

\$~

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

Reserved on: 20th August, 2020
Pronounced on: 10th February, 2021

+ I.A. 18292/2019 in CS(COMM) 720/2019
FDC LIMITED Plaintiff
Through: Ms. Shwetasree Majumdar, Mr.
Prithvi Singh and Mr. Karan Kamra, Advs.

versus

FARAWAY FOODS PVT. LTD. Defendant
Through: Mr. Rakesh Sinha and Mr.
Anand Srivastava, Advs.

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

J U D G M E N T

% (Video-Conferencing)

1. By this order, I dispose of I.A. 18292/2019, preferred by the plaintiff FDC Ltd under Order XXXIX Rules 1 and 2 of the Code of Civil Procedure, 1908 (CPC), seeking interim injunction against the defendant M/s Faraway Foods Pvt Ltd, from manufacturing, marketing or selling products under the mark “MUMUM” which, it is alleged, is deceptively similar to the trade mark “MUMMUM”, used by the plaintiff.

Rival Pleadings

2. The plaintiff claims to have coined and adopted the trade mark “MUMMUM” in 1986, and has been continuously and

uninterruptedly using the said trade mark in India since 2008. The trade mark, it is contended, was first used for infant foods. On 28th April, 1986, the plaintiff was granted a manufacturing license, for manufacturing preparations under the trade mark “MUMMUM”. The plaintiff also applied for BIS (Bureau of Indian Standards) certification, for its products being manufactured and sold under the trade mark “MUMMUM” in 2007, and was granted certification as sought.

3. It is claimed, by the plaintiff, that the trade mark “MUMMUM” is fanciful and inherently distinctive, and cannot be treated as descriptive of the product of the plaintiff. By long and continuous use, it is contended that the plaintiff has acquired exclusive rights to use and exploit the trade mark “MUMMUM”. As is customary, the plaintiff has also provided a tabular statement of the audited sales figures of its products being sold under the trade mark “MUMMUM”, during the period 2008-2009 till 2019-2020. By long and continuous use, therefore, it is claimed that the plaintiff has become the owner of the trade mark “MUMMUM”.

4. It is further claimed that, in December 2019, the plaintiff devised a new, unique and distinctive trade dress, for its products bearing the trade mark “MUMMUM”, and also launched food products for kids over 6 months of age, under the trade mark “MUMMUM 2”.

5. Prior adoption and long and continuous user have, therefore, according to the plaintiff, resulted in creation of common law rights in favour of the plaintiff over the trade mark “MUMMUM”. The plaintiff has provided the details of its registered trade marks thus:

Trade mark	Registration No.	Date of application/ registration	Class	Status
MUMMUM	533220	13 th July, 1990	05	Registered
MUMMUM	533221	13 th July, 1990	29	Registered
MUMMUM	533219	13 th July, 1990	30	Registered

The above registrations, it is averred, have been renewed and are currently valid and subsisting. The defendant has filed applications for rectification, before the Registry of Trade Marks, of the aforesaid Registrations 533219 and 533221, granted to the plaintiff, but no decision has been taken thereon. It is further claimed that the plaintiff's products are sold through various websites and are, therefore, nationally popular.

6. The plaintiff claims to have, in May 2018, come across an application filed by the defendant, before the Registry of Trade Marks, for registration of the following trade mark, in Class 30:



7. Asserting that the aforesaid trade mark, which the defendant was seeking to have registered, was deceptively similar to the trade mark of the plaintiff, pre-grant oppositions, to the defendant's trade

mark, were filed, by the plaintiff, before the Registrar of Trade Marks, on various dates, which have been tabulated, in the plaint, thus:

Trade mark No.	Opposition No.	Trade mark	Class	Date of Filing the Opposition
3491119	946763		30	6 th August, 2018
3714794	996289		29	12 th July, 2019
3714796	996292		29	12 th July, 2019
3714798	996291		29	12 th July, 2019
3714797	996290		30	12 th July, 2019
3714793	1002884		35	23 rd August, 2019

3714795	1010664		30	18 th October, 2019
3714799	1010665		30	18 th October, 2019

8. The plaintiff also relies on the fact that the defendant applied for registration of the word mark “MUMUM” in Class 30, but withdrew the application on 4th November, 2016. This, it is asserted, was consequent to the examination report of the Registrar of Trade Marks.

9. The essential and most prominent part of the defendant’s device mark, submits the plaintiff, is the word ‘MUMUM’, which is visually, phonetically and structurally similar to the plaintiffs ‘MUMMUM’ trade mark. The plaintiff’s trade mark having been registered prior in point of time, it is asserted that the defendant cannot be permitted to manufacture or sell its products under the ‘MUMUM’ trade mark. Else, it is submitted, confusion is bound to ensue in the mind of the unwary customer. The defendant is, therefore, it is claimed, guilty both of infringement as well as of passing off its products as those of the plaintiff.

10. The defendant has, in its written statement, contested the case set up by the plaintiff. It is asserted, in the written statement, that the two directors of the defendant-Company are both mothers, who coined the “MUMUM Co” trade mark, to apply to snacks for children of all age groups. It is further stated that, on 24th February, 2017, the



defendant's trade mark was registered in Class 29, and that the defendant is marketing its product, using the said trade mark, since October, 2017. The application of the defendant, for registration of the aforesaid Mark  in Class 30 is, it is submitted, pending before the Registrar of Trade Marks, owing to the opposition filed by the plaintiff.

11. The defendant, in its written statement, has disputed the claim of infringement and passing off, by the defendant, as set up by the plaintiff. The defendant points out that the plaintiff's products are infant milk substitutes, which are covered under the description “food for babies”, in Class 5 of the Fourth Schedule to the Trade Marks Rules, 2017. The website of the plaintiff, it is submitted, does not disclose the use, by the plaintiff, of the aforesaid ‘MUMMUM’ trade mark for any product falling in Class 29 or 30. ‘MUMMUM 2’, it is submitted, which are also infant milk substitutes but intended for babies over 6 months of age, has been sold by the plaintiff only since December 2019. In that respect, therefore, the defendant claims to be the prior adopter and use of its trade mark , in respect of goods falling under Classes 29 and 30.

12. In the Fourth Schedule to the Trade Mark Rules, it may be noted that Class 5 covers “pharmaceutical, veterinary and sanitary preparations, dietetic substances adapted for medical use, *food for babies*, plasters materials for dressings, material for stopping teeth, dental wax, disinfectants”, Class 29 covers “meat, fish, poultry and game, meat extracts, preserved, dried and cooked fruits and vegetables, jellies, jams, eggs, milk and milk products, edible oils and fats, salad dressings”, and Class 30 covers “flour and preparations made from cereals”.

13. The defendant also disputes the assertion, of the plaintiff, that there is any likelihood of confusion, between the plaintiff’s and the defendant’s trade marks. In this context, it is pointed out that the plaintiff’s products are regulated by the Infant Milk Substitutes, Feeding Bottles and Infant Foods (Regulation of Production, Supply and Distribution) Act, 1992 (hereinafter referred to as “the Infant Milk Substitutes Act”), which strictly prohibits direct or indirect advertisement or promotion of the plaintiff’s product. It is submitted that the plaintiff’s products could be obtained only on the advice of health workers. In view thereof, the defendant submits that the plaintiff’s and the defendant’s products belong to different classes altogether, which are used by different categories of consumers. Besides, points out the defendant, even visually, the products of the plaintiff and the defendant are completely distinct, and there is no scope for confusion between them. A tabular comparison of the products of the plaintiff and the defendant is provided, in the plaint, thus:

<u>Plaintiff's product bearing the mark MumMum</u>	<u>Defendant's Products bearing the device mark</u>
	
	
	
	

	
	
	
	
	



14. The defendant contends that the plaintiff's products are not available in retail stores or general stores, but could only be obtained in pharmacies, on the advice of health workers. As against this, the defendant's products are sold in over 250 retail shops and online portals.

15. The plaintiff's claim is also sought to be opposed on the ground that the expression 'MUMMUM' is descriptive, as the word "mum" is synonymous with "mother". Further, it is pointed out, though the

trade mark registered in favour of the plaintiff is “MUM-MUM”, the plaintiff is not employing the said registered trade mark, but is manufacturing and clearing its products under the mark “MUMMUM”, omitting the hyphen. The plaintiff cannot, therefore, contend the defendant, claim to be using its registered trade mark. The defendant also points out that its mark is a combination trade mark, which combines the word “MUMUM” with the phrases “The”, “Co” and “VERY VERY VERY REAL”. It cannot, therefore, be said that the defendant’s trade mark is visually, phonetically and structurally similar to that of the plaintiff.

16. The defendant contends that, though the plaintiff obtained registration, for its “MUM-MUM” trade mark, in Classes 29 and 30, as far back as in 1990, it has been squatting over the said trade mark, without manufacturing or marketing any product, falling under Classes 29 or 30, under the said trade mark, till date. In fact, even on this ground, contends the defendant, a case for cancellation of the said trade mark, under clauses (a) and (b) of Section 47(1) of the Trade Marks Act, 1999 (hereinafter referred to as “the Trade Marks Act”) is made out. Further, as  is the defendant’s registered trade mark, in respect of goods falling under Class 29, it is asserted that no case of infringement can lie against the defendant, at the instance of the plaintiff.

17. The defendant, therefore, prays that the suit be dismissed as devoid of merit.

Rival Contentions at the Bar

18. I heard, at length, Ms. Swetashree Majumdar and Mr. Rakesh Sinha, learned counsel for the plaintiff and the defendant, respectively. Learned Counsels have also placed notes of submissions on record.

19. The submissions of Ms. Majumdar may be enumerated thus:

(i) “Use”, as defined in Section 2(2)(c)(i) of the Trade marks Act includes not just physical use, but use in any relation whatsoever. “Usage”, submits Ms. Majumdar, should not be confused with “marketing”. The contention, of the defendant, that the plaintiff was not “using” the allegedly infringed trade marks, in respect of goods covered by Classes 29 and 30 was not, therefore, sustainable. Reliance has been placed, in this context, on the judgments of the Supreme Court in *Hardie Trading Ltd v. Addisons Paint & Chemicals Ltd*¹ and *Kabushiki Kaisha Toshiba v Toshiba Appliances Co. Ltd*² as well as of this Court in *Pfizer Products Inc v Rajesh Chopra*³. Ms. Majumdar points out that “use”, or working, of the trade mark, started from the point of its adoption, and not from the point of sale of goods, bearing the trade mark, in the market.

¹(2003) 11 SCC 92

²(2008) 10 SCC 766

³2007 (142) DLT 300

(ii) Without prejudice, absence of use, by the plaintiff, of its registered trade mark, did not entitle the defendant to infringe it, so long as the plaintiff was the prior adopter, as held in *Poison Ltd. v. Polson Dairy Ltd.*⁴. As such, submits Ms. Majumdar, the registration of the plaintiff's trade marks in Class 5, coupled with the phonetic identity between the plaintiff's and the defendant's trade marks, and the fact that the marks were used on goods which were at least allied or similar, was sufficient to make out a case of infringement, by the defendant, of the plaintiff's trade marks.

(iii) The withdrawal, by the defendant, of its application, dated 4th November, 2016, for registration of the word mark "MUMUM", in Classes 29 and 30, which was based on "proposed use", consequent to objection by the Registry of Trade marks on the basis of the similarity of the said word Mark with the prior registration as held by the plaintiff, amounted to an acceptance, by the defendant, of the said similarity.

(iv) Allegations of infringement could not be traversed by pleading dissimilarity. Section 29(2) of the Trade Marks Act encompassed infringement by use of similar marks, in respect of similar goods, but similarity was not to be viewed by reference to the classification of goods in the Schedule to the Trade Marks Rules. Reliance was placed, for this proposition,

⁴1994 (56) DLT 102

on the judgment of this Court in *FDC Ltd v. Docsuggest Healthcare Services Pvt Ltd*⁵.

(v) The test, for assessing whether infringement had, or had not, taken place, was to test similarity, and not dissimilarity. For this purpose, the plaintiff cites *Cadila Health Care Ltd v. Cadila Pharmaceuticals Ltd*⁶.

(vi) The tests of phonetic and visual similarity were disjunctive, and not conjunctive. Satisfaction of either test resulted in proof of infringement. For this purpose, the plaintiff cites the judgments of this Court in *South India Beverages Pvt Ltd v. General Mills Marketing Inc.*⁷ and *Inter Ikea Systems BV v. Annanya Gautam*⁸.

(vii) So long as the plaintiff's trade mark possessed "distinctive character and repute", similarity of goods was not a *sine qua non* for infringement, under Section 29(4) of the Trade Marks Act, as held by this Court in *Bloomberg Finance LP v. Praful Saklecha*⁹.

(viii) Even usage of the domain name, or email ID, involving the trade mark of another, could result in infringement. For this purpose, reliance has been placed on the judgments of this Court in *World Book Inc. v. World Book Company (P) Ltd*¹⁰

⁵2017 SCC OnLine Del 6381

⁶(2001) 5 SCC 73

⁷(2015) 61 PTC 231 (DB)

⁸2018 SCC OnLine Del 11665

⁹2014 (207) DLT 35

¹⁰2014 (215) DLT 511 : (2014) 60 PTC 467

and of the High Court of Madras in *ISSAC ISAAC Mathai v. Sowkhya Way 2 Health P. Ltd*¹¹.

(ix) The dominant part of the defendant's mark was the word "MUMUM". This was also apparent from the defendant's domain name which was www.mumumco.com, as well as from the trading style adopted by the defendant on its social media and other websites.

(x) "MUMUM" and "MUMMUM" were phonetically identical. Phonetic similarity was to be gauged, under Section 29 (9) of the Trade Marks Act on the basis of the spoken use of the words.

(xi) Even applying the principle of initial interest confusion, a clear case of infringement, by the defendant, of the plaintiff's trade mark was made out.

(xii) Ms. Majumdar has also relied on promotional literature of the defendant, which contains the caption "The MUMMUM all mothers need!" This, she submits, clearly betrayed the defendant's intention of causing actual confusion.

(xiii) The two marks were being used for similar goods, the defendant's mark being used for food for children and the plaintiff's mark being used for food for babies. The customer base for the products was, therefore, also the same, i.e. children. This, of course, was without prejudice to the submission that,

¹¹2013 (56) PTC 537 (Mad)

even if the marks were used for goods which were not similar, a case of infringement would, nevertheless, exist.

(xiv) A logo registration did not confer rights over the word contained in the logo. Reliance was placed, for this purpose, on *Ikea Systems BV*⁸.

(xv) The judgment of the Supreme Court in *Nandhini Deluxe v. Karnataka Co-operative Milk Producers Federation Ltd*¹², on which Mr. Sinha placed reliance, was distinguishable. In that case, the Supreme Court was examining whether two trade marks could be allowed to coexist on the register. It was not examining an allegation of infringement or passing off. The Supreme Court held against the respondent, before it, on the ground that the respondent had failed to demonstrate distinctiveness in its trade mark in the short period between adoption and use by the appellants before the Supreme Court.

