. This paragraph would be apposite:

"As correctly submitted on behalf of the Plaintiff, the Plaintiff has not sought any monopoly in any functional feature and/or element. As is evident from the Plaintiff's registered design, the novelty that is claimed by the Plaintiff is in the shape and configuration of the washing machine as illustrated i.e. the shape and configuration of the machine as a whole. The functional elements of a washing machine are inside the washing machine viz. the drums and/or apparatus which is used for washing and drying clothes. The shape of the outer

receptacle inside which the washer and dryer units are contained is governed by aesthetic considerations since this appeals purely to the eye. Every semi auto washing machine has a washer and a dryer and a set of buttons or knobs which operate both dryer as well as washer.

Despite this, the outward appearance of different washing machines is different. The Defendant itself has any number of models of semi automatic washing machines which have/had a washer, dryer and knobs and/or controls. These look completely different from the impugned product. Also besides a mere argument of functionality, no material whatsoever had been produced to show KPPNair -41-NMS 2269 OF 2012 that the outside receptacle or outer body and/or control panel of the machine could not have been different and owe their present form solely to functional considerations. For a defense of functionality to succeed, it is not enough to say that the form has some relevance to the function. If a particular function can be achieved through a number of different forms, then a defense of functionality must fail. For the defence of functionality to succeed, it is essential for the

Defendant to establish that the design applied for is the only mode/option which was possible considering the functional requirements of the products. Even otherwise, as submitted by the Plaintiff assuming that the shape also performs a certain function, that by itself is not determinative of the fact that the design is functional if that is not the only shape in which the function could be performed. In the case of Cow (P.B.) and Coy Ltd. vs. Cannon Rubber Manufacturers Ltd.²⁹ (cited at page 75 of the majority judgment of the Delhi High Court), the court held that there may be cases where the design while fulfilling the text of being appealing to the eye is also functional. In such cases, the conundrum of functionality is resolved by taking note of the fact that it would make no impact on the articles functionality, if the function could be performed by the use of another shape as well. The fact that there are umpteen number of shapes in which washing machines are sold clearly shows that the external shape has nothing to do with the function sought to be performed. In the present case, it surely cannot be argued that the constraints of functionality were such that the Plaintiff's design was the

only design which could have been 29
1959 RPC 347 KPPNair -42- NMS 2269 OF
2012 devised. Since the external shape
of the Plaintiff's washing machine has
nothing to do with the function it
performs and since the Plaintiff in the
present case is seeking enforcement of
its entire design and not an individual
component thereof, the case law cited
by the Defendant in support of its
defense attributing features of the
Plaintiff's design to functional
requirements, has no bearing on the
present case."

16.4. The Division Bench, while confirming the
decision of the learned single Judge, held as follows:

"In the case at hand, the product is
washing machine. A washing machine is
quite often sold in large shops or in
shopping malls where several models of
different brands of washing machines are
kept together. If the consumer is
attracted by a particular design of a
washing machine, then he may choose the
washing machine with that design,
irrespective of the brand. The
distinctive design of the Whirlpool is
not meant to add functionality to the
product, but to make it look more

attractive.”

16.5. Similarly, the judgment of the Bombay High Court in **M/S SELVEL INDUSTRIES AND ANOTHER VS. M/s OM PLAST (INDIA)** also does not help the case of the applicants, as it was held therein that the plaintiff's design satisfies the test of Section 2(d) of the Act which is not the case before us.

16.6. Once there is no contravention of the Designs Act, 2000 qua the respondent, the usage of the concept of framelessness cannot be stopped. The respondent is also having its own reputation, apart from its own share in the market. The colour scheme is being used by the respondent for quite some time. There are differences between the products sans the framelessness. There is no encroachment on the reputation of the applicants by the respondent. A mere juxtaposed position alone cannot be a factor. Thus, the principle governing passing off, will have to be seen on the facts of this case. The concept of initial interest confusion, protection of trade dress and product passing off also would not come in such a case. The documents filed by the applicants would show the amount stated to be spent for the research also includes other products with

the invention part, which appears to be a predominant one.

17. This Court cannot give a relief to the applicants, which they would otherwise might become entitled to under the Patents Act, 1970. Admittedly, we are at the interlocutory stage. The registration obtained by the applicants per se cannot be the only factor to be seen even at this stage. The applicants have also admitted through the pleadings qua the similarity of the products, viz., one with registration and the other without it. Therefore, on an over-all consideration of the materials available on record, this Court does not find a prima-facie case for the grant of injunction as prayed for. Accordingly, the applications in O.A.Nos.814 and 815 of 2016 stand dismissed. However, considering the nature of the issues involved, the parties are directed to file the documents relevant for deciding the suit, within a period of four weeks from the date of receipt of a copy of this order. As written statements are filed by the respondent, the issues will be framed and thereafter the matter would stand posted for recording evidence. The respondent shall also file a statement of accounts for the framelessness products sold every month from the date of filing of the suit, periodically, within a period of four

weeks from the date of receipt of a copy of this order. Similarly, statements to be filed for the prospective sales on or before 7th of every ensuing month with duly served copies on the applicants' counsel, till the disposal of the suit.

18.As the applications in O.A.Nos.814 and 815 of 2016 have been dismissed on merits, this Court is of the view that there is no necessity to allow the application filed for appointment of Advocate Commissioner being consequential.

Sd/.M.M.S.J

09.01.2017

//Certified to be a true copy//

Dated this the th day of 2017.

GM

COURT OFFICER

From 25.09.2008 the Registry is issuing certified copies of the Order/Judgment Decree in this format.

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