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

Date of Decision: 05th December, 2019

+ **FAO(OS) (Comm.) 295/2019 & C.M.Nos.46263 /2019 (stay),
46264/2019 (Addl. documents)**

VIVEK TALWAR & ANR Appellant
Through: Mr.D.K. Rustagi, Adv. with
Mr.Mayank Rustagi, & Ms.Vidhi Nigam, Advs.
Versus

AMIT TALWAR & ORS Respondents
Through: Mr.Chander Lall, Sr. Adv. with
Ms.Nancy Roy, Adv., Ms.Priya Adlakha, Adv.,
Mr.Rajat Jain, Adv. & Ms.Ruhe Passi, Adv.

CORAM:
HON'BLE THE CHIEF JUSTICE
HON'BLE MR. JUSTICE C.HARI SHANKAR

JUDGMENT

: **D. N. PATEL, Chief Justice (Oral)**

1. This appeal has been preferred **by the original defendants No.1 and 2 in CS (Comm.) No.330/2019.**
2. The learned Single Judge had initially granted ex parte ad interim relief to the plaintiffs in their application being **IA No.8584/2019 in Civil Suit (Comm.) No.330/2019,** preferred under Order XXXIX Rules 1 and 2 of the Code of Civil Procedure (CPC). This *ex parte* ad interim relief was granted by the learned Single Judge on **21.06.2019** (Annexure A-2 to the memo of this appeal).

3. These appellants (Original defendant nos.1 and 2 in the suit) preferred interim application being **IA No.8856/2019 under Order XXXIX, Rule 4 CPC** for vacating *ex parte* ad interim relief granted by the learned Single Judge which was **dated 21.06.2019**.

4. After hearing the original plaintiffs and the defendants in the suit, **ex parte ad interim stay** granted by the learned Single Judge vide order dated 21.06.2019, was confirmed vide order **dated 26.08.2019** (Annexure A-1 to the memo of this appeal) and thereby application preferred by the original defendants bearing IA No.8856/2019 for vacating the *ex parte* ad interim relief was dismissed by the learned Single Judge. Thus, IA No.8854/2019 preferred by the original plaintiffs under Order XXXIX Rules 1 and 2 CPC, was allowed and IA preferred by the original defendants - qua appellants of this appeal being IA No.8856/2019 for vacating the *ex parte* stay was dismissed by the learned Single Judge. Being aggrieved and dissatisfied by the order passed by the learned Single Judge **dated 26.08.2019** (Annexure A-1 to the memo of this appeal), the present First Appeal from Order (FAO) is preferred by the original defendant nos.1 and 2.

5. As the **Civil Suit (Comm.) No.330/2019** is pending before the learned Single Judge, we refrain from analysing the facts as well as the documents upon which these appellants (original defendants) have placed reliance but suffice it to say that-

- (i) Original plaintiffs are the owner of the trademark 'PARKO';
- (ii) Original plaintiffs are the owner of the copyright of the original artistic work of its logo;
- (iii) Original Plaintiffs claim to be using the trademark "PARKO" for labelling/ packaging of goods since 1963;

(iv) Through an agreement between original defendant No.1 and original plaintiff No.1, **dated 03.07.2010**, the original defendant No.1 (appellant herein) had agreed to not use the trademark, but use the word PARKOVIC or any other such word.

6. The plaintiffs are using copyright “PARKO” from the year 1964. Looking to the agreement dated 03.07.2010, it is explicitly clear that the original plaintiffs are having exclusive right to use the copyright “PARKO” and these appellants (original defendant nos.1 and 2) were given permission to use the trademark “PARKOVIC”.