(xvi) The reliance, by Mr. Sinha, on the Infant Milk Substitutes Act, was misplaced. The plaintiff's registration was not for Infant Milk Substitutes nor was the regulatory permission obtained by the plaintiff limited to infant milk substitutes. There was, therefore, no such restriction on the goods which the plaintiff could clear under the brands MUMMUM or MUMMUM 2.

(xvii) While it was true that the Infant Milk Substitutes Act prohibited consumer focused advertisement, there was no

¹²(2018) 9 SCC 183

regulatory embargo on promoting products through other channels, such as medical representatives, or directly to healthcare workers or doctors. In this connection, reliance was placed on the promotional expenses incurred by the plaintiff.

(xviii) It was also incorrect to aver that the plaintiff's product could be purchased only on the prescription of a healthcare worker. Consultation with healthcare workers found place in the information published on the containers in which the plaintiff sold its goods, but there was no restriction or prohibition on sale of the product at chemists or other licensed retail establishments. In fact, contends Ms. Majumdar, both the plaintiff's and the defendant's products were sold on the 1mg.com website.

(xix) In any event, the Infant Milk Substitutes Act governs the method of sale and promotion of a class of products, and could not have the effect of extinguishing the plaintiff's trade mark rights. For this purpose, the plaintiff cites *Playboy Enterprises v. Bharat Malik*¹³.

(xx) Finally, relying on the judgments of this Court in *Automatic Electric Ltd. v. R. K. Dhawan*¹⁴ and *Anchor Health & Beauty Care Ltd v. Proctor & Gamble Mfg. Co. Ltd*¹⁵, Ms. Majumdar contends that, having themselves claimed trade mark

¹³ 2001 (91) DLT 321

¹⁴ 1999 (77) DLT 292 : (1999) 19 PTC 81

¹⁵ (2014) 59 PTC 105

rights over identical and similar marks, the defendant cannot contend that the plaintiff's trade mark is descriptive in nature.

20. Responding to Ms. Majumdar's submissions, Mr. Sinha contends thus:

(i) The plaintiff's trade mark, of which it was seeking protection, was descriptive in nature, as the word "Mum" meant "mother". The mark "MUMMUM" was also descriptive of the products sold under the Mark, as the product was in the nature of a mother's milk substitute, for consumption by infants.

(ii) The plaintiff was not using its registered trade mark, which was "MUMMUM", with a hyphen between the two "Mum"s. The plaintiff could not, therefore, allege that there was infringement of its registered trade mark.

(iii) The defendant's trade mark  was in the nature of a combination Mark, combining the words "The MUMUM Co", with the words "very, very, very real". While comparing rival trade marks, it was not permissible to dissect, or vivisect, the trade marks or trade names and then compare individual parts thereof. The marks were required to be compared as a whole, and not in pieces. On comparison as a whole, there was no phonetic, visual or structural similarity between the plaintiff's trade mark "MUMMUM", and the defendant's trade mark



(iv) The plaintiff was not manufacturing any product, falling in Classes 29 and 30 of the classification of products in the Schedule to the Trade Mark Rules. Infant food, which was being sold by the plaintiff under its “MUMMUM” trade mark, fell within Class 5 of the Schedule to the Rules. It was consumable only by babies up to the age of 6 months. For this purpose, Mr. Sinha relies on the label of the plaintiff “MUMMUM 1” product, which bears the caption “Birth Weight Doubles by 4-6 Months – Provide them Right Nutrition”, and specifically contains the following depiction:



Similarly, it is contended that the product “MUMMUM 2” was also intended for babies over the age of 6 months, to be used “when the mother’s milk is not available”. Mr. Sinha has invited my attention, for this purpose, on the label on the “MUMMUM 2” container, which looks like this:



Both “MUMMUM” as well as “MUMMUM 2”, therefore, contends Mr. Sinha, are infant milk substitutes, suitable for consumption only by babies. These products could not be treated as covered by Classes 29 or 30, whereunder Registration No. 533221 and 533219 had been granted to the plaintiff. As against this, the defendant was manufacturing and selling wholesome snacks prepared from fruits, vegetables, grains, cereals, etc., which were clearly classifiable under Classes 29 and 30. The products of the defendant were intended to serve as healthy snacks, particularly for children who were either suffering from malnutrition or were obese. They were meant for children of over two years of age, who could eat solid foods. They were unsuitable for use by infants, but could easily be consumed by adults. Even the category of users of the plaintiff’s and the defendant’s products were, therefore, different. They are, therefore, catering to different customer bases.

(v) A bare comparison of the label on the container of the plaintiff, vis-à-vis the packages in which the defendant was selling its products, would belie any possibility of confusion between the two.

(vi) Besides, the plaintiff's products were regulated by the Infant Milk Substitutes Act, which clearly prohibited direct or indirect advertisement/promotion of the product. The said Act also prohibited usage or sale of the product, except on the advice of a health workers engaged in the healthcare of mothers, infants and pregnant women. The plaintiff could not, therefore, advertise or promote its products. As against this, there was extensive advertisement and promotion of the defendant's products. Even for this reason, there was no possibility of confusion, between the products of the plaintiff and the defendant.

(vii) The plaintiff's and the defendant's products were not sold at the same retail outlets. The plaintiff's products were not available in any retail shop or general store, where the defendant's products were sold. The plaintiff's infant milk substitutes were sold only through pharmacies and chemists, on the advice of health workers. The defendant's products, *per contra*, were openly sold through retail shops and online shopping portals.

(viii) In respect of foods which could be consumed by infants/children over the age of six months, the plaintiff

commenced manufacture of its “MUMMUM 2” product only in 2019, whereas the defendant had commenced use of its trade mark in October 2017.

(ix) For the proposition that phonetic similarity of the part of the name contained in the plaintiff’s and defendant’s trade marks would not make out a case of infringement, Mr. Sinha relied on the judgment of the Supreme Court in *Nandhini Deluxe*¹².

(x) Grant of injunction mandated the existence, as a prior requisite, of the presence of a *prima facie* case in favour of the plaintiff, coupled with the considerations of balance of convenience and irreparable loss. Mr. Sinha invited attention to the fact that the suit was filed one and half years after May, 2018, when, even according to the averments in the plaint, the cause of action arose. The plaintiff having found no urgency, for 20 months, to move the Court, it could not be said that refusal of interim injunction would result in irreparable loss to the plaintiff.

(xi) Mr. Sinha also contended that the suit was bad for want of territorial jurisdiction, as the plaintiff and the defendant were both located outside the territorial jurisdiction of this Court, which was sought to be invoked solely on the basis of the contention that the defendant’s products were available in Delhi through the Amazon portal.

(xii) Apropos the withdrawal, by the defendant, of its application, preferred on 4th November, 2016 before the Registrar of Trade Marks for registration of the word “MUMUM” in Classes 29 and 30, Mr. Sinha has admitted that the plaintiff did not contain any averment regarding this fact and that, even otherwise, it was irrelevant to the issue at hand. Mr. Sinha also pointed out that, even in affidavits before the Registrar of Trade Marks, the defendant had clarified that the withdrawal of its application was without prejudice to his rights and was essentially intended to avoid multiplicity of proceedings.

In the circumstances, contends Mr. Sinha, no case for grant of ad interims injunction exists.

Analysis

21. One may identify, even at this prima facie stage, the following clear issues, which arise for consideration:

(1) What are the principles governing grant of interim injunction, in trade mark cases? This is, unquestionably, has to be the defining consideration, and it is in the backdrop of the answer to this query that all other queries would have to be examined.

(2) What are the contours of “deceptive similarity”, as a test to ascertain the existence, or non-existence, of infringement?

(3) How does one harmonise the tests of “dominant feature”, with the principle of “non-vivisection”? Mr. Sinha objects to the plaintiff extracting, from the composite part of the defendant, the word “MUMUM”, to allege similarity with the plaintiff’s trade mark. He contends that it is not permissible to vivisect a trade mark in such a fashion, so as to pick out a part of the trade mark and examine whether it is similar to the trade mark of the plaintiff. According to Mr. Sinha, if the  trade mark of the defendant is seen as a whole, and is compared with the trade mark of the plaintiff, there is neither phonetic, nor visual, nor structural, similarity between the two. As against this, Ms. Majumdar submits that the “dominant feature” of the defendant’s trade mark is the word “MUMUM” which is identical, phonetically similar, to the plaintiff’s “MUMMUM” trade mark.

(4) Is mere phonetic similarity, in the absence of visual or structural similarity, enough, to make out a case of infringement? Mr. Sinha would answer in the negative, whereas Ms. Majumdar would answer in the affirmative.

(5) What is the concept of “use”, or “usage”, in the context of trade marks? Can a trade mark which is registered, but which is never used for the product in respect of which registration has been granted, be said to be “used”, within the

meaning of the Trade Marks Act? Again, Mr. Sinha would answer in the negative; Ms. Majumdar in the affirmative.

(6) Are the plaintiff's and defendant's products similar or identical? To what extent is the classification of the competing goods, under the Trade Marks Rules, relevant, in ascertaining similarity or identity of the products being manufactured and sold by the plaintiff and the defendant?

(7) To what extent is "use" or "usage" relevant, in the context of infringement? Can the plaintiff plead infringement, by a defendant, of a trade mark which, though registered in favour of the plaintiff, has never been used by the plaintiff to manufacture or sell the products, in respect of which registration has been granted to it? Yet again, Mr. Sinha would answer in the negative, whereas Ms. Majumdar would answer in the affirmative.

(8) How far is identity of customer base a relevant consideration, while examining a case of infringement? Mr. Sinha emphasises that the customer bases, to which the plaintiff's and defendant's products cater, are totally different, and that the customers for whom the plaintiff's products are intended can never consume the defendant's products, nor, ordinarily, vice versa. Ms. Majumdar submits that, even if the customer bases are not identical, they are, at the least, "allied". This throws into focus the issue of whether the customer bases,

to which the products cater, if a relevant consideration, are required to be identical, or whether it is enough if they are allied. If the latter, the question next arises, as to what “allied” customer bases would be?

(9) What is the “initial interest confusion test”, and how far is it relevant?

(10) Is the defendant estopped from pleading that the plaintiff’s trade mark is descriptive in nature? If not, is the plaintiff’s trade mark descriptive? If so, how far does this affect the case of the plaintiff?

Judicial Authorities

22. The plaintiff has, in the plaint, alleged that the defendant has infringed the registered trade mark of the plaintiff, and has also sought to pass off its goods as those of the plaintiff.

Distinction between infringement and passing off

23. Infringement and passing off are distinct torts which may, however, involve overlapping considerations. An action for infringement essentially seeks to protect the intellectual property right of the holder of a registered trade mark, and is essentially in the nature of a proprietary right, against others who may use trade marks which are deceptively similar to the trade mark of the plaintiff. Proof of the

use of a deceptively similar trade mark, therefore, *ipso facto* confirms the existence of infringement. Nothing more is required.

24. The fact that, by using the same, or a deceptively similar, trade mark, a trader may be infringing the trade mark of prior user does not, however, necessarily lead to the implication that the trader is passing off its goods as those of the registered trade mark holder. In fact, the tort of passing off does not require, for its establishment, the trade mark of the plaintiff to be registered. This is essentially because the tort of passing off is directed against the goods, and not against the mark. Simply put, one infringes a trade mark, but one passes off one's goods as those of another. Usage of a deceptively similar trade mark is only the means by which the tort of passing off is committed. The mere establishment of the fact that the defendant is using the trade mark which is deceptively similar to that of the plaintiff does not, however, necessarily *ipso facto* lead to an inevitable inference of passing off. It is open to the defendant to show, by other means, that, even if the trade mark, used by the defendant, is deceptively similar to that of the plaintiff, the defendant is, nevertheless, not guilty of the tort of passing off, as other factors, seen cumulatively, negate the possibility of the customer being deceived or confused. In ***Satyam Infoway Ltd v. Siffynet Solutions (P) Ltd***¹⁶, it was held that “the passing of action is based on the goodwill that a trader has in his name unlike an action for infringement of a trade mark where a trader's right is based on property in the name as such.” The essence of the

¹⁶(2004) 6 SCC 145

tort of passing off was thus expressed by the Supreme Court, in *Cadila Health Care*⁶:

“The passing-off action depends upon the principle that nobody has a right to represent his goods as the goods of somebody. In other words and is not to sell his goods or services under the pretence that they are those of another person.”

The Supreme Court also and relied, in this context, on the following passage, from *Kaviraj Pt. Durga Dutt Sharma v. Navaratna Pharmaceutical Laboratories*¹⁷ (referred to, hereinafter, as *Durga Dutt Sharma*):

“While an action for passing off is a Common Law remedy being in substance an action for deceit, that is, a passing off by a person of his own goods as those of another, that is not the gist of an action for infringement. The action for infringement is a statutory remedy conferred on the registered proprietor of a registered trade mark for the vindication of the exclusive right to the use of the trade mark in relation to those goods (Vide Section 21 of the Act). The use by the defendant of the trade mark of the plaintiff is not essential in an action for passing off, but is the sine qua non in the case of an action for infringement. No doubt, where the evidence in respect of passing off consists merely of the colourable use of a registered trade mark, the essential features of both the actions might coincide in the sense that what would be a colourable imitation of a trade mark in a passing off action would also be such in an action for infringement of the same trade mark. But there the correspondence between the two ceases. 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 plaintiff's 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. Expressed in another way, if the essential features of the trade mark of the plaintiff have been adopted by the defendant, the fact that the get-up,

¹⁷AIR 1965 SC 980

packing and other writing or marks on the goods or on the packets in which he offers his goods for sale show marked differences, or indicate clearly a trade origin different from that of the registered proprietor of the mark would be immaterial; whereas in the case of passing off, the defendant may escape liability if he can show that the added matter is sufficient to distinguish his goods from those of the plaintiff.”

25. Judgments of the Supreme Court have, over a period of time, delineated, authoritatively, the torts of infringement and passing off, in all their myriad colours and complexions. It would be instructive, therefore, to study, chronologically, some of the pronouncements of the Supreme Court, which have contributed to the crystallisation of the law in this respect.

