

IN THE HIGH COURT OF JUDICATURE AT MADRAS

Reserved on : 10.12.2020

Pronounced on : 23.12.2020

CORAM

THE HONOURABLE MR. JUSTICE C.V.KARTHIKEYAN

O.A.Nos.488 to 490 of 2020

in

C.S.(Comm.Div) No.427 of 2015

Hindustan Unilever Limited,
101, Santhome High Road,
Chennai - 600 028.

... Applicant/Applicant/Plaintiff
(in all Original Applications)

Vs.

1.Roopa Industries
Rep by Mr.Satish Honnahalli
Gadag Industrial Area,
Kanaganahalli Road,
Betageri, Gadag,
Karnataka.

2.New Hindustan Petro Chemicals
Gadag,
Karnataka – 582 120.

... Respondent/Respondent/Defendant
(in all Original Applications)

Prayer in O.A.No.488 of 2020:- This Original Application filed under Order XIV Rule 8 of Original Side Rules read with Order XXXIX Rule 1 & 2 of C.P.C., and Section 151 of the C.P.C., praying that this Court be pleased to grant an ad interim injunction restraining the Respondents their distributors, printers, stockist, servants, agents, retailers, representatives, franchisees or any other person claiming through or under them from in any manner infringing the Applicant's registered trademarks WHEEL and/or ACTIVE WHEEL by printing, stocking, manufacturing, selling, offering for sale, stocking, advertising directly or indirectly, any goods, and in particular washing powder or washing bar, employing the trademark Double Whale or Double Wheel either per se or in combination with other mark, and/or any other mark or device either in English or any other language, which is identical / deceptively similar to the Applicant's registered trademarks WHEEL or ACTIVE WHEEL or in any other manner whatsoever, pending disposal of the Suit.

Prayer in O.A.Nos.489 of 2020:- This Original Application filed under Order XIV Rule 8 of Original Side Rules read with Order XXXIX Rule 1 & 2 of C.P.C., and Section 151 of the C.P.C., praying that this Court be pleased to grant an ad interim injunction restraining the Respondents, their distributors, stockists, servants, agents, retailers, representatives, franchisees or any other person claiming under them from in any manner manufacturing, selling, offering for sale, stocking, advertising directly or indirectly, any products, and in particular washing powder or washing bar, under the trademark DOUBLE WHALE and/or DOUBLE WHEEL either per se or in combination with other mark or device either in

English or any other language and on in any label / mark which is identical with or deceptively similar to the Applicant's well known registered trademarks WHEEL or ACTIVE WHEEL including the Applicant's various trade dress filed as Plaintiff Document No.3, so as to pass off the Respondent's goods as and for the goods of the Applicant or in any other manner whatsoever connected with the Applicant, pending disposal of the suit.

Prayer in O.A.No.490 of 2020:- This Original Application filed under Order XIV Rule 8 of Original Side Rules read with Order XXXIX Rule 1 & 2 of C.P.C., and Section 151 of the C.P.C., praying that this Court be pleased to grant an ad interim injunction restraining the Respondents, their distributors, stockiest, servants, agents, retailers, representatives or any other person claiming under them from in any manner committing acts of copyright infringement by printing, stocking, manufacturing, selling, offering for sale, stocking, advertising directly or indirectly, any goods, and in particular washing powder or washing bar, under any label / or colour scheme which is identical with or substantially and deceptively similar to the Applicant's various artistic labels as contained in Plaintiff Document No.3 or in any other manner whatsoever, pending disposal of the suit.

For Plaintiff : Mr.Satish Parasaran, Senior Counsel

For Defendants : Mr.ARL.Sundaresan, Senior Counsel

COMMON ORDER

These Original Applications have been filed by the Plaintiff in the Suit seeking to restrain the Defendants from infringing the Plaintiff's registered trademarks 'Wheel / Active Wheel' by using the trademark 'Double Whale' or 'Double Wheel' and from passing off the products of the Defendants' as if they are the products of the Plaintiff and for an order of injunction restraining the Defendants from infringing the copyright and the artistic label of the Plaintiff.

2. These Applications came up for consideration on 16.10.2020. An order of interim injunction was granted in O.A.Nos.488, 489 and 490 of 2020. Counter was directed to be filed in O.A.No.491 of 2020. It is to be mentioned that the Applications now under consideration are a continuation of an earlier set of Applications filed by the Plaintiff seeking to protect their registered marks 'Wheel' and 'Active Wheel' and also the copyright for the artistic work of the labels. These Applications have been filed along with the Suit and the Plaintiff had the benefit of ex-parte interim injunction. The Defendant had filed A.Nos. 5066, 5067 and 5068 of

2015 to vacate the injunction. In those Applications recognizing the registration of the trademark of the Plaintiff's and holding that the mark complained by the Plaintiff namely, 'Double Whale' is practically similar to that of the Plaintiff's mark, this Court has made the interim injunctions granted absolute till the disposal of the Suit.