7. It also appears from the facts of the case that the following trademarks have already been registered in favour of the plaintiffs:-

S. No	TRADEMARK	APPLICATION NUMBER	CLASS	DATE OF APPLICATION
1.	PARKO	222935	11	23.06.1964
2.	PARKO	520731	11	04.12.1989
3.	PARKO	522196	16	03.01.1990
4.	PARKO	522197	17	03.01.1990
5.	PARKO	448316	6	16.01.1986
6.	PARCO	522197	17	03.01.1990
7.		648046	11	07.12.1994
8.		670836	11	27.07.1995
9.	PARCO	804695	11	04.06.1998
10.	PARKO	840436	20	09.02.1999
11.	PARKROYAL	921295	11	28.04.2000
12.	PARK	1377404	11	12.08.2005

13.	PARKER	1378230	11	18.08.2005
14.	PARKASH BRASSWARE INDUSTRIES	1378229	11	18.08.2005
15.	PARKO BRASSWARE	1454216	35	15.05.2006

8. Thus, in view of the aforesaid marks, fifteen trademarks have been registered in favour of the plaintiffs.

9. It is also a *prima facie* fact in favour of the plaintiffs that there are three registered copyrights in favour of the plaintiffs for the original artistic work within the meaning of Section 2(c) of the Copyright Act, 1957 and they are as under:-

S.No.	Artwork	Registration No.
1.		A-35648/82
2.		A-59532/2001
3.	PARKO	A-59533/2001

10. The aforesaid registration, as per the Copyright Act, was in favour of the plaintiffs earlier in the year 1982 and as stated hereinabove in the aforesaid table that the second and third art work was registered in the year 2001.

11. Looking to the family settlement dated 03.07.2010, much has been argued about by the counsel appearing for the appellants (Original defendant

nos.1 and 2) that they were also permitted to use “PARKOVIC” as their trademark. For ready reference, the trademark and art work of the original plaintiffs and original defendants – who are appellants before this Court are as under:-

S. No	Marks of the Appellants	Marks of the respondents
1.		
2.		
3.		
4.		
5.		
6.	PARKOVIC	PARKO
7.		

12. Now, **applying a test of man of average intelligence and of imperfect recollection**, to the aforesaid usages of the trademark/art work, by the original plaintiffs and original defendants, they are *prima facie* visually similar, *prima facie* deceptively similar and *prima facie* both these trademarks and art works create confusion in the mind of a person of average intelligence and of imperfect recollection. These aspects of the

matter have been properly appreciated by the learned Single Judge while confirming the *ex parte* ad interim relief vide order **dated 26.08.2019** (Annexure A-1 to the memo of this appeal). We are in full agreement with the reasons given by the learned Single Judge in the order **dated 26.08.2019** (Annexure A-1) to be read with order **dated 21.06.2019** (Annexure A-2).

13. The use of trademark and art work by the defendant is at a subsequent point in time, than that of plaintiffs. Moreover, prima facie by virtue of the agreement dated 03.07.2010 which is referred to hereinabove, the same prima facie suggests a permissive use to the original defendants by the original plaintiffs, with certain restrictions. Moreover, the defendants have applied for trademark much later in point of time i.e. in the year 2011 and the objections have also been raised by the original plaintiffs in the year 2017.

14. The learned counsel for the appellants (original defendant nos.1 and 2) has argued at length that the defendants are using the trademark and their art work from the year 2011 onwards and the objections have been raised for the first time in the year 2017 i.e. after approximately six years and the **suit has been filed only in 2019**, i.e. after approximately eight years.

15. As the suit is pending, we are finally disposing of this appeal but suffice it to say, at this stage, that as per the plaintiffs, the cause of action has arisen from the date of their knowledge i.e. from the year 2010 and in a replication, it has been mentioned by the original plaintiffs that numerous family meetings took place from the year 2010 to 2018 in which it is alleged by the original plaintiffs that during these talks, it has been agreed by the appellants (original defendants) that original defendants will not use the

impugned trademark and will use some other marks. There is also a reference in the suit about the fact that the plaintiffs are also contacting with Railway authorities and the said Railway authorities have also informed the original plaintiffs about the use of deceptively similar mark by these appellants (original defendants).