26. The earliest authoritative pronouncement, in this context, is probably the judgment of the Supreme Court in *National Sewing Thread Co. Ltd v. James Chadwick & Bros. Ltd*¹⁸. The appellant National Sewing Trade Co Ltd (hereinafter referred to as “NSTCL”) and the respondent James Chadwick & Bros Ltd (hereinafter referred to as “JC”) were both engaged in the manufacturing of sewing thread. The trade mark of JC consisted of an eagle with outspread wings, known as the “Eagle” mark. Sewing thread, bearing the Eagle mark was regularly imported into, and sold in, India, on an extensive scale. NSTCL, around 1940, started selling cotton sewing thread, under a mark consisting of the device of a bird with outspread wings perched on a cylinder of cotton sewing thread, with the words “Eagle Brand”, and the name of NSTCL printed on the mark. On JC objecting, NSTCL replaced the words “Eagle Brand”, with the words “Vulture

¹⁸AIR 1953 SC 357

Brand”. In all other respects, the mark remained unchanged. JC alleged that NSTCL was passing off its goods as those of JC. The challenge failed. JC also opposed, before the Registrar of Trade Marks, the application of NSTCL, for registration of its “Vulture Brand” Mark. The Registrar of Trade Marks allowed the opposition and rejected NSTCL’s application. He also held that the use of the words “Vulture Brand”, accompanying the pictorial depiction of an eagle, was misleading and liable to cause confusion. NSTCL appealed against the decision of the Registrar to the High Court of Bombay. A learned Single Judge of the High Court allowed the appeal and directed the Registrar of Trade Marks to register the trade mark of NSTCL. A Letters Patent Appeal, preferred against the decision of the learned Single Judge, was allowed by the Division Bench of the High Court, which restored the order of the Registrar. NSTCL appealed to the Supreme Court.

27. Apparently innocent of the behemoth that infringement and passing off jurisprudence would metamorphose into, with the passage of time, and the volume of litigation it would spawn, the Supreme Court opined that the controversy before it “admitted of an easy answer in spite of a number of hurdles and difficulties suggested during the arguments”. Section 8 of the Trade Marks Act, 1940 (hereinafter referred to as “the 1940 Act”) prohibited the registration of any trade mark, “the use of which would by reason of its being likely to deceive or to cause confusion or otherwise, be disentitled to protection in a court of justice”. The Supreme Court observed that, plainly read, Section 8 did not permit the registration of any trade

mark which was likely to deceive or to cause confusion, irrespective of whether it did, or did not, bear any resemblance with any other trade mark. Para 22 of the report went on to hold as under:

“The principles of law applicable to such cases are well settled. The burden of proving that the trade mark which a person seeks to register is not likely to deceive or to cause confusion is upon the applicant. It is for him to satisfy the Registrar that his trade mark does not fall within the prohibition of Section 8 and therefore it should be registered. Moreover, in deciding whether a particular trade mark is likely to deceive or cause confusion that duty is not discharged by arriving at the result by merely comparing it with the trade mark which is already registered and whose proprietor is offering opposition to the registration of the mark. The real question to decide in such cases is to see as to how a purchaser, who must be looked upon as an average man of ordinary intelligence, would react to a particular trade mark, what association he would form by looking at the trade mark, and in what respect he would connect the trade mark with the goods which he would be purchasing.”

(Emphasis supplied)

Thus was born, in our jurisprudence, the mythical “average man of ordinary intelligence” who, with the passage of time, got transmogrified into the man of “average intelligence and imperfect recollection”.

28. Applying the above test to the facts before it, the Supreme Court held that “the particular feature of the trade mark of the respondents by which the goods are identified and which is associated in the mind of the purchaser is the representation of an eagle appearing in the trade mark”. Thus, held the Supreme Court, if the trade mark conveyed the idea of an eagle, and if an unwary purchaser was likely to accept the goods of the appellant’s as answering the

requisition for Eagle goods, the trade mark of the appellant's was bound to deceive or cause confusion. It was held that "the bird in the appellant's trade mark (was) likely to be mistaken by an average man of ordinary intelligence as an Eagle and if he asked for Eagle goods and he got goods bearing this trade mark of the appellant's it is not likely that he would reject them by saying that this cannot be an Eagle". The act of NSTCL, in "camouflaging an Eagle into a vulture by calling it as such", it was held, was likely to cause confusion. The Supreme Court, examining the mark still further, opined that the bird, in the trade mark of NSTCL, "certainly (did) not represent a vulture or look like a vulture of any form or shape". What had, therefore, been named by NSTCL as a vulture, it was held, was "really an eagle seated in a different posture". NSTCL had, therefore, it was held, failed to discharge the burden, on it, to establish that its trade mark was not likely to deceive or cause confusion.

29. Having thus held against NSTCL on the aspect of infringement, the Supreme Court tellingly underscored the distinction between infringement and passing off, in para 24 of the report, which read thus:

"The learned counsel for the appellants contended that the question whether his clients' trade mark was likely to deceive or cause confusion had been concluded by the earlier judgment of the Madras High Court in the passing off action and already referred to in an early part of the judgment. It is quite clear that the onus in a passing off action rests on a plaintiff to prove whether there is likelihood of the defendant's goods being passed off as the goods of the plaintiffs. It was not denied that the general get up of the appellants' trade mark is different from the general get up of the respondents' trade mark. That being so, it was held by the

Madras High Court in the passing off action that on the meagre material placed on record by the plaintiffs they had failed to prove that the defendants' goods could be passed off as the goods of the plaintiffs. *The considerations relevant in a passing off action are somewhat different than they are on an application made for registration of a mark under the Trade Marks Act and that being so the decision of the Madras High Court referred to above could not be considered as relevant on the questions that the Registrar had to decide under the provisions of the Act.*"

(Emphasis supplied)

Seen in the background of the preceding findings of the Supreme Court, this passage assumes additional significance, in view of the acknowledgement, therein, that "the general get up" of the trade mark of NSTCL was different from that of JC. Even so, as already noted hereinabove, the Supreme Court held the trade mark of NSTCL to be likely to deceive, or cause confusion, in the mind of the "average man of ordinary intelligence".

30. *Corn Products Refining Co. v. Shangrila Food Products Ltd*¹⁹, again, dealt with an application for registration of trade mark, made by the respondent (hereinafter referred to as "Shangrila") and opposed by Corn Products Refining Co (hereinafter referred to as "Corn Products"). Shangrila manufactured biscuits. It applied for registration of the mark "Gluvita" in respect of the biscuits manufactured by it. Corn Products had earlier registered the mark "Glucovita" in respect of glucose powder, used as an ingredient in food. The mark "Glucovita" was also registered in respect of "infants' and invalid's foods". Corn Products opposed the application of Shangrila, for registration of its "Gluvita" Mark. On the ground

¹⁹AIR 1960 SC 142

that biscuits and glucose powder were not goods in the same Class, the opposition was rejected by the Deputy Registrar. In due course of time, the matter travelled to the Supreme Court.

31. The Supreme Court held, at the outset, that Corn Products' mark had acquired a reputation among the public. Thereafter, on the aspect of confusion, the Supreme Court noted that the High Court had proceeded on the ground that the various trade marks existed, bearing the suffix "Gluco" and "Vita", which made it impossible to hold that the common features "Glu" and "Vita" were only associated with the biscuits manufactured by Corn Products. In para 15 and 16 of the report, the Supreme Court went on to hold thus:

"15. Now it is a well recognised principle, that has to be taken into account in considering the possibility of confusion arising between any two trade marks, that, where those two marks contain a common element which is also contained in a number of other marks in use in the same market such a common occurrence in the market tends to cause purchasers to pay more attention to the other features of the respective marks and to distinguish between them by those features. This principle clearly requires that the marks comprising the common element shall be in fairly extensive use and, as I have mentioned, in use in the market in which the marks under consideration are being or will be used.

16. The series of marks containing the common element or elements therefore only assist the applicant when those marks are in extensive use in the market. The onus of proving such user is of course on the applicant, who wants to rely on those marks."

After holding that Shangrila had failed to discharge this burden, the Supreme Court disagreed with the approach, of the Registrar of Trade Marks, who proceeded on the ground that the insertion, between the

syllables “Glu” and “vi” in the trade mark of JC, of the syllable “co” resulted in absence of likelihood of confusion between the two marks. In this context, the Supreme Court held, in paras 18 to 22 of the report, thus:

“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.

20. It was then said that the goods were not of the same description and that therefore in spite of the similarity of the two marks there would be no risk of confusion or deception. We are unable to accept this contention. It is true that we have

to proceed on the basis that the goods are not of the same description for the purposes of Section 10(1) of the Act. But *there is evidence that glucose is used in the manufacture of biscuits. That would establish a trade connection between the two commodities, namely, glucose manufactured by the appellant and the biscuits produced by the respondent. An average purchaser would therefore be likely to think that the respondent's 'Gluvita biscuits' were made with the appellant's 'Glucovita' glucose.* This was the kind of trade connection between different goods which in the “**Black Magic**” case (*In re: an application by Edward Hack [58 RPC 91]*) was taken into consideration in arriving at the conclusion that there was likelihood of confusion or deception. The goods in this case were chocolates and laxatives and it was proved that laxatives were often made with chocolate coatings. We may also refer to the “**Panda**” case (*In re: an application by Ladislav Jelinek [63 RPC 59]*). The goods there concerned were shoes and shoe polishes. It was observed that shoe polishes being used for shoes, there was trade connection between them and that this might lead to confusion or deception though the goods were different. The application for registration was however refused under that section of the English Act which corresponds to Section 8 of our Act on the ground that the opponents, the manufacturers of shoes, had not established a reputation for their trade mark among the public.

21. It is true that in both the abovementioned cases the two competing trade marks were absolutely identical which is not the case here. But that in our opinion makes no difference. *The absolute identity of the two competing marks or their close resemblance is only one of the tests for determining the question of likelihood of deception or confusion. Trade connection between different goods is another such test. Ex hypothesi, this latter test applies only when the goods are different. These tests are independent tests. There is no reason why the test of trade connection between different goods should not apply where the competing marks closely resemble each other just as much as it applies, as held in the “Black Magic” and “Panda” cases, where the competing marks were identical. Whether by applying these tests in a particular case the conclusion that there is likelihood of deception or confusion should be arrived at would depend on all the facts of the case.*

22. It is then said that biscuits containing glucose are manufactured with liquid glucose whereas the appellant's mark only concerns powder glucose. We will assume that only liquid glucose is used in the manufacture of biscuits with glucose. But there is nothing to show that an average buyer knows with what kind of glucose, biscuits containing glucose are or can be made. ... So, a trade connection between glucose and biscuits would appear to be established. We are therefore of opinion that *the commodities concerned in the present case are so connected as to make confusion or deception likely in view of the similarity of the two trade marks*. We think that the decision of Desai, J., was right.”

32. The respondent in *Amritdhara Pharmacy v. Satya Deo Gupta*²⁰, the next in the line of authorities for consideration, desired to register the tradename of a biochemical medicinal preparation commonly known as “Lakshmandhara”, which he claimed to have been using since 1923, and which had achieved a distinctive reputation. The appellant opposed the application on the ground that the word “Amritdhara” was already registered as a tradename for the medicinal preparation manufactured by it, which had been introduced in the market in 1901 and was immensely popular. The preparation being sold under the name “Lakshmandhara” was, it was submitted, the same as that which the appellant sold under the name “Amritdhara”. This, it was contended, was likely to confuse an unwary purchaser in assuming “Lakshmandhara” to be “Amritdhara”. The respondent, needless to say, disputed the allegation of similarity between the names “Amritdhara” and “Lakshmandhara”.

²⁰ AIR 1963 SC 449

33. Two questions were framed by the Supreme Court as arising for its consideration, of which we need advert only to the first, i.e., whether the name “Lakshmandhara” was likely to deceive the public or cause confusion to trade, in the light of Section 8 of the 1940 Act. The test to be applied was thus postulated by the Supreme Court in para 6 of the report, relying on the classical enunciation of the law by Parker, J., in *In re. Pianotist Application*²¹:

“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

²¹(1906) 23 RPC 774

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.)”

(Emphasis supplied)

34. Applying the above tests to the facts before it, the Supreme Court held that there was likelihood of confusion, in the mind of a person of average intelligence and imperfect recollection, between “Amritdhara” and “Lakshmandhara”, in paras 7 and 8 of the report, which read thus:

“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 townfolk, literate as well as illiterate. As we said in **Corn Products Refining Co. v. Shangrila 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.” ”

35. The next significant decision, chronologically, is **Durga Dutt Sharma**¹⁷, in 1964. The respondent Navaratna Pharmaceutical Laboratories (hereinafter referred to as “NPL”) manufactured medicinal products, under the trade marks “Navaratna” and “Navaratna Pharmaceutical Laboratories”. NPL applied for registration of the words “Navaratna Pharmaceutical Laboratories”. The trade mark was registered. In October 1946, Durga Dutt Sharma (hereinafter referred to as “DDS”) applied for registration of the name “Navaratna Kalpa”, in respect of Ayurvedic pharmaceutical products manufactured by it. The application was opposed by NPL, and the opposition was upheld, resulting in refusal of the application for registration filed by DDS. The matter was carried by DDS to court, culminating in the matter reaching the Supreme Court.

36. The first of the issues considered by the Supreme Court was whether the trade mark of DDS, namely “Navaratna Pharmacy” so nearly resembled the trade mark of NPL as to be likely to deceive or cause confusion in the course of trade. At the outset, the Supreme Court observed that it was not in doubt that the words “Navaratna

Pharmacy” and “Navaratna Pharmaceutical Laboratories” were similar, in the manner understood by Section 21 of the 1940 Act. Next, the contention, of the appellant, that, owing to the dissimilarity of the packing in which the goods of NPL and DDS were marketed, there was no possibility of deception or confusion, was rejected by the Supreme Court on the ground that these considerations were relevant to action for passing off, but not for an action for infringement. Qua actions for infringement, the Supreme Court went on to hold, in paras 28 and 29 of the report, as under:

“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 plaintiff's 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. Expressed in another way, if the essential features of the trade mark of the plaintiff have been adopted by the defendant, the fact that the get-up, packing and other writing or marks on the goods or on the packets in which he offers his goods for sale show marked differences, or indicate clearly a trade origin different from that of the registered proprietor of the mark would be immaterial*; whereas in the case of passing off, the defendant may escape liability if he can show that the added matter is sufficient to distinguish his goods from those of the plaintiff.