3.In the present Original Applications, it is the grievance of Mr.Satish Parasaran, learned Senior Counsel that having suffered an order of exparte interim injunction from using the mark 'Double Whale', the Defendants have come closer and have commenced to market their washing powder / washing bar under the mark 'Double Wheel'. The learned Senior Counsel pointed out that by usage of the word 'Wheel', the Defendants had actually directly infringed the trademark 'Wheel' which has been registered by the Plaintiff. The Plaintiff has produced the Registration Certificates as documents along with the plaint. The fact that the Plaintiff has registered the trademark 'Wheel' cannot be disputed or denied by the Defendants.

4.A pictorial representation of the Plaintiff's Pouch and the Defendants' Pouch are produced below:

Defendants' Pouch	Plaintiff's Pouch
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5.Pointing out the similarities in the above marks, the learned Senior Counsel insisted that the Court should grant an order of injunction protecting the registered marks of the Plaintiff.

6.A counter had been filed on behalf of the Defendants in which they have stated, quite apart from questioning the maintainability of the

Suit, that the designs of the pouches are totally different and that there is no similarity in the name and design and that there has been no infringement of trademark or copyright or passing off. It had been stated that the Defendants have got a Registration Certificate under the Copyright Act, 1957 in respect of the artistic work 'Double Wheel' / 'Double Safedi' on 06.07.2020. It had been further stated that the product 'Double Wheel' is being sold from 2017 and the registration of the logo and the name had also been obtained. It had been therefore stated that the word 'Wheel' cannot be claimed exclusively by the Plaintiff. Later it had been stated that an Application had filed before the Trademark Registry for registration of the mark 'Double Wheel' / 'Double Safedi'. The differences in the label design had also been pointed out and it had been stated that therefore there would be no possibility of any confusion in the minds of any customer with respect to the two products.

7.A reply affidavit had been filed on behalf of the Plaintiff, wherein, it had been reiterated that the Defendants have been continuing to sell 'Double Wheel' detergent product by not mentioning the date of Manufacturing. It had been stated that necessary protection should be given to the Plaintiff.

8.Mr.ARL.Sundaresan, learned Senior Counsel appearing on behalf of the Defendants, however, stated that in view of the registration of the copyright in favour of the 2nd Defendant for the artistic work 'Double Wheel' there cannot be any injunction and also stated that the Defendants have also the benefit of trademark registration of the mark 'Double Wheel' under No.3738874 in Class 35. The learned Senior Counsel stated that the Defendants are manufacturing and marketing their products honestly without any intention to infringe upon the mark or reputation of the Plaintiff and stated that orders of injunction already granted should necessarily be vacated.

9.I have carefully considered the arguments advanced and the materials placed on record.

10.Section 27 of the Trade Marks Act, 1999, is as follows:

***“27. No action for infringement of
unregistered trade mark***

*(1) No person shall be entitled to institute
any proceeding to prevent, or to recover damages
for, the infringement of an unregistered trade*

mark.

(2) Nothing in this Act shall be deemed to affect rights of action against any person for passing off goods or services as the goods of another person or as services provided by another person, or the remedies in respect thereof.”

11.In ***Cadila Health Care Ltd., Vs. Cadila Pharmaceuticals Ltd.***, reported in ***AIR 2001 SC 1952***, the factors to be considered while examining the action for passing off had been stated as follows:-

“42. Broadly stated in an action for passing off on the basis of unregistered trade mark generally for deciding the question of deceptive similarity the following factors to be considered:

a) The nature of the marks i.e. whether the marks are word marks or label marks or composite marks, i.e. both words and label works.

b) The degree of resemblance between the marks, phonetically similar and hence similar in idea.

c) The nature of the goods in respect of which they are used as trade marks.

d) The similarity in the nature, character and performance of the goods of the rival traders.

e) The class of purchasers who are likely to buy the goods bearing the marks they require, on their education and intelligence and a degree of care they are likely to exercise in purchasing and/or using the goods.

f) The mode of purchasing the goods or placing orders for the goods and

g) Any other surrounding circumstances which may be relevant in the extent of dissimilarity between the competing marks.”

12.In (2016) 2 SCC 683 *S.Syed Mohideen Vs. P.Sulochana Bai*,

after trial, the plaintiff's suit was decreed. That decree was upheld by a Division Bench of this Court. The matter finally reached the door steps of the Hon'ble Supreme Court. It was a lis between “Iruttukadai Halwa” and “Tirunelveli Iruttukadai Halwa”. The Hon'ble Supreme Court held that even in a case when both marks are registered, the action of passing

off will lie since the latter user of the mark/name cannot misrepresent his business as that of the business of a prior right holder. It was held that the registration of the trademark by the defendant is no defence to a passing off action. It was held as follows:-

*“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 (1990) 1 WLR 491; (1990) 1 All.E.R. 873 (HL)** 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 (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"".