16. Reference in this regard may be made to the decision in ***Corn Products Refining Co. vs. Shangrila Products Ltd.***, **AIR 1960 SC 142** where the dispute was regarding two rival marks ‘Gluvita’ and ‘Glucovita’, in paragraphs 17, 18 and 19, it was held as under:-

“17. We have already said that in our view the mark ‘Glucovita’ has acquired a reputation among the general buying public. The first question that then arises is whether the marks ‘Glucovita’ and ‘Gluvita’ are so similar as to be likely to cause confusion to the buying public or deceive them. On this matter, we have not the advantage of the view of the learned appellate Judges of the High Court. They did not express any view on this aspect of the question at all. We are however inclined to think that their answer to the question would have been in the affirmative. However that may be, the Deputy Registrar felt that the words were not so similar as to be likely to give rise to confusion or to cause deception. He felt that the syllable ‘co’ in the appellant's mark was an emphatic characteristic and was not likely to be slurred over. He apparently felt that this syllable would prevent any confusion arising between the two marks or any person being deceived by the use of them both. He thought that the test laid down in what is called the “*Ovax*” case (*In re: an application by Smith Hayden and Co. Ltd.*) [63 RPC 97] should be applied and that the emphatic characteristic of the second syllable in the mark “Glucovita” should decide that there was no likelihood of confusion arising. Desai, J., thought that the Deputy Registrar was wrong.

18. We think that the view taken by Desai, J., is right. It is well known that the question whether the two marks are likely

to give rise to confusion or not is a question of first impression. It is for the court to decide that question. English cases proceeding on the English way of pronouncing an English word by Englishmen, which it may be stated is not always the same, may not be of much assistance in our country in deciding questions of phonetic similarity. It cannot be overlooked that the word is an English word which to the mass of the Indian people is a foreign word. It is well recognised that in deciding a question of similarity between two marks, the marks have to be considered as a whole. So considered, we are inclined to agree with Desai, J., that the marks with which this case is concerned are similar. Apart from the syllable “co” in the appellant's mark, the two marks are identical. That syllable is not in our opinion such as would enable the buyers in our country to distinguish the one mark from the other.

19. We also agree with Desai, J., that the idea of the two marks is the same. The marks convey the ideas of glucose and life giving properties of vitamins. *The Aquamatic case (Harry Reynolds v. Laffeaty's Ld.)* [1958 RPC 387] is a recent case where the test of the commonness of the idea between two marks was applied in deciding the question of similarity between them. Again, in deciding the question of similarity between the two marks we have to approach it from the point of view of a man of average intelligence and of imperfect recollection. To such a man the overall structural and phonetic similarity and the similarity of the idea in the two marks is reasonably likely to cause a confusion between them.”

(emphasis supplied)

17. In *Amritdhara Pharmacy Vs. Satya Deo Gupta*, **AIR 1963 SC 449** where the respondent had applied for registration of the trade mark ‘Lakshmandhara’ which was opposed by the appellants claiming that the respondent’s trade mark ‘Lakshmandhara’ was deceptively similar and could be passed off for the appellants product ‘Amritdhara’, Hon’ble the Supreme Court in paragraphs 6, 7 and 8 observed that:-

“6. It will be noticed that the words used in the sections and relevant for our purpose are “likely to deceive or cause confusion”. The Act does not lay down any criteria for determining what is likely to deceive or cause confusion. Therefore, every case must depend on its own particular facts, and the value of authorities lies not so much in the actual decision as in the tests applied for determining what is likely to deceive or cause confusion. On an application to register, the Registrar or an opponent may object that the trade mark is not registrable by reason of clause (a) of Section 8, or sub-section (I) of Section 10, as in this case. In such a case the onus is on the applicant to satisfy the Registrar that the trade mark applied for is not likely to deceive or cause confusion. In cases in which the tribunal considers that there is doubt as to whether deception is likely, the application should be refused. A trade mark is likely to deceive or cause confusion by its resemblance to another already on the Register if it is likely to do so in the course of its legitimate use in a market where the two marks are assumed to be in use by traders in that market. In considering the matter, all the circumstances of the case must be considered. As was observed by Parker, J., in *Pianotist Co Application* [(1906) 23 RPC 774] which was also a case of the comparison of two words.