29. *When once the use by the defendant of the mark which is claimed to infringe the plaintiff's mark is shown to be “in the course of trade”, the question whether there has been an infringement is to be decided by comparison of the two marks. Where the two marks are identical no further questions arise; for then the infringement is made out. When the two marks are not identical, the plaintiff would have to establish that the mark used by the defendant so nearly resembles the plaintiff's registered trade mark as is likely to deceive or cause confusion and in relation to goods in respect of which it is registered (Vide Section 21). A point has sometimes been raised as to whether the words “or cause confusion” introduce*

any element which is not already covered by the words “likely to deceive” and it has sometimes been answered by saying that it is merely an extension of the earlier test and does not add very materially to the concept indicated by the earlier words “likely to deceive”. But this apart, as the question arises in an action for infringement *the onus would be on the plaintiff to establish that the trade mark used by the defendant in the course of trade in the goods in respect of which his mark is registered, is deceptively similar. This has necessarily to be ascertained by a comparison of the two marks — the degree of resemblance which is necessary to exist to cause deception not being capable of definition by laying down objective standards. The persons who would be deceived are, of course, the purchasers of the goods and it is the likelihood of their being deceived that is the subject of consideration. The resemblance may be phonetic, visual or in the basic idea represented by the plaintiff's mark. The purpose of the comparison is for determining whether the essential features of the plaintiff's trade mark are to be found in that used by the defendant. The identification of the essential features of the mark is in essence a question of fact and depends on the judgment of the Court based on the evidence led before it as regards the usage of the trade. It should, however, be borne in mind that the object of the enquiry in ultimate analysis is whether the mark used by the defendant as a whole is deceptively similar to that of the registered mark of the plaintiff.*

(Emphasis supplied)

37. Comparing the marks “Navaratna Pharmaceutical Laboratories” and “Navaratna Pharmacy” as a whole, the Supreme Court held that the view, of the Courts below, that the latter was deceptively similar to the former, could not be said to be erroneous, especially as the determination of this issue was essentially a matter of discretion and, in the absence of any material to indicate that the High Court had applied an erroneous test, the Supreme Court was loath to interfere. A reading of the operative para 31 from the report, however, indicates that the Supreme Court was more inclined not to interfere on the

ground that the view taken by the High Court could not be said to be unreasonable. It may be debatable, therefore, whether, on facts, the judgment of the High Court could be regarded as having been affirmatively approved by the Supreme Court. The legal position, as enunciated in the italicised portions from the paras of the judgment, extracted hereinabove is, however, clear and unequivocal.

38. Proceeding to 1969, two significant judgments were delivered by the Supreme Court, in the said year, of which the first was ***K. R. Krishna Chettiar v. Shri Ambal & Co.***²² The appellant in that case (hereinafter referred to as “KRKC”) applied for registration of a trade mark, in respect of snuff manufactured in Madras. The trade mark consisted of a label containing three panels, of which the first and third panels contained the words “Shri Andal Madras Snuff”, whereas the centre panel contained the picture of the goddess Andal, with the legend “Sri Andal”. The application of KRKC was opposed by the respondent (hereinafter referred to as “SAC”) on the ground that it was deceptively similar to the registered trade marks of SAC, one of which contained a device of the goddess Sri Ambal seated on a globe floating on water enclosed in a circular frame with the legend “Sri Ambal Parimala Snuff” with the name and address of “Sri Ambal & Co., Madras” at the bottom, and the second consisting of the expression “Sri Ambal”. The Supreme Court decided the matter, in paras 5 to 10 of the report, thus:

“5. Now the words “Sri Ambal” form part of Trade Mark No. 126808 and are the whole of Trade Mark No. 146291. *There can be no doubt that the word “Ambal” is an essential*

²²(1969) 2 SCC 131

feature of the trade marks. The common "Sri" is the subsidiary part, of the two words "Ambal" is the more distinctive and fixes itself in the recollection of an average buyer with imperfect recollection.

6. The vital question in issue is whether, if the appellant's mark is used in a normal and fair manner in connection with the snuff and if similarly fair and normal user is assumed of the existing registered marks, will there be such a likelihood of deception that the mark ought not to be allowed to be registered (see *In the matter of Broadhead's Application [(1950) 57 RPC 209, 214]* for registration of a trade mark). It is for the court to decide the question on a comparison of the competing marks as a whole and their distinctive and essential features. We have no doubt in our mind that *if the proposed mark is used in a normal and fair manner the mark would come to be known by its distinguishing feature "Andal". There is a striking similarity and affinity of sound between the words "Andal" and "Ambal". Giving due weight to the judgment of the Registrar and bearing in mind the conclusions of the learned Single Judge and the Divisional Bench, we are satisfied that there is a real danger of confusion between the two marks.*

7. There is no evidence of actual confusion, but that might be due to the fact that the appellant's trade is not of long standing. *There is no visual resemblance between the two marks, but ocular comparison is not always the decisive test. The resemblance between the two marks must be considered with reference to the ear as well as the eye. There is a close affinity of sound between Ambal and Andal.*

8. In the case of *Coca-Cola Co. of Canada v. Pepsi-Cola Co. of Canada Ltd. [1942 59 RPC 127]* it was found that cola was in common use in Canada for naming the beverages. The distinguishing feature of the mark Coca Cola was coca and not cola. For the same reason the distinguishing feature of the mark Pepsi Cola was Pepsi and not cola. It was not likely that any one would confuse the word Pepsi with Coca. *In the present case the word "Sri" may be regarded as in common use. The distinguishing feature of the respondent's mark is Ambal while that of the appellant's mark is Andal. The two words are deceptively similar in sound.*

9. *The name Andal does not cease to be deceptively similar because it is used in conjunction with a pictorial device. The case of **De Cordova v. Vick Chemical Co. [1951 68 RPC 103]** is instructive. From the appendix printed at p. 270 of the same volume it appears that Vick Chemical Company were the proprietors of the registered trade mark consisting of the word “Vaporub” and another registered trade mark consisting of a design of which the words “Vicks Vaporub Salve” formed a part. The appendix at p. 226 shows that the defendants advertised their ointment as “KarsoteVapour Rub”. It was held that the defendants had infringed the registered marks. Lord Radcliffe said: “... a mark is infringed by another trader if, even without using the whole of it upon or in connection with his goods, he uses one or more of its essential features”.*

10. Mr Sen stressed the point that the words Ambal and Andal had distinct meanings. Ambal is the consort of Lard Siva and Andal is the consort of Ranganatha. He said that in view of the distinct ideas conveyed by the two words a mere accidental phonetic resemblance could not lead to confusion. In this connection he relied on Venkateswaran Law of Trade and Merchandise Marks, 1963 Ed., p. 214, Kerly Law of Trade marks and Trade Names, 9th Edn., p. 465, Article 852 and the decision **Application by Thomas A. Smith Ltd., to Register a trade mark. [1913 30 RPC 363]** In that case Neville, J., held that the words “limit” and “summit” were words in common use, each conveying a distinctly definite idea; that there was no possibility of any one being deceived by the two marks; and there was no ground for refusing registration. Mr Sen's argument loses sight of the realities of the case. *The Hindus in the south of India may be well aware that the words Ambal and Andal represent the names of two distinct Goddesses. But the respondent's customers are not confined to Hindus alone. Many of their customers are Charistians, Parsees, Muslims and persons of other religious denominations. Moreover, their business is not confined to south of India. The customers who are not Hindus or who do not belong to the south of India may not know the difference between the words Andal and Ambal. The words have no direct reference to the character and quality of snuff. The customers who use the respondent's goods will have a recollection that they are known by the word Ambal. They may also have a vague recollection of the portrait of a benign*

goddess used in connection with the mark. They are not likely to remember the fine distinctions between a Vaishnavite goddess and a Shivaite deity.”

(Emphasis supplied)

39. The Supreme Court, therefore, upheld the challenge laid by SAC to the trade mark of KRKC.

40. The second important judgment, also in 1969, is *F. Hoffmann-La Roche & Co. Ltd v. Geoffrey Manners & Co. Pvt Ltd*²³. On the aspect of phonetic similarity, this judgment is particularly significant. Without intricately going into the facts, it may be noted that the controversy, before the Supreme Court, in this case, was whether the word “Dropovit” was deceptively similar to the word “Protovit”. In this context, the Supreme Court observed, in para 6 of the report, that it was not necessary that there should be intent to deceive or cause confusion; the probability thereof was sufficient. The Supreme Court, thereafter, relied on the following passage, from the judgment of Lord Denning in *Parker-Knoll Ltd v. Knoll International Ltd*²⁴, to highlight the distinction between “deception” and “causing confusion”:

“Secondly, ‘to deceive’ is one thing. To ‘cause confusion’ is another. The difference is 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

²³(1969) 2 SCC 716

²⁴1962 RPC 265

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.”

41. On the test to be applied while comparing the two word marks, the Supreme Court relied, with approval, on the enunciation of the law in *In re. Pianotist Application*²¹, already quoted *supra*. Thereafter, the Supreme Court went on to observe, in para 7 of the report, thus, *inter alia* in the matter of phonetic similarity between word marks:

“It is necessary to apply both the visual and phonetic tests. In Aristoc Ltd. v. Rysta Ltd. [62 RPC 65 at 72] the House of Lords was considering the resemblance between the two words “Aristoc” and “Rysta”. The view taken was that considering the way the words were pronounced in English, the one was likely to be mistaken for the other. Viscount Maugham cited the following passage of Lord Justice Lukmoore in the court of appeal, which passage, he said, he completely accepted as the correct exposition of the law:

“The answer to the question whether the sound of one word resembles too nearly the sound of another so as to bring the former within the limits of Section 12 of the Trade Marks Act, 1938, must nearly always depend on first impression, for obviously a person who is familiar with both words will neither be deceived nor confused. It is the person who only knows the one word and has perhaps an imperfect recollection of it who is likely to be deceived or confused. Little assistance, therefore, is to be obtained from a meticulous comparison of the two words, letter by letter and syllable by syllable, pronounced with the clarity to be expected from a teacher of elocution. The Court must be careful to make allowance for imperfect recollection and the effect of careless pronunciation and speech on the part not only of the person seeking to buy under the trade description, but also of the shop assistant ministering to that person's wants.”

*It is also important that the marks must be compared as wholes. It is not right to take a portion of the word and say that because that portion of the word differs from the corresponding portion of the word in the other case there is no sufficient, similarity to cause confusion. The true test is whether the totality of the proposed trade mark is such that it is likely to cause deception or confusion or mistake in the minds of persons accustomed to the existing trade mark. Thus in **Lavroma case [Tokalon Ltd. v. Davidson & Co., 32 RPC at 133 at 136]** Lord Johnston said:*

“... we are not bound to scan the words as we would in a question of comparatioliterarum. It is not a matter for microscopic inspection, but to be taken from the general and even casual point of view of a customer walking into a shop.”

(Emphasis supplied)

42. The Supreme Court went on to hold that the words “Dropovit” and “Protovit” were not phonetically similar or confusing. In para 9 of the report, the Supreme Court went on to note the statement, made by the respondents before it (the manufacturer of “Dropovit”) to the effect that it was agreeable the Registrar of Trade Marks limiting the trade mark “Dropovit” to medicinal and pharmaceutical preparations and substances containing principally vitamins. In view of this concession, the Supreme Court went on to hold, in para 9 of the report, thus:

“In the High Court, counsel for the respondent made a statement that the respondent was willing that the Court should direct in exercise of its powers under Section 56(2) that the Registrar should limit the respondent's trade mark “Dropovit” to medicinal and pharmaceutical preparations and substances containing principally vitamins and that the appeal should be decided on this basis. The question of deceptive similarity must therefore be decided on the basis of the class of goods to which the two trade mark apply subject to the limitation agreed to by the respondent. From the nature of the goods it is likely that most of the customers would obtain a

prescription from a doctor and show it to the chemist before the purchase. In such a case, except in the event of the handwriting of the doctor being very bad or illegible the chance of confusion is remote. As we have already observed the evidence shows that there are as many as 57 trade marks in the Register of Trade Marks with the suffix “Vit”. Therefore, even an average customer would know that in respect of Vitamin preparations the word “Vit” occurs in large number of trade marks and because of this he would naturally be on his guard and take special care against making a mistake. In this connection the provisions of the Drug Rules, 1945 are also relevant. Under Rule 61(2) vitamin preparations would be covered by Item 5 in Schedule C(1) to the Rules and a licence would be required to stock such vitamin preparations and to sell them retail. The question of confuse must hence be determined on the basis that the goods with one of the two rival trade marks would be sold only by such a licensed dealer and would not be available in any other shop. The fact that the vendor would be licensed dealer reduces the possibility of confusion to a considerable extent.”

(Emphasis supplied)

43. Skipping three decades, like Hardy’s Henchard, we halt, now, at the judgment of three Hon’ble judges of the Supreme Court in ***Cadila Health Care Ltd⁶***. The respondent Cadila Pharmaceuticals Ltd. (hereinafter referred to as “CPL”) was manufacturing and selling a medicine, for treatment of falciparum malaria, under the brand name “Falcitab”. This, alleged the appellant Cadila Health Care Ltd. (hereinafter referred to as “CHCL”), was deceptively similar to the drug, also for treatment of falciparum malaria, being sold by it under its brand name “Falcigo”, in respect of which it claimed prior user. CPL contended, before the Supreme Court, that the prefix “Falci” identified the drug as meant for the treatment of falciparum malaria, and that such usage of prefixes was common in the pharmaceutical trade. It was also contended that, as the products in question were

Schedule L drugs, they could be sold only to hospitals and clinics, thereby minimising the possibility of confusion or deception. The application for interim injunction, filed by CHCL, was dismissed by the learned Trial Court, and the appeal, preferred there against, was also dismissed by the High Court, which held that there was no likelihood of confusion being caused to an ongoing customer in respect of the disputed marks or of the passing off of one product for the other. The application for interlocutory injunction thus travelled to the Supreme Court, at the instance of CHCL.

44. The Supreme Court, at the outset, in para 10 of the report, delineated the contours of passing off actions, in the following words:

“Under Section 28 of the Trade and Merchandise Marks Act on the registration of a trade mark in Part A or B of the register, a registered proprietor gets an exclusive right to use the trade mark in relation to the goods in respect of which the trade mark is registered and to obtain relief in respect of infringement of the trade mark in the manner provided by the Act. In the case of an unregistered trade mark, Section 27(1) provides that no person shall be entitled to institute any proceeding to prevent, or to recover damages for, the infringement of an unregistered trade mark. Sub-section (2) of Section 27 provides that the Act shall not be deemed to affect rights of action against any person for passing off goods as the goods of another person or the remedies in respect thereof. In other words in the case of unregistered trade marks, a passing-off action is maintainable. *The passing-off action depends upon the principle that nobody has a right to represent his goods as the goods of somebody. In other words a man is not to sell his goods or services under the pretence that they are those of another person.* As per Lord Diplock in ***Erven Warnink BV v. J. Townend & Sons [(1979) 2 All ER 927]*** the modern tort of passing off has five elements i.e. (1) a misrepresentation, (2) made by a trader in the course of trade, (3) to prospective customers of his or ultimate consumers of goods or services supplied by him, (4) which is

calculated to injure the business or goodwill of another trader (in the sense that this is a reasonably foreseeable consequence), and (5) which causes actual damage to a business or goodwill of the trader by whom the action is brought or (in a quia timet action) will probably do so.”

(Emphasis supplied)

45. The Supreme Court, thereafter, proceeded to refer to, and rely upon, in its earlier decisions in *National Sewing Thread Co. Ltd*¹⁸, *Corn Products Refining Co.*¹⁹, *Amritdhara Pharmacy*²⁰, *Durga Dutt Sharma*¹⁷ and *F. Hoffmann-La Roche*²³ and, observing that the degree of scrutiny while examining claims of infringement and passing off, in cases of medicinal and pharmaceutical preparations, was much higher, in view of the obvious element of public interest involved, went on to hold, in para 27 of the report, as under:

“As far as the present case is concerned, although both the drugs are sold under prescription but this fact alone is not sufficient to prevent confusion which is otherwise likely to occur. In view of the varying infrastructure for supervision of physicians and pharmacists of medical profession in our country due to linguistic, urban, semi-urban and rural divide across the country and with high degree of possibility of even accidental negligence, strict measures to prevent any confusion arising from similarity of marks among medicines are required to be taken.”