13.The Hon'ble Supreme Court had laid down that even if there is a registered mark, the prior proprietor of registration can still maintain an Application for passing off.

14.I hold that the other issues regarding registration / objections to registration will have to be decided before the Intellectual Property Appellate Board. It is seen that the Plaintiff's registration of the

trademark 'Wheel' and 'Active Wheel' are far prior to that of the Defendants. The Deeds of Assignment of the artistic work in favour of the Plaintiff is also far prior to that of the Defendants. The Plaintiff have therefore acquired a right to restrain the products of the Defendants from being passed off and sold as if they are the products of the Plaintiff.

15.It has been very clearly held that right to restrain passing off is a right in common law and would apply even if the registered mark has close resemblance to the registered mark.

16.In the instant case, it is seen that the Defendants are using the exact word 'Wheel' which the Plaintiff has protection owing to their registration. This Court had also granted protection to the copyright of the artistic work in the label of the Plaintiff.

17.In view of the fact that the Defendants, pending the Suit, had obtained registration of the copyright of the trademark, on the ground that the Plaintiff is a prior user, there shall be an order of injunction restraining the Defendant from passing off their products as if they are the products of the Plaintiff.

18.The order of interim injunction granted in O.A.No.489 of 2020 is made absolute. Insofar as the O.A.Nos.488 and 490 of 2020 are concerned, the parties are relegated to the appropriate authorities to seek rectification / cancellation of trademark / copyright. The injunctions granted therein are not extended and the Original Applications are closed. No costs.

19.Liberty is however granted to the Plaintiff to raise objections before the concerned Authorities with respect to the registrations granted in favour of the Defendants for the artistic work 'Double Wheel' and for the trademark 'Double Wheel'.

23.12.2020

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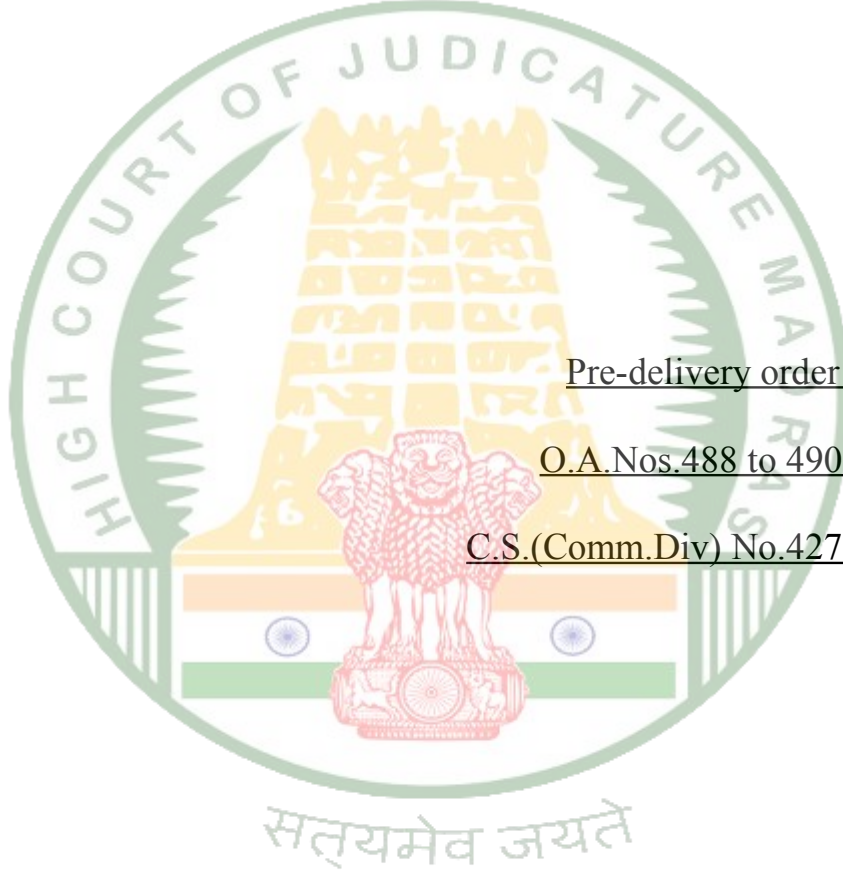
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C.V.KARTHIKEYAN, J.,

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Pre-delivery order made in
O.A.Nos.488 to 490 of 2020
in
C.S.(Comm.Div) No.427 of 2015

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