“You must take the two words. You must judge them, both by their look and by their sound. You consider the goods to which they are to be applied. You must consider the nature and kind of customer who would be likely to buy those goods. In fact you must consider all the surrounding circumstances; and you must further consider what is likely to happen if each of those trade marks is used in a normal way as a trade mark for the goods of the respective owners of the marks.” (p. 777)

For deceptive resemblance two important questions are: (1) who are the persons whom the resemblance must be likely to deceive or confuse, and (2) what rules of comparison are to be adopted in judging whether such resemblance exists. As to confusion, it is perhaps an appropriate description of the state of

mind of a customer who, on seeing a mark thinks that it differs from the mark on goods which he has previously bought, but is doubtful whether that impression is not due to imperfect recollection. (See *Kerly on Trade Marks*, 8th Edition, p. 400.)

7. Let us apply these tests to the facts of the case under our consideration. It is not disputed before us that the two names “Amritdhara” and “Lakshman-dhara” are in use in respect of the same description of goods, namely a medicinal preparation for the alleviation of various ailments. Such medicinal preparation will be purchased mostly by people who instead of going to a doctor wish to purchase a medicine for the quick alleviation of their suffering, both villagers and townsfolk, literate as well as illiterate. As we said in *Corn Products Refining Co. v. Skangrila Food Products Ltd.* [(1960) (1) SCR 968] the question has to be approached from the point of view of a man of average intelligence and imperfect recollection. To such a man the overall structural and phonetic similarity-of the two names “Amritdhara” and “Lakshmandhara” is, in our opinion, likely to deceive or cause confusion. We must consider the overall similarity of the two composite words “Amritdhara” and “Lakshmandhara”. We do not think that the learned Judges of the High Court were right in saying that no Indian would mistake one for the other. An unwary purchaser of average intelligence and imperfect recollection would not, as the High Court supposed, split the name into its component parts and consider the etymological meaning thereof or even consider the meaning of the composite words as “current of nectar” or “current of Lakshman”. He would go more by the overall structural and phonetic similarity and the nature of the medicine he has previously purchased, or has been told about, or about which has otherwise learnt and which he wants to purchase. Where the trade relates to goods largely sold to illiterate or badly educated persons, it is no answer to say that a person educated in the Hindi language would go by the etymological or ideological meaning and see the difference between “current of nectar” and “current of Lakshman”. “Current of Lakshman” in a literal sense has no meaning; to give it meaning one must

further make the inference that the “current or stream” is as pure and strong as Lakshman of the Ramayana. An ordinary Indian villager or townsman will perhaps know Lakshman, the story of the Ramayana being familiar to him; but we doubt if he would etymologise to the extent of seeing the so-called ideological difference between “Amritdhara” and “Lakshmandhara”. He would go more by the similarity of the two names in the context of the widely known medicinal preparation which he wants for his ailments.

8. We agree that the use of the word “dhara” which literally means “current or stream” is not by itself decisive of the matter. What we have to consider here is the overall similarity of the composite words, having regard to the circumstance that the goods bearing the two names are medicinal preparations of the same description. We are aware that the admission of a mark is not to be refused, because unusually stupid people, “fools or idiots”, may be deceived. A critical comparison of the two names may disclose some points of difference, but an unwary purchaser of average intelligence and imperfect recollection would be deceived by the overall similarity of the two names having regard to the nature of the medicine he is looking for with a somewhat vague recollection that he had purchased a similar medicine on a previous occasion with a similar name. The trade mark is the whole thing-the whole word has to be considered. In the case of the application to register “Erectiks” (opposed by the proprietors of the trade mark “Erector”) Farwell, J., said in *William Bailey (Birmingham) Ltd. Application* [(1935) 52 RPC 137] :

“I do not think it is right to take a part of the word and compare it with a part of the other word; one word must be considered as a whole and compared with the other word as a whole.... I think it is a dangerous method to adopt to divide the word up and seek to distinguish a portion of it from a portion of the other word.””