46. Without finally pronouncing on the aspect of deceptive similarity, qua the products before it, the Supreme Court concluded its judgment by postulating the following tests, to be applied while examining the claim of deceptive similarity in an action for passing off on the basis of unregistered trade marks (in para 35 of the report):

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

These tests, it may be noted, have been regarded as definitive principles, to be followed while examining the issue of deceptive similarity, not only in passing off actions but also in infringement actions, for registered as well as unregistered trade marks, in several decisions rendered thereafter.

47. In *Mahendra & Mahendra Paper Mills Ltd v. Mahindra & Mahindra Ltd*²⁵, the respondent Mahindra & Mahindra Ltd. (hereinafter referred to as “MML”) sued the appellant Mahendra & Mahendra Paper Mills Ltd. (hereinafter referred to as “MMP”), seeking an order of permanent restraint, against MMP, from using, in any manner as a part of its corporate name or trading style the words

²⁵(2002) 2 SCC 147

“Mahendra & Mahendra”, or any word which was deceptively similar to “Mahindra” or “Mahindra & Mahindra”. MML claim that the word “Mahindra” was its registered trade mark, in respect of goods in Class 12, and was the dominant and significant part of the trade mark of the respondent and other companies of its group, which were engaged in industrial and trading activities in multiple fields such as manufacturing of cars, jeeps, tractors, farming equipment, chemicals, hotels, real estate, etc. The name and trade mark “Mahindra”, contended MML, was indelibly associated with its products and services. The word “Mahendra”, it was contended, was phonetically, visually and structurally almost identical to the word “Mahindra”. This, it was alleged, was done in order to defraud the public into believing that MMP was an associate of MML, and, thereby, to pass off its business and products as those of MML and, therefore, amounted to trading on the goodwill and reputation of MML. As against this, MMP contended that “Mahendra & Mahendra” was a continuation of their business name, in use since 1974 for various businesses. Mahendra, contended MMP, was a household name in Gujarat. It was also pointed out that the products of MMP were in no way similar to the products or businesses of MML and that there was no overlap between the activities of the two companies.

48. The learned Single Judge of the High Court granted *ad interim* injunction, as sought by MML. The appeal, thereagainst, at the instance of MMP, was dismissed by the Division Bench, resulting in MMP approaching the Supreme Court.

49. Before the Supreme Court, MMP contended that the action brought against it by MML was one of passing off, and not of infringement and, therefore, required, for its sustenance, similarity of the goods manufactured or sold by the parties, in the absence whereof there could be no question of deception or confusion amongst consumers.

50. In para 16 of its report, the Supreme Court identified the test to be applied, in the matter of likelihood of confusion or deception, thus:

“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.*”

(Emphasis supplied)

51. In paras 22 and 23 of the report, the Supreme Court went on to cite, approvingly, the judgments of the High Court of Allahabad in ***Bata India Ltd v. Pyare Lal & Co.***²⁶ and the High Court of Bombay in ***Kirloskar Diesel Recon (P) Ltd v. Kirloskar Proprietary Ltd***²⁷. In ***Bata India Ltd***²⁶, the High Court, dealing with the defence of the

²⁶ AIR 1985 All 242

²⁷ AIR 1996 Bom 149

defendant Pyare Lal & Co., against an action of passing off brought by the plaintiff Bata India Ltd (hereinafter referred to as “Bata”), to the effect that Bata was not manufacturing foam, which was the product manufactured by the defendant, held that this distinction was “not enough to hold that there could be no passing off action in respect of the user of the name ‘Bata’ to the products marketed by the defendants”. To so hold, the High Court observed that “the name ‘Bata’ was well known in the market and the user of such an name (was) likely to cause not only deception in the mind of an ordinary customer but... also cause injury to the plaintiff Company”. The mere use, by the defendant, of the name or Mark ‘Bata’, it was held, was “indicative of their intent”. The passages, from *Kirloskar Diesel Recon*²⁷, which were approved by the Supreme Court in *Mahendra & Mahendra Paper Mills*²⁵ highlight the aspect of balance of convenience, in a case where the trade mark of the plaintiff is of considerable vintage, and the defendant is a comparatively new player in the field, and deserve to be reproduced, thus:

“The principle of balance of convenience applies when the scales are evenly balanced. The existence of 1st appellant in each appeal is very recent whereas the existence of the respondents belonging to ‘Kirloskar Group of Companies’ has been for over a period of 50 years. On their own showing, the appellants are not using the word ‘Kirloskar’ as trade mark but as part of trading style whereas the respondents have not only acquired distinctiveness and goodwill in the word ‘Kirloskar’ but it is even the registered trade mark of the 1st respondent. There is sufficient evidence on record to show that the huge business is carried by ‘Kirloskar Group of Companies’.

There is nothing on record to show the extent of the business of the appellants. The 2nd appellant has throughout been aware about the business reputation of the respondents and

efforts of the respondents in protecting their rights in the trade marks as also of preventing others to use the word ‘Kirloskar’ as a part of the trading name or trading style. By grant of the interim injunction in favour of the Respondents, the Appellants are not prevented from carrying on business without the word ‘Kirloskar’ forming part of the corporate name of the 1st appellant in each Appeal. *In the facts of the case, the Respondents' reputation is likely to be adversely affected if the Appellants are not prevented from using name of the 1st appellant in each appeal... In the facts of the case, the balance of convenience is not in favour of the Appellants.*

The real question in each case is whether there is as a result of misrepresentation a real likelihood of confusion or deception of the public and consequent damage to the plaintiff. The focus is shifted from the external objective test of making comparison of activities of parties to the state of mind of public in deciding whether it will be confused. With the passage of time and reputation acquired, the trade mark ‘Kirloskar’ has acquired the secondary meaning and has become almost a household word. The judgments relied upon by Mr. Kane pertain to the cases of one type of business and not where variety of businesses have been carried by the plaintiff and the defendant as in the instant case. The business activities of the Respondents vary from pin to piano as borne out from the object clauses of the Memorandums of Association of the Respondents. The Appellants have still to commence their business activities but as mentioned in the Memorandums of Association of the 1st Appellant in each appeal, some of the object clauses therein overlap with the activities of Respondents and more particularly of Respondents Nos.6 and 7.”

(Emphasis supplied)

52. The Supreme Court, applying the above principles to the facts before it, held that as MML had been using the words “Mahindra” and “Mahindra & Mahindra” for over five decades, these names had acquired distinctiveness and secondary meaning in business and trade

circles, and persons had come to associate the name “Mahindra” with a certain standard of goods and services. Any attempt, by another person, to use the same name in business and trade circles, it was held, was fraught with the probability of creating an impression of a connection with MML, which could prejudicially affect MML’s business and trading activities. In these circumstances, the Supreme Court deemed it appropriate not to interfere with the decision, of the learned Single Judge and the Division Bench of the High Court of Bombay, to grant interlocutory injunction, directing maintenance of *status quo*.

53. The principles governing grant of interlocutory injunction, where passing off is alleged, stand tellingly underscored in ***Laxmikant V. Patel v. Chetanbhai Shah***²⁸. The plaintiff Laxmikant V. Patel (hereinafter referred to as “LVP”) was running a colour lab and studio, in Ahmedabad, since 1982, in the name and style of “Muktajivan Colour Lab and Studio”. The first defendant Chetanbhai Shah (hereinafter referred to as “Chetanbhai”) was proposing to commence a similar business, by adopting the name and style of “Muktajivan Colour Lab and Studio”. LVP filed a suit, alleging passing off, by Chetanbhai, of his business as that of LVP, and sought permanent preventive injunction, as well as *ad interim* injunction in the interregnum. LVP lost in its attempt to obtain interim injunction, both before the learned Trial Court as well as the High Court. The Supreme Court, seized with the matter in appeal, observed, at the outset, that it was proceeding on the premise that LVP’s business was

²⁸ (2002) 3 SCC 65

running since 1995 at least and that the business of Chetanbhai come into existence on or a little before the institution of the suit by LVP. The “principal issue determinative of the grant of temporary injunction” was identified, in para 7 of the report, as “whether the business of the plaintiff run in a tradename of which ‘Muktajivan’ is a part had come into existence prior to commencement of its user by the defendant and whether it had acquired the goodwill created property in the plaintiff so as to restrain the use of the word “Muktajivan” in the business name of a similar trade by a competitor i.e. the defendants”. The ingredients of an action for passing off, and the rationale behind the grant of injunction in such cases were briefly delineated, in para 8 of the report, thus:

“An action for passing-off will then lie wherever the defendant company's name, or its intended name, is calculated to deceive, and so to divert business from the plaintiff, or to occasion a confusion between the two businesses. If this is not made out there is no case. The ground is not to be limited to the date of the proceedings; the court will have regard to the way in which the business may be carried on in the future, and to its not being carried on precisely as carried on at the date of the proceedings. Where there is probability of confusion in business, an injunction will be granted even though the defendants adopted the name innocently.”

(Emphasis supplied)

The *raison d’etre* of passing off, as an actionable tort was, in somewhat greater detail, explained thus, in paras 10 to 13 of the report:

“10. A person may sell his goods or deliver his services such as in case of a profession under a trading name or style. With the lapse of time such business or services associated with a person acquire a reputation or goodwill which becomes a property which is protected by courts. A

competitor initiating sale of goods or services in the same name or by imitating that name results in injury to the business of one who has the property in that name. The law does not permit any one to carry on his business in such a way as would persuade the customers or clients in believing that the goods or services belonging to someone else are his or are associated therewith. It does not matter whether the latter person does so fraudulently or otherwise. The reasons are two. Firstly, honesty and fair play are, and ought to be, the basic policies in the world of business. Secondly, when a person adopts or intends to adopt a name in connection with his business or services which already belongs to someone else it results in confusion and has propensity of diverting the customers and clients of someone else to himself and thereby resulting in injury.

11. Salmond &Heuston in Law of Torts (20th Edn., at p. 395) call this form of injury as “injurious falsehood” and observe the same having been “awkwardly termed” as “passing-off” and state:

“The legal and economic basis of this tort is to provide protection for the right of property which exists not in a particular name, mark or style but in an established business, commercial or professional reputation or goodwill. So to sell merchandise or carry on business under such a name, mark, description, or otherwise in such a manner as to mislead the public into believing that the merchandise or business is that of another person is a wrong actionable at the suit of that other person. This form of injury is commonly, though awkwardly, termed that of passing-off one's goods or business as the goods or business of another and is the most important example of the wrong of injurious falsehood. The gist of the conception of passing-off is that the goods are in effect telling a falsehood about themselves, are saying something about themselves which is calculated to mislead. The law on this matter is designed to protect traders against that form of unfair competition which consists in acquiring for oneself, by means of false or misleading devices, the benefit of the reputation already achieved by rival traders.”

12. In *Oertli v. Bowman* [1957 RPC 388 (CA)] (at p. 397) the gist of passing-off action was defined by stating that *it was essential to the success of any claim to passing-off based on the use of given mark or get-up that the plaintiff should be able to show that the disputed mark or get-up has become by user in the country distinctive of the plaintiff's goods so that the use in relation to any goods of the kind dealt in by the plaintiff of that mark or get-up will be understood by the trade and the public in that country as meaning that the goods are the plaintiff's goods. It is in the nature of acquisition of a quasi-proprietary right to the exclusive use of the mark or get-up in relation to goods of that kind because of the plaintiff having used or made it known that the mark or get-up has relation to his goods. Such right is invaded by anyone using the same or some deceptively similar mark, get-up or name in relation to goods not of plaintiff. The three elements of passing-off action are the reputation of goods, possibility of deception and likelihood of damages to the plaintiff. In our opinion, the same principle, which applies to trade mark, is applicable to trade name.*

13. In an action for passing-off it is usual, rather essential, to seek an injunction, temporary or ad interim. *The principles for the grant of such injunction are the same as in the case of any other action against injury complained of. The plaintiff must prove a prima facie case, availability of balance of convenience in his favour and his suffering an irreparable injury in the absence of grant of injunction.* According to Kerly (*ibid*, para 16.16) passing-off cases are often cases of deliberate and intentional misrepresentation, but it is well settled that *fraud is not a necessary element of the right of action, and the absence of an intention to deceive is not a defence, though proof of fraudulent intention may materially assist a plaintiff in establishing probability of deception.* Christopher Wadlow in Law of Passing-Off (1995Edn., at p. 3.06) states that *the plaintiff does not have to prove actual damage in order to succeed in an action for passing-off. Likelihood of damage is sufficient.* The same learned author states that *the defendant's state of mind is wholly irrelevant to the existence of the cause of action for passing-off* (*ibid*, paras 4.20 and 7.15). As to how the injunction granted by the court would shape depends on the facts and circumstances of each case. *Where a defendant has imitated or adopted the plaintiff's distinctive trade mark or business name, the order*

may be an absolute injunction that he would not use or carry on business under that name (Kerly, ibid, para 16.97)."

(Emphasis supplied)

54. The Supreme Court went on to apply these principles to the facts before it, thus (in para 14 of the report):

"In the present case the plaintiff claims to have been running his business in the name and style of Muktajivan Colour Lab and Studio since 1982. He has produced material enabling a finding being arrived at in that regard. However, the trial court has found him using Muktajivan as part of his business name at least since 1995. The plaintiff is expanding his business and exploiting the reputation and goodwill associated with Muktajivan in the business of colour lab and photo by expanding the business through his wife and brother-in-law. On or about the date of the institution of the suit the defendant was about to commence or had just commenced an identical business by adopting the word Muktajivan as a part of his business name although till then his business was being run in the name and style of Gokul Studio. The intention of the defendant to make use of the business name of the plaintiff so as to divert his business or customers to himself is apparent. It is not the case of the defendant that he was not aware of the word Muktajivan being the property of the plaintiff or the plaintiff running his business in that name, though such a plea could only have indicated the innocence of the defendant and yet no difference would have resulted in the matter of grant of relief to the plaintiff because the likelihood of injury to the plaintiff was writ large. It is difficult to subscribe to the logic adopted by the trial court, as also the High Court, behind reasoning that the defendants' business was situated at a distance of 4 or 5 km from the plaintiff's business and therefore the plaintiff could not have sought for an injunction. In a city a difference of 4 or 5 km does not matter much. In the event of the plaintiff having acquired a goodwill as to the quality of services being rendered by him, a resident of Ahmedabad city would not mind travelling a distance of a few kilometres for the purpose of availing a better quality of services. Once a case of passing-off is made out the practice is generally to grant a prompt ex parte injunction followed by appointment of Local Commissioner, if necessary. In our opinion the trial court was fully justified in granting the ex parte injunction to

the plaintiff based on the material made available by him to the court. The trial court fell in error in vacating the injunction and similar error has crept in the order of the High Court. The reasons assigned by the trial court as also by the High Court for refusing the relief of injunction to the plaintiff are wholly unsustainable.”

55. In *Satyam Infoway Ltd*¹⁶, the Supreme Court was seized with a case of alleged infringement of trade mark in a domain name, adopted by the respondents before it. This decision authoritatively held such action to be maintainable; for the purposes of the present dispute, however, it is not necessary to enter into that aspect of the matter. Suffice it to state that the appellant before the Supreme Court, Satyam Infoway Ltd (hereinafter referred to as “SIL”) had registered several domain names, such as www.sifynet, www.sifymall.com and www.sifyrealestate.com, in June 1999, with the Internet Corporation for Assigned Names and Numbers (ICANN) and the World Intellectual Property Organisation (WIPO), and claimed a wide reputation and goodwill in the name “Sify”, which it claimed to have invented. The respondent before the Supreme Court, Siffynet Solutions (P) Ltd (hereinafter referred to as “SSPL”) was engaged in the business of Internet marketing, using the domain names www.siffynet.net and www.siffynet.com, since June, 2021. SIL sought an injunction, against SSPL, from using the name “Siffy” as part of its domain names. Injunction, as sought, was granted by the learned Trial Court, but was disallowed by the High Court in appeal, inter alia on the ground that the finding, of the learned Trial Court, that SIL had earned a reputation and goodwill in respect of the domain name “Sify” was not based on a consideration of the necessary factors and that the documents on record

showed, on the other hand, that the business of SSPL was different from that of SIL, with no similarity between them, thereby obviating the possibility of any confusion or deception in the minds of customers. Paras 13 to 15 of the report, in the judgment of the Supreme Court, set out, precisely, the three elements governing an action for passing off, thus:

“13. 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 services 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 trade mark 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 these 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.*

14. *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 mala fide 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 the plaintiff [Cadbury Schweppes v. Pub Squash, 1981 RPC 429 : (1981) 1 All ER 213 : (1981) 1 WLR 193 (PC); Erven Warnink v. Townend, 1980 RPC 31 : (1979) 2 All ER 927 : 1979 AC 731 (HL)] . 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” [*Aristoc v. Rysta*, 1945 AC 68 : (1945) 1 All ER 34 (HL)] .

15. The third element of a passing-off action is loss or the likelihood of it.”

The Supreme Court re-emphasised the existence of prior goodwill, as an indispensable ingredient, for a successful action for passing off, in para 26 of the report, thus:

“This brings us to the merits of the dispute between the parties. As we have already said, *a passing-off action is based on the goodwill that a trader has in his name unlike an action for infringement of a trade mark where a trader's right is based on property in the name as such. Therefore, unless goodwill can be established by the appellant by showing that the public associates the name “Sify” with the services provided by the appellant, it cannot succeed.*”

(Emphasis supplied)

56. On merits, the Supreme Court went on to rule in favour of SIL thus (in paras 27, 28, 29, 31, 32, 33, 34 and 35 of the report):

“**27.** *The appellant's claim to be a leading information technology services company and one of the largest internet service providers in the country has not been seriously disputed by the respondent nor is there any challenge to the appellant's claim that it has more than 5 lakh subscribers, 840 cyber cafés, and 54 points of presence all over India. That it is the first Indian internet company to be listed in 1999 with NASDAQ where it trades under the trade name “Sify” was given extensive coverage in leading national newspapers. The appellant has brought on record the stringent conditions and deposit of a large fee for having a trade name included in the NASDAQ international market. The appellant has*

complied with the conditions for listing. The appellant has claimed that its shares are since 1999 actively traded in on a daily basis on NASDAQ. It is also claimed that the appellant has widely used the word Sify as a trade name/domain name for its software business and services. The appellant's website www.sify.com is claimed to be a comprehensive internet site with a gamut of subjects to choose from. It has brought out brochures and issued advertisements offering services in the internet under the name "Sify". It has submitted its sale figures and expenses incurred on advertisement and market promotion of its business under the trade name Sify. It is also claimed that apart from the fact that the appellant is popularly known as Sify, it has also applied for registration of more than 40 trade marks with the prefix Sify under the Trade and Merchandise Marks Act, 1958 (since replaced by the Trade Marks Act, 1999).

28. In support of its claim of goodwill in respect of the name of "Sify", the appellant had brought on record press clippings of articles/newspapers in which the appellant has been referred to as "Sify". For example, a news item published in The Hindu on 5-5-2000 talks of "Sify plans of internet gateways". Another article published in The Business Standard on 11-5-2000 says "Sify chief sees strong dotcom valuations rising". There are several other publications filed along with the plaint all of which show that the appellant was referred to as "Sify". That the listing of the appellant with NASDAQ in 1999 under the trade name "Sify" was featured on several newspapers has been established by copies of the news items. Documents have also been produced to show that the appellant had been awarded prizes in recognition of achievements under the trade name "Sify". For example, the Golden Web Award for the year 2000 was awarded to the appellant's corporate site www.sifycorp.com. A number of advertisements in connection with "e-market services from Sify", "Messaging solutions from Sify" have also been filed. It is unfortunate that none of these documents were even noticed by the High Court. We have, therefore, been constrained to appreciate the evidence and on doing so, we have reached, at least prima facie conclusion that the appellant has been able to establish the goodwill and reputation claimed by it in connection with the trade name "Sify".

29. *Apart from the close visual similarity between “Sify” and “Siffy”, there is phonetic similarity between the two names. The addition of “net” to “Siffy” does not detract from this similarity.*

31. *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.*

32. 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's 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 appellant's 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.)

33. The respondent then says that confusion is unlikely because they operate in different fields. According to the respondent its business is limited to network marketing unlike the appellant which carries on the business of software development, software solution and connected activities. *The respondent's assertion is factually incorrect and legally untenable. A domain name is accessible by all internet users and the need to maintain an exclusive symbol for such access is crucial as we have earlier noted. Therefore a deceptively similar domain name may not only lead to a confusion of the*

source but the receipt of unsought-for services. Besides the appellant has brought on record printouts of the respondent's website in which it has advertised itself as providing inter alia software solution, integrating and management solutions and software development covering the same field as the appellant. To take a specific example, the respondent's brochure explicitly offers intranet and extranet solutions which are also explicitly offered by the appellant. There is clearly an overlap of identical or similar services. It may be difficult for the appellant to prove actual loss having regard to the nature of the service and the means of access but the possibility of loss in the form of diverted customers is more than reasonably probable.

34. The last question is, where does the balance of convenience lie? Given the nature of the business, it is necessary to maintain the exclusive identity which a domain name requires. In other words, either “Sify” or “Siffy” must go. Apart from being the prior user, the appellant has adduced sufficient evidence to show that the public associates the trade name SIFY with the appellant. The respondent on the other hand has produced little proof to establish the averments in support of its case that it had a membership of 50,000. We are unable to hold, while not commenting on the authenticity of the bills relied on by the respondent, as the High Court has done, that the bills by themselves show that the respondent “has been carrying on conferences at different places and enrolling members who would be transacting with them in the business and like that they have enrolled about 50,000 members already”. Similarly, several bills raised in the name of the respondent in respect of different items do not by themselves establish that the members of the public have come to associate the word “Siffy” only with the respondent. Weighed in the balance of comparative hardship, it is difficult to hold that the respondent would suffer any such loss as the appellant would unless an injunction is granted. The respondent can carry on its business and inform its members of the change of name. *We are conscious of the fact that the grant of an interlocutory order may disrupt the respondent's business. But that cannot be seen as an argument which should deter us from granting relief to the appellant to which we are otherwise satisfied it is entitled.*

35. The High Court's finding that no prejudice would be caused to the appellant because it had another domain name was a consideration which might have been relevant if there was a case of bona fide concurrent use and where the right to use was coequal. The doubtful explanation given by the respondent for the choice of the word “Siffy” coupled with the reputation of the appellant can rationally lead us to the conclusion that the respondent was seeking to cash in on the appellant's reputation as a provider of service on the internet. *In view of our findings albeit prima facie on the dishonest adoption of the appellant's trade name by the respondent, the investments made by the appellant in connection with the trade name, and the public association of the trade name Sify with the appellant, the appellant is entitled to the relief it claims.* A different conclusion may be arrived at if evidence to the contrary is adduced at the trial. But at this stage and on the material before the Court, we are of the view that the conclusion of the High Court to the contrary was unwarranted.”

(Emphasis supplied)

57. Apart from the guiding principles regarding passing off, enunciated in the afore extracted passages – to which more detailed allusion would follow hereinafter – the judgment in *Satyam Infoway Ltd*¹⁶ instructively pronounces on two principles, which essentially stem from equity, in such cases; firstly, that, though grant of an interlocutory order may disrupt the business of the defendant, grant of relief cannot be inhibited on that consideration, if the plaintiff is otherwise found to be entitled to relief and, secondly, that the court seized with the issue of whether to grant, or not grant, interlocutory injunction, should not be concerned, more than necessary, with the possibility of a different conclusion emerging consequent to trial.

58. The next decision that I propose to consider, *Khoday Distilleries Ltd v. Scotch Whisky Association*²⁹, is somewhat peculiar, as it did not involve competing trade marks, but involved, nevertheless, an allegation of passing off. Khoday Distilleries Limited (hereinafter referred to as “KDL”) manufactured “Peter Scot” whisky, in respect of which the trade mark “Peter Scot” had been granted registration. The Scotch Whisky Association (hereinafter referred to as “SWA”) alleged that, by use of the words “Peter Scot”, KDL was deceiving customers into believing that it was manufacturing Scotch whisky and was, therefore, passing off the whisky manufactured by it as Scotch whisky. The Supreme Court identified the issue arising for consideration as “whether the term “Scot” would itself be a sufficient ground to opine that the Mark “Peter Scot” is deceptive or confusing”. “Indisputably”, held the Supreme Court, the onus of proof, in this regard, would be on SWA.

59. Inasmuch as the nature of the controversy, before the Supreme Court, was fundamentally different from that in the present proceedings, it is not necessary to advert to the facts, in this decision, in any great detail. The Supreme Court, however, held, in para 42 of the report, that the issue of whether a misrepresentation was, or was not, made, was a question of fact, which depended on many factors. Thereafter, in para 61 of the report, the Supreme Court held that a cause of action could be brought by those who (i) owned or had a sufficient proprietary interest in the requisite goodwill, provided (ii) the goodwill so owned was really likely to be damaged by the alleged misrepresentation. Passing off, therefore, is essentially a tort against

²⁹ (2008) 10 SCC 723

goodwill, inhering in goods. In adjudicating on the issue before it, the Supreme Court placed reliance, approvingly, on the judgment of the High Court of Bombay in *Carew Phipson Ltd v. Deejay Distilleries (P) Ltd*³⁰ and of this Court in *Diageo North America, Inc. v. Shiva Distilleries Ltd*³¹. Para 6 of the report in *Carew Phipson*³⁰, which was cited by the Supreme Court, read thus:

“... On comparison of the two marks bearing the aforesaid principles in mind, it is difficult to appreciate as to how there is even a remote possibility of any customer being misled. *In my opinion, when a customer goes to a shop to buy the plaintiffs' product, he will not ask for 'Duet' or 'Gin N Lime' or 'Gin N Orange' but he will ask for a 'Blue Riband Gin N Lime' or 'Blue Riband Tango Gin N Orange'. Further having regard to the fact that the customer who is likely to buy the products of the plaintiffs and the defendants will be normally educated and discerning type, it is impossible to hold that there is any likelihood of confusion. It is pertinent to note that the plaintiffs have failed to cite even a single instance showing that there was confusion in the minds of the customers. The absence of evidence of actual deception is a circumstance which definitely weighs in favour of the defendants. It is also necessary to mention that the defendants have produced on record voluminous evidence showing that such premixtures are sold by several other companies under the names 'American Extra Dry Gin with Lime Duet Plus', 'Forbes Two in One Dry Gin and Lime', 'Rainbow Gemlet Gin and Lime', etc. In my opinion, there is no possibility of any confusion in this case at all.*”

(Emphasis supplied)

In *Diageo North America*³¹, this Court, in a somewhat similar vein, observed as under, while comparing the marks “SMIRNOFF” and “BRISNOFF” when used in respect of vodka:

“14. So much for the second syllable. As regards the first syllable, I find that there is no similarity between SMIR and BRIS. Although the learned counsel for the plaintiffs had

³⁰ AIR 1994 Bom 231

³¹ 143 (2007) DLT 321

submitted that all the letters are common except the letter and M in SMIR and the letter B in BRIS, this, to my mind, is of no consequence because the arrangement of the letters is entirely different, as is the phonetic and visual result. *I also agree with the submission made by the learned counsel for the defendant that the intending purchasers of the competing products are literate persons belonging to the affluent class of society and who would be in a position to easily distinguish SMIRNOFF from BRISNOFF particularly when the eyebrow device and the colour combination is sought to be given up by the defendant. The average person with imperfect recollection would have to be from amongst the subset of such persons i.e. discerning consumers of vodka.* My prima facie view is that the trade mark BRISNOFF is not deceptively similar to, nor can it be confused with the plaintiffs' trade mark SMIRNOFF."

(Italics and underscoring supplied)

60. Echoing the views expressed by the High Court of Bombay by this Court in the afore cited decisions, the Supreme Court, in paras 75 to 77 and 82 of the report in ***Khoday Distilleries***²⁹, held as under:

75. *The tests which are, therefore, required to be applied in each case would be different. Each word must be taken separately. They should be judged by their look and by their sound and must consider the goods to which they are to be applied. Nature and kind of customers who would likely to buy goods must also be considered. Surrounding circumstances play an important factor. What would be likely to happen if each of those trade marks is used in a normal way as a trade mark of the goods of the respective owners of the marks would also be a relevant factor. (See ***Pianotist Co.—s Application, Re [(1906) 23 RPC 774]*** .)*

76. *Thus, when and how a person would likely to be confused is a very relevant consideration.*

77. *Where the class of buyers, as noticed hereinbefore, is quite educated and rich, the test to be applied is different from the one where the product would be purchased by the villagers, illiterate and poor. Ordinarily, again they, like tobacco, would purchase alcoholic beverages by their brand*

name. When, however, the product is to be purchased both by villagers and town people, the test of a prudent man would necessarily be applied. It may be true that the tests which are to be applied in a country like India may be different from the tests either in a country of England, the United States of America or Australia.

82. *But then we are concerned with the class of buyer who is supposed to know the value of money, the quality and content of Scotch whisky. They are supposed to be aware of the difference of the process of manufacture, the place of manufacture and its origin. Respondent 3, the learned Single Judge as also the Division Bench of the High Court, therefore, failed to notice the distinction, which is real and otherwise borne out from the precedents operating in the field. (See Kerly's Law of Trade Marks and Trade Names, 13th Edn., p. 600.)”*

61. In examining the claim of passing off, therefore, the Court is required to be mindful of the fact that goods, at least normally, are not purchased by automatons. The degree of discernment and circumspection that the buyer of the goods would exercise would, of course, be a question of fact, which would turn essentially on the nature of the goods and the nature of the customers who purchase the goods. This factor, however, is important, and cannot be ignored.

62. *Nandhini Deluxe*¹², on which Mr. Sinha placed considerable reliance, pertained to the use of the mark “NANDHINI”. The respondent before the Supreme Court, Karnataka Co-operative Milk Producers Federation Ltd (hereinafter referred to as “KCMP”) had been producing and selling milk and milk products, under the trade mark “NANDINI” since 1985, and had also obtained registration of the said mark, in Classes 29 and 30. Nandhini Deluxe (hereinafter

referred to as “ND”), the appellant before the Supreme Court, was running restaurants, and had adopted the mark “NANDHINI”, for its restaurants, in 1989. ND had also applied for registration of the trade mark “NANDHINI” in respect of various foodstuffs sold in its restaurants. KCMP objected to the trade mark “NANDHINI”, of ND, on the ground that it was deceptively similar to the “NANDINI” trade mark of KCMP, and confusion was likely to occur. The dispute travelled to the Supreme Court.

63. The Supreme Court observed, at the outset, that the milk products of KCMP fell under Clauses 29 and 30 of Schedule IV to the Trade Marks Rules, whereas the foodstuffs sold by ND in its restaurants fell under Clauses 29 and 30 as well as other classes. Nevertheless, observed the Supreme Court, the goods of ND were different from those of KCMP, as KCMP was producing and selling only milk and milk products, whereas ND was trading in fish, meat, poultry, meat extracts, preserved, dried fruits and vegetables, edible oils and fats, salad dressings, preserves, etc., and had given up its claim qua milk and milk products. The Supreme Court also observed that both NANDINI and NANDHINI were generic expressions, representing the name of a goddess and a cow in Hindu mythology, and could not be regarded as words invented or coined by KCMP. Keeping in mind these facts, the Supreme Court held that, despite the phonetic similarity between NANDHINI and NANDINI, the marks of ND and KCMP could not be regarded as deceptively similar. Paras 26.3 to 26.7 of the report may, in this context, be reproduced:

“26.3. The goods of the appellant as well as the respondent fall under the same Classes 29 and 30. *Notwithstanding the*

same, the goods of the appellant are different from that of the respondent. Whereas the respondent is producing and selling only milk and milk products, the goods of the appellant are fish, meat, poultry and game, meat extracts, preserved, dried and cooked fruits and vegetables, edible oils and fats, salad dressings, preserves, etc. and it has given up its claim qua milk and milk products.

26.4. *Insofar as application for registration of the milk and milk products is concerned, it was not granted by the Trade Marks Registry. In fact, the same was specifically rejected. The appellant was directed to file the affidavit and Form 16 in this behalf to delete the goods “milk and milk products” which affidavit was filed by the appellant. Further concession is already recorded above.*

26.5. *NANDINI/NANDHINI is a generic term, it represents the name of goddess and a cow in Hindu mythology. It is not an invented or coined word of the respondent.*

26.6. *The nature and style of the business of the appellant and the respondent are altogether different. Whereas the respondent is a Cooperative Federation of Milk Producers of Karnataka and is producing and selling milk and milk products under the mark “NANDINI”, the business of the appellant is that of running restaurants and the registration of mark “NANDHINI” as sought by the appellant is in respect of various foodstuffs sold by it in its restaurants.*

26.7. *Though there is a phonetic similarity insofar as the words NANDHINI/NANDINI are concerned, the trade mark with logo adopted by the two parties are altogether different. The manner in which the appellant has written NANDHINI as its mark is totally different from the style adopted by the respondent for its mark “NANDINI”. Further, the appellant has used and added the word “Deluxe” and, thus, its mark is “NANDHINI DELUXE”. It is followed by the words “the real spice of life”. There is device of lamp with the word “NANDHINI”. In contrast, the respondent has used only one word, namely, NANDINI which is not prefixed or suffixed by any word. In its mark “cow” as a logo is used beneath which the word NANDINI is written, it is encircled by egg shape circle. A bare perusal of the two marks would show that there*

is hardly any similarity of the appellant's mark with that of the respondent when these marks are seen in totality.

27. When we examine the matter keeping in mind the aforesaid salient features, it is difficult to sustain the conclusion of IPAB in its order dated 4-10-2011 as well as in the impugned order of the High Court that the mark adopted by the appellant will cause any confusion in the mind of consumers, what to talk of deception. We do not find that the two marks are deceptively similar.”
(Italics and underscoring supplied)

64. The most recent judgment, to which I propose to allude, is *Wockhardt Ltd v. Torrent Pharmaceuticals Ltd*³². Interim injunction was, in this case, sought solely on the allegation of passing off. Wockhardt was the registered holder of the trade mark “CHYMORAL” and “CHYMORAL FORTE”, which are drugs administered after surgery, to treat postsurgical wounds. The respondent Torrent Pharmaceuticals Ltd (hereinafter referred to as “Torrent”) claimed that Wockhardt was passing off its goods as those of Torrent and, accordingly, sued Wockhardt. The High Court held in favour of Torrent, holding that the triple test for passing off, i.e. establishment of reputation, misrepresentation as understood in law and likelihood of injury or damage caused to Torrent, had been found to exist. The Supreme Court, in appeal, after extracting the principles enunciated in its earlier decisions in *Laxmikant V. Patel*²⁸ and *Satyam Infoway Ltd*¹⁶, regarding the ingredients of passing off, upheld the decision of the High Court.

The principles that emerge

³² (2018) 18 SCC 346

65. From the aforementioned decisions, the following clear principles emerge:

(i) Passing off, though an action based on deceit, does not require the establishment of fraud as a necessary element to sustain the action. Imitation or adoption, by the defendant, of the plaintiff's trade mark, in such manner as to cause confusion or deception in the mind of prospective customers, is sufficient.³³

(ii) The principles for grant of injunction, in passing off actions, are the same as those which govern the grant of injunctions in other cases, i.e. the existence of a *prima facie* case, the balance of convenience, and the likelihood of irreparable loss in issuing to the plaintiff, were injunction not to be granted.³³

(iii) Proof of actual damage is not necessary, to establish passing off.³³ However, proof of misrepresentation is necessary, even if intent to misrepresent is not approved. The question of intent may, nevertheless, be relevant, when it comes to the ultimate relief to be granted to the plaintiff.³⁴

(iv) Passing off may be alleged by a claimant who owns sufficient proprietary interest in the goodwill associated with

³³ Ref. **Wockhardt** and **Laxmikant V. Patel**

³⁴ Ref. **Wockhardt** and **Satyam Infoway**

the product, which is really likely to be damaged by the alleged misrepresentation.³⁵

(v) Grant of injunction, in cases where passing off is found to exist, is intended to serve two purposes, the first being preservation of the reputation of the plaintiff, and the second, safeguarding of the public against goods which are “passed off” as those of the plaintiff.³⁶

(vi) The ingredients/indicia of the tort of passing off are the following:

(a) There must be sale, by the defendant, of goods/services in a manner which is likely to deceive the public into thinking that the goods/services are those of the plaintiff.

(b) The plaintiff is not required to prove long user to prove established reputation. The existence, or otherwise, of reputation, would depend upon the volume of the plaintiff’s sales and the extent of its advertisement.

(c) The plaintiff is required to establish

(i) misrepresentation by the defendant to the public, though not necessarily *mala fide*,

(ii) likelihood of confusion in the minds of the public (the public being the potential

³⁵ Ref. **Khoday Distilleries**

³⁶ Ref. **Satyam Infoway**

customers/users of the product) that the goods of the defendant are those of the plaintiff, applying the test of a person of “imperfect recollection and ordinary memory”,

- (iii) loss, or likelihood of loss, and
- (iv) goodwill of the plaintiff, as a prior user.³⁷

Elsewhere, the five elements of passing off have been identified as (a) misrepresentation, (b) made by the trader in the course of trade, (c) to prospective customers or ultimate consumers of the goods or services supplied by him, (d) calculated to injure the business or goodwill of another (i.e. that such injury is reasonably foreseeable) and (e) actual damage, or the possibility of actual damage, to the business or goodwill of the plaintiff.³⁸

(vii) In cases of alleged passing off, the Court, while examining the likelihood of causing confusion, is required to consider, in conjunction, *inter alia*,

- (a) the nature of the market,
- (b) the class of customers dealing in the product,
- (c) the extent of reputation possessed by the plaintiff,
- (d) the trade channels through which the product is made available to the customer and
- (e) the existence of connection in the course of trade.³⁹

³⁷ Ref. **Satyam Infoway**

³⁸ Ref. **Cadila Health Care**

³⁹ Ref. **Mahendra & Mahendra Paper Mills**

The Supreme Court has also held that, in passing off action on the basis of unregistered trade marks, the Court is required to assess the likelihood of deception or confusion by examining

- (i) the nature of the marks, i.e. whether there were demands/label marks/composite marks,
- (ii) the degree of similarity between the competing marks,
- (iii) the nature of the goods,
- (iv) the similarity in nature, character and performance of the goods of the rival parties,
- (v) the class of purchasers, and the degree of care which they would be expected to exercise while purchasing the goods, and
- (vi) the mode of purchasing the goods and placing orders.⁴⁰

(viii) That the defendant is not producing the goods manufactured by the plaintiff may not be relevant, where the plaintiff's mark is found to have sufficient reputation.⁴¹

(ix) Courts are required to be doubly vigilant where passing off is alleged in respect of pharmaceutical products, in view of the possibility of adverse effects resulting from administration of a wrong drug. For the said reason, the degree of proof is also

⁴⁰ Ref. **Cadila Health Care and Mahendra & Mahendra Paper Mills**

⁴¹ Ref. **Bata India and Mahendra & Mahendra**

lower, in the case of alleged passing of pharmaceutical products.⁴²

(x) Passing off differs from infringement. Passing off is based on the goodwill that the trader has in his name, whereas infringement is based on the trader's proprietary right in the name, registered in his favour.⁴³ Passing off is an action for deceit, involving passing off the goods of one person as those of another, whereas an action for infringement is a statutory remedy conferred on the registered proprietor of a registered trade mark for vindication of its exclusive right to use the trade mark in relation to the goods in respect of which registration has been granted.⁴⁴ Use of the trade mark by the defendant is not necessary for infringement, but it is a *sine qua non* for passing off.⁴⁴ Once sufficient similarity, as is likely to deceive, is shown, infringement stands established. Passing off, however, may be resisted on the ground of added material, such as packing, procurement through different trade channels, etc., which would distinguish the goods of the defendant from those of the plaintiff and belie the possibility of confusion or deception.⁴⁴

(xi) On the concept of “deceptive similarity”, the following principles have emerged:

⁴² Ref. **Cadila Health Care**

⁴³ Ref. **Satyam Infoway**

⁴⁴ Ref. **Durga Dutt Sharma and Cadila Heath Care**

(a) In assessing deceptive similarity, the class of the customer would purchase the product is relevant.⁴⁵ The look/appearance, and the sound, of the trade marks, as well as the nature of the goods, are all relevant considerations.⁴⁶ Surrounding circumstances are also relevant.⁴⁶

(b) The onus of proof is on the plaintiff who alleges passing off.⁴⁷ As against this, in an opposition to the registration of a trade mark, the onus to prove deceptive similarity is on the defendant who seeks non-registration, or removal of the trade mark from the register.

(c) “Confusion” refers to the state of mind of the customer who, on seeing the mark, thinks that it differs from the mark on the goods which he has previously bought, but is doubtful whether that impression is not due to imperfect recollection.⁴⁸ The question is one of first impression.⁴⁹

(d) This is especially true in the matter of phonetic similarity. A meticulous comparison of the words, syllable by syllable, is to be avoided. The possibility of careless pronunciation and speech, both on the part of the

⁴⁵ Ref. **Khoday Distilleries and Cadila Health Care**

⁴⁶ Ref. **Khoday Distilleries**

⁴⁷ Ref. **Durga Dutt Sharma and Cadila Health Care**

⁴⁸ Ref. **Cadila Health Care**

⁴⁹ Ref. **Corn Products Refining Co., Cadila Health Care and Mahendra & Mahendra Paper Mills**

buyer walking into the shop, as well as the shop assistant, is also required to be factored into consideration.⁵⁰

(e) The matter has to be examined from the point of view of a person of average intelligence and imperfect recollection. It has to be seen as to how such a purchaser would react to the trade mark, the association which he would form and how he would connect the trade marks with the goods he would be purchasing.⁵¹

(f) The *Pianotist*²¹ test, postulated over a century ago, has repeatedly been endorsed by the Supreme Court, as the definitive test to be adopted while comparing rival trade marks. According to this test, the Court is required to judge the rival trade marks by their look and sound, and consider

- (i) the goods to which they are to be applied,
- (ii) the nature and kind of customer who would be likely to buy those goods,
- (iii) all surrounding circumstances and
- (iv) the consequences which would follow if each of the marks is used in the normal way as the trade mark for the goods of the respective owners.⁵²

⁵⁰ Ref. **F. Hoffman-La Roche** and **Cadila Health Care**

⁵¹ Ref. **National Sewing Thread Co., Corn Products Refining Co., Cadila Health Care** and **Mahendra & Mahendra**

⁵² Ref. **Amritdhara Pharmacy, F Hoffman-La Roche** and **Cadila Health Care**

While doing so, the common part of the words forming the competing marks may not be decisive. The overall similarity of the composite words is required to be seen, having regard to the circumstance (if applicable) that both are on like goods of similar description.⁵³ The test to be applied is whether, if the two marks are used in a normal and fair manner, there is likelihood of confusion or deception.⁵⁴

(g) The whole word/mark is to be considered.⁵⁵ An ordinary man would not split a word or name, in a trade mark, into its components, but would go by the overall structural and phonetic similarity of the marks at the nature of the goods previously purchased, or of which he has been told and which he wants to purchase.⁵⁶ It has to be examined whether the totality of the trade mark of the defendant is likely to cause deception/confusion or mistake in the minds of the persons accustomed to the existing trade mark of the plaintiff.⁵⁷

(h) The resemblance may be phonetic, visual or in the basic idea represented by the plaintiff's mark.⁵⁸ The Court is, however, required to apply both the phonetic

⁵³ Ref. **Amritdhara Pharamacy and Cadila Health Care**

⁵⁴ Ref. **K R Krishna Chettiar**

⁵⁵ Ref. **Amritdhara Pharmacy, F Hoffman-La Roche and Cadila Health Care**

⁵⁶ Ref. **Amritdhara Pharmacy and Cadila Health Care**

⁵⁷ Ref. **F. Hoffman-La Roche**

⁵⁸ Ref. **Amritdhara Pharmacy and Cadila Health Care**

and the visual tests.⁵⁹ At times, ocular similarity may be sufficient to find possibility of confusion/deception, even if the marks are visually dissimilar, though ocular similarity, by itself, may not, generally, be the decisive test.⁶⁰ Where, however, (i) in all other respects, the marks of the plaintiff and defendant are different, (ii) the word/words, in the marks, which are phonetically similar, cannot be regarded as the dominant word, or essential feature, in the marks, and (iii) the surrounding circumstances also belie any possibility of confusion, it has been held that deceptive similarity cannot be found to exist merely on the basis of phonetic similarity or even identity.⁶¹ The matter, apparently, is always one of fact. The Court would have to decide, on a comparison of the two marks, and the parts thereof which are phonetically similar, as to whether such phonetic similarity is likely, considering all other circumstances, to confuse or deceive a purchaser of average intelligence and imperfect recollection, always bearing in mind the nature of the goods, and the degree of circumspection which would be expected of the purchasers who would purchase such goods.