(emphasis supplied)

18. In *Cadila Health Care Ltd. v. Cadila Pharmaceuticals Ltd.*, (2001) 5 SCC 73 where the question pertained to the deceptive similarity between brand names ‘Falcitab’ and ‘Falcigo’, the Hon’ble Supreme Court in paragraphs 19, 31 and 33 observed as under:-

“19. With respect, we are unable to agree that the principle of phonetic similarity has to be jettisoned when the manner in which the competing words are written is different and the conclusion so arrived at is clearly contrary to the binding precedent of this Court in *Amritdhara case* [AIR 1963 SC 449] where the phonetic similarity was applied by judging the two competing marks. Similarly, in *Durga Dutt Sharma case* [AIR 1965 SC 980] it was observed that: (AIR p. 990, para 28)

“In an action for infringement, the plaintiff must, no doubt, make out that the use of the defendant's mark is likely to deceive, but where the similarity between the plaintiffs and the defendant's mark is so close either visually, phonetically or otherwise and the court reaches the conclusion that there is an imitation, no further evidence is required to establish that the plaintiff's rights are violated.”

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31. Trade mark is essentially adopted to advertise one's product and to make it known to the purchaser. It attempts to portray the nature and, if possible, the quality of the product and over a period of time the mark may become popular. It is usually at that stage that other people are tempted to pass off their products as that of the original owner of the mark. That is why it is said that in a passing-off action, the plaintiff's right is

“against the conduct of the defendant which leads to or is intended or calculated to lead to deception. Passing-off is said to be a species of unfair trade

competition or of actionable unfair trading by which one person, through deception, attempts to obtain an economic benefit of the reputation which another has established for himself in a particular trade or business. The action is regarded as an action for deceit". [See *Wander Ltd. v. Antox India (P) Ltd.* [1990 Supp SCC 727] , SCC p. 734, para 16.]

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33. The decisions of English courts would be relevant in a country where literacy is high and the marks used are in the language which the purchaser can understand. While English cases may be relevant in understanding the essential features of trade mark law but when we are dealing with the sale of consumer items in India, you have to see and bear in mind the difference in situation between England and India. Can English principles apply in their entirety in India with no regard to Indian conditions? We think not. In a country like India where there is no single common language, a large percentage of population is illiterate and a small fraction of people know English, then to apply the principles of English law regarding dissimilarity of the marks or the customer knowing about the distinguishing characteristics of the plaintiff's goods seems to overlook the ground realities in India. While examining such cases in India, what has to be kept in mind is the purchaser of such goods in India who may have absolutely no knowledge of English language or of the language in which the trade mark is written and to whom different words with slight difference in spellings may sound phonetically the same. While dealing with cases relating to passing off, one of the important tests which has to be applied in each case is whether the misrepresentation made by the defendant is of such a nature as is likely to cause an ordinary consumer to confuse one product for another due to similarity of marks and other surrounding factors. What is likely to cause confusion would vary from case to case. However, the appellants are right in contending that where medicinal products are involved, the test to be applied for

adjudging the violation of trade mark law may not be on a par with cases involving non-medicinal products. A stricter approach should be adopted while applying the test to judge the possibility of confusion of one medicinal product for another by the consumer. While confusion in the case of non-medicinal products may only cause economic loss to the plaintiff, confusion between the two medicinal products may have disastrous effects on health and in some cases life itself. Stringent measures should be adopted specially where medicines are the medicines of last resort as any confusion in such medicines may be fatal or could have disastrous effects. The confusion as to the identity of the product itself could have dire effects on the public health.”

(emphasis supplied)

19. In ***Vikram Stores & Anr. vs. S.N.Perfumery Works & Anr.***, **AIR 2008 GUJ 65**, rendered by one of us (D.N.Patel, Chief Justice), where the issue pertained to the deceptive similarity between the marks ‘RANGOLI’ and ‘RANGILI’, and in paragraphs 4(iii) and 4 (vii) it was observed that:-

“4. Having heard the learned advocates for both the sides and looking to the facts and circumstances of the case, the impugned order passed by the trial Court is hereby quashed and set aside mainly for the following facts and reasons:

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(iii) Looking to the trade mark of the original plaintiffs and looking to the label which the plaintiffs are using, the word RANGOLI is an essential feature and predominant part. This essential feature and predominant part of the label namely word RANGOLI is an eye catching so far as customer is concerned. This eye catching, apparent and therefore, predominant part or essential feature of the label or predominant part of the trade mark with practically no change has been used by the defendants as RANGILI. Both colour as well as size of the words RANGOLI and RANGILI are deceptively similar. Even style of writing of these two words is

deceptively similar for a man of imperfect recollection and of an average intelligence.

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(vii) It has been held by the Hon'ble Supreme Court in the case of *Corn Products Refining Co. v. Shangrila Food Products Ltd.* reported in AIR 1960 SC 142, especially in Paragraphs 17 and 18 as under:

“17. We think that the view taken by Desai, J. is right. It is well known that the question whether the two marks are, likely to give rise to confusion or not in a question of first impression. It is for the Court to decide that question. English cases proceeding on the English way of pronouncing an English word by Englishmen, which it may be stated is not always the same may not be of much assistance in our Country in deciding question of phonetic similarity. It cannot be overlooked that the word is an English word which to the mass of the Indian people is a foreign word. It is well recognised that in deciding a question of similarity between two marks, the marks have to be considered as a whole. So considered, we are inclined to agree with Desai, J. that the marks with which this case is concerned are similar. Apart from the syllable “co” in the appellant's mark, the two marks are identical. That syllable is not in our opinion such as would enable the buyers in our country to distinguish the one mark from the other.

18. We also agree with Desai, J. that the idea of the two marks is the same. The marks convey the ideas of glucose and life giving properties or vitamins. The Aquamatic case (*Harry Reynolds v. Laffeaty's Ltd*) 1958 RPC 887 is a recent case where the test of the commonness of the idea between two marks was applied in deciding the question of similarity between them. Again, in deciding the question of

similarity between the two marks we have to approach it from the point of view of a man of average intelligence and of imperfect recollection. To such a man the overall structural and phonetic similarity and the similarity of the idea in the two marks is reasonably likely to cause a confusion between them.”

(Emphasis supplied)

Thus, from the aforesaid judgment, it is clear whether the trade marks are likely to create confusion or not in question of first impression. It is for the Court to decide that question. Looking to the similarity between marks used by the plaintiffs and the original defendants, they are likely to create confusion at first impression. The manner in which mark RANGOLI is written which is a trade mark of the original plaintiffs which is a Hindi version in Devnagri script, is overall structurally (colour, size, length, breadth and scriptwise) and phonetically similar to the mark RANGILI used by the original defendants. The person who is going to purchase Agarbatti (essence stick) will be prima facie deceived by the mark used by the defendants. Thus, from the view point of the consumer, of an imperfect recollection and of an average intelligence, there will be a confusion, if the defendants are allowed to use the mark RANGILI which is visually, structurally and phonetically much similar to the trade mark RANGOLI used by the original plaintiffs.”

(emphasis supplied)

20. Thus, the aforesaid facts constitute a prima facie case in favour of the plaintiffs. Moreover, balance of convenience is also in favour of the original plaintiffs and if the stay as prayed for is not granted, it will cause an irreparable loss to the plaintiffs. These aspects of the matter have been properly appreciated by the learned Single Judge while passing an **order dated 26.08.2019** (Annexure A-1) read with the **order dated 21.06.2019** (Annexure A-2) **in IA No.8584/2019** preferred under Order XXXIX Rules

1 and 2 CPC in **CS (Comm.) No.330/2019**. No error has been committed by the learned Single Judge while deciding **IA No.8584/2019**. We are in full agreement with the reasons given by the learned Single Judge in the **order dated 26.08.2019** read with order **dated 21.06.2019** and no error has been committed by the learned Single Judge in dismissing the application preferred by the appellants (original defendants) being **IA No.8855/2019** (preferred by the defendants for vacating ad interim stay), in **CS (Comm.) No.330/2019**. Hence, there is no substance in this First Appeal from Order and the same is, therefore, dismissed.

C.M.No.46263 /2019 (stay) & C.M.No.46264/2019 (Addl. documents)

1. Both these Civil Miscellaneous Applications are disposed of in view of the final order passed **in FAO(OS) (Comm.) 295/2019**.
2. It is made clear that as and when the suit is to be decided by the learned Single Judge, the same will be decided on its own merits in accordance with law and on the basis of the evidences on record and without being influenced by the observations in this First Appeal from Order.

CHIEF JUSTICE

C.HARI SHANKAR, J

DECEMBER 05, 2019/aa