(i) The Court is required to examine whether the essential features of the plaintiff's mark are to be found

⁵⁹ Ref. F. Hoffmann-La Roche and Cadila Health Care

⁶⁰ Ref. K R Krishna Chettiar and Cadila Health Care

⁶¹ Ref. Nandhini Deluxe

in the mark of the defendant. Identification of the essential features is a question of fact, left to the discretion of the Court.⁶²

(j) No objective standards are possible, regarding the degree of similarity which is likely to cause deception. It has to be seen from the viewpoint of the purchasers of the goods.⁶³

(k) The test to be applied would depend on the facts of the case. Precedents are valuable only to the extent they specify tests for application, and not on facts.⁶⁴

(l) On the issue of deceptive similarity, and especially with respect to the aspect of phonetic similarity, English cases are not of relevance. English cases are useful only to the extent they aid in understanding the essential features of trade mark law.⁶⁵ The tests for deceptive similarity, which apply in other jurisdictions, may not always apply in India.⁶⁶

(xii) That the application of the aforesaid tests, in any given case, is purely a question of fact, involving exercise of judicial discretion by the Court, and that no objective or preset standards could be stipulated in that regard, may be apparent from the fact that, applying these tests,

⁶² Ref. **Amritdhara Pharmacy, Durga Dutt Sharma and Cadila Health Care**

⁶³ Ref. **Amritdhara Pharmacy, Durga Dutt Sharma and Cadila Health Care**

⁶⁴ Ref. **Khoday Distilleries, Amritdhara Pharmacy and Cadila Health Care**

⁶⁵ Ref. **Corn Products Refining Co. and Cadila Health Care**

⁶⁶ Ref. **Khoday Distilleries**

- (a) “Sify” and “Siffy” were held to be phonetically and visually similar, with the addition of the suffix “net” after “Siffy” being found to be insufficient to tide over the similarity⁶⁷,
- (b) “Gluvida” and “Glucovita” were found to be phonetically similar, with the syllable “co” in the latter name being regarded as insignificant⁶⁸,
- (c) “Amritdhara” and “Lakshmandhara” were found to be deceptively similar⁶⁹, and
- (d) “Sri Ambal” was found to be phonetically similar to “Sri Andal”⁷⁰, but
- (e) on an intricate and microscopic comparison of the competing words, it was held that “Protovit” and “Dropovit” were dissimilar, with no possibility of confusion.⁷¹

(xiii) The likelihood of disruption of the business of the defendant cannot inhibit the Court from granting relief, where the plaintiff is otherwise found entitled thereto.⁷² The object of interlocutory injunction is protection of the plaintiff against injury by violation of its rights, for which damages would not be adequate compensation even were the plaintiff to ultimately succeed in the suit. The Court is required to balance this

⁶⁷ Ref. Satyam Infoway

⁶⁸ Ref. Corn Products Refining Co.

⁶⁹ Ref. Amritdhara Pharmacy

⁷⁰ Ref. K R Krishna Chettiar

⁷¹ Ref. F. Hoffmann-La Roche

⁷² Ref. Satyam Infoway

consideration against the right of the defendant to protection from injury at being prevented from exercising its own legal rights for which, too, damages would not be an adequate compensation. The balance of convenience, in any given case, is to be asserted by balancing one consideration against the other.⁷³ In doing so, the fact of whether the defendant has yet to commence its enterprise is a relevant consideration.⁷³ “Balance of convenience”, nevertheless, would be a relevant consideration whether the scales are evenly balanced, and not where, for example, the plaintiff has extensive business over decades and the defendant is a recent entrant with no proof of established business. Acquisition of secondary meaning in the trade mark of the plaintiff, over the course of time, is also, therefore, a relevant consideration.⁷⁴

On a prima facie application of these principles to the facts of the present case

66. We thus arrive at the stage of application of the above principles, to the facts and while doing so, the court is required to be mindful of the limited application of precedents, in such cases, on facts. The question of grant, or refusal, of interlocutory injunction, in cases of alleged infringement of passing off, is doubly discretionary in nature, involving exercise of discretion by the court at two stages; firstly, while arriving at a *prima facie* conclusion regarding the existence, or otherwise, of deceptive similarity and, secondly, at

⁷³ Ref. **Wander Ltd. v. Antox India Pvt. Ltd.** 1990 Supp(1) SCC 727 and **Mahendra & Mahendra Paper Mills**

⁷⁴ Ref. **Kirloskar Diesel Recon and Mahendra & Mahendra Paper Mills**

deciding whether, in view of its decision regarding the first issue, a case for grant of interlocutory injunction, applying the principles of existence of a *prima facie* case, balance of convenience and likelihood of irreparable loss to the plaintiff, were injunction not granted, counterbalanced with the loss which would ensue to the defendant in the alternative, exists or not. The value of precedents, where exercise of discretion is involved, is itself circumscribed; in cases such as the present, the court has to be doubly cautious while relying, on facts, or earlier precedents. The Supreme Court has underscored this position in its decisions in *Khoday Distilleries*²⁹, *Amritdhara Pharmacy*²⁰ and *Cadila Health Care*⁶, all of which hold that the value of precedents, in such cases, inhere in the tests enunciated therein, and not in the facts of the said decisions.

67. Equally, I am not required, at this stage, to enter into a detailed evaluation on the aspect of alleged infringement of passing off, as these are essentially allegations which involve disputed factual issues, and would have to be thrashed out during the course of trial. What is required to be examined is whether, viewed *prima facie*, a case for grant of interlocutory injunction exists, or does not exist.

68. Approaching the matter in this fashion, I am unable to convince myself that the plaintiff has succeeded in establishing a case for injunction, at the interlocutory stage, against the defendant from manufacturing or marketing its products using the trade mark



. The only consideration, which may merit examination, in this regard, in my view, is the phonetic similarity between

“MUMMUM” and “MUMUM”. That these two words/expressions are phonetically similar, rather identical, can hardly be gainsaid. The question is whether this factor, in the facts of the present case, would justify grant of interlocutory injunction, as sought by the plaintiff.

69. The answer, in my opinion, has necessarily to be in the negative, for the following reasons:

(i) The defendant’s trade mark, holistically seen, cannot be said to have, as its “dominant” feature, the word “MUMUM”. The mark reads “The MUMUM Co ... very very very real”. In my view, the words “The” and “Co ... very very very real” cannot be said to have been used, in the trade mark of the defendant, so inconspicuously, as to be dominated by the word “MUMUM”. Plainly said, the trade mark of the defendant cannot be said to be “MUMUM” which the words “The” and “Co very very very real” forming inconspicuous and inconsequential appendages thereto. The trade mark is “The MUMUM Co very very very real”, and not “MUMMUM” or even “MUMUM”. Applying the principle that the trade mark is to be seen as a whole, and that one cannot extricate, from the trade mark of the defendant, one particular word, for purposes of comparison with the trade mark of the plaintiff, I am unable to hold that there is deceptive similarity between the marks of the plaintiff and the defendant, merely on the ground of phonetic similarity between “MUMMUM” and “MUMUM”.

(ii) Visually and structurally, the marks of the plaintiff and the defendant are, at a plain glance, completely different, and cannot be regarded as confusing, or even similar, in the least. There is no similarity of colour, pictorial representation, font, lettering or even orientation. The plaintiff's trade mark is "MUMMUM", and the defendant's trade mark is . They are completely distinct. The two marks are so completely dissimilar, both in their whole composition as well as visually, that no case of infringement can be said to exist. (Besides, as pointed out by Mr. Sinha, the registered trade mark of the plaintiff is not "MUMMUM", but "MUM-MUM".)

(iii) The customers, to whom the products of the plaintiff and the defendant cater, are also different. As has been correctly pointed out by Mr. Sinha, the products of the defendant cannot be consumed by infants, who constitute the customer base of the plaintiff, whether in the case of "MUMMUM" or "MUMMUM 2". "MUMMUM" is intended for consumption by infants below the age of 6 months, whereas "MUMMUM 2" is intended for infants above the age of 6 months. In either case, the product is to be consumed by infants. The defendant's products are, on the other hand, snacks, to be consumed by children over the age of 2 years. Etymologically and otherwise, infants are not children, and children are not infants. The infants, who would consume the plaintiff's products, cannot consume the products of the defendant, and while the defendant's products may be consumed, not only by older

children, but also by adults, any adult who consumes the plaintiff's products must be a man of extraordinary tastes. There is no customer overlap, therefore, between the products of the plaintiff and those of the defendant.

(iv) Applying the test of the “nature of customer” who would buy the products of the plaintiff and the defendant, it is obvious that no parent would seek to feed, to her or his infant, the products of the defendant, and no parent of a grown-up child, who is capable of consuming the defendant's product, would feed the child the products of the plaintiff. The purveyors of the products would, nearly inevitably, be parents of children, or the children themselves. They cannot be presumed to be liable to confuse the products of the plaintiff for those of the defendant, or vice versa. Besides, it is a matter of plain common sense that there is no meeting ground, whatsoever, between infant milk substitutes manufactured by the plaintiff and the snacks manufactured by the defendant. The snacks of the defendant are not even made of milk, but are prepared from fruits, vegetables, grains and cereals, etc. No possibility, therefore, of the defendant being able to pass off its products as those of the plaintiff, exists, *prima facie*. Added, to this, is the consideration, which is well known and of which the court may, therefore, legitimately take judicial notice, that purchasers of children's – or, even more particularly, infants' – food items, are as a rule careful about the products they purchase, which would ultimately be consumed by the child, or the infant, for whom the product is meant. It is true that diversification of

enterprise has, with the passage of time, become a norm, with large business houses engaging in activities which span the spectrum from aircraft to alcohol, or from hospitals and hotels to biscuits and sweets. That, however, is not the issue. The Court is required to view the matter realistically, from the point of view of the customer for whom the products of the parties before it are meant to cater. The parent who walks into the chemist's shop seeking to purchase a tin of "MUMMUM", or even "MUMMUM 2", for his baby's consumption, is least likely to settle, instead, for the savouries manufactured by the defendant. No casual approach can reasonably be expected of customers of such products.

(v) Where there is, thus, little likelihood of overlap, between the customers who seek to purchase the defendant's products, and those who seek to purchase the plaintiff's, it can hardly be said that the defendant's products may end up being passed off as those of the plaintiff, or that the defendant is seeking to capitalize on the goodwill earned by the plaintiff. No injury to the goodwill earned by the plaintiff can, therefore, be reasonably be expected, by the sale, by the defendant, of its products. Mere confusion or deception, it must be remembered – even were it to be assumed to exist – does not make out a case of "passing off". It is only where such confusion or deception results in the likelihood of injury to the goodwill of the plaintiff, that the tort of "passing off" can be said to have been committed.

(vi) The outlets where the products of the plaintiff and the defendants are available, are also different. Mr. Sinha has contended that the products of the plaintiff were not sold in normal general provision stores, where the products of the defendant would be available, but were to be found essentially in chemists' shops or pharmacies. Ms. Majumdar has not been able to seriously traverse this submission. The mere fact that, on one or the other online portal, such as 1mg.com, to which Ms. Majumdar alluded, both the products may be available, cannot be a ground to hold that the products were available at the same outlets. Even otherwise, the "outlet" test, if at all, has to be applied with respect to normal retail outlets, and not broad based internet retail outlets, which, these days, sell everything, except (in most cases) those prohibited by law.

(vii) Apart from the fact that, owing to the complete distinction between the trade marks of the plaintiff and the defendant, except for the phonetic similarity between "MUMMUM" and "MUMUM", no prima facie case of infringement, by the defendant, of the plaintiff's trade mark, can be said to exist, the possibility of the defendant passing off its product as those of the plaintiff also stands discountenanced by the difference in packing, between the said products. The defendant packs products in common packings, such as those used for savouries by other well-known brands, whereas the plaintiff's products are sold in distinctive tins, in which similar infant milk substitutes, by other manufacturers, are sold. A bare glance at the table extracted in para 13 (*supra*) reveals that

there is no possibility of confusion, even in the mind of a customer of average intelligence and imperfect recollection, between the products of the plaintiff and those of the defendant. No customer, howsoever average his intelligence, and howsoever imperfect his recollection may be, can be expected to purchase the plaintiff's products, instead of those of the defendant, or *vice versa*.

(viii) On the extent to which the phonetic similarity between “MUMMUM” and “MUMUM” would determine the outcome in the present case, I am of the considered opinion that Para 26.7 of the report in *Nandhini Deluxe*¹² (which stands extracted in para 63 *supra*), *prima facie*, entirely covers the case of the parties before me, both in law and even on facts. The considerations, in the said passage, which compelled the Supreme Court to hold, despite the obvious phonetic similarity between the words “NANDHINI” and “NANDINI” were not deceptively similar, in my view, apply, *mutatis mutandis*, to the present case. I may also observe that Para 26.7 of the said report, in my opinion, constitute a definitive declaration of the law, within the meaning of Article 141 of the Constitution of India, in cases which may present similar predisposing circumstances, and it would be impermissible for this Court to seek to escape the application of the said passage, and the principles enunciated therein, by seeking to ferret out factual distinctions between the case before the Supreme Court, and the case before it.

(ix) I am not inclined, therefore, to accept the submission, of Ms. Majumdar, that the products of the plaintiff and the defendant were allied, or similar. They are, in my view, completely distinct and different. They cater to different, and non-overlapping, consumer segments, with the consumers of the plaintiff's products being incapable of consuming the defendant's products, and the consumers of the defendant's products being, ordinarily, incapable of consuming the plaintiff's products. (That some adults may, with relish, enjoy infant milk substitutes, is another matter altogether.)

(x) Ms. Majumdar is right in contending that, in such cases, the approach of the Court is required to be geared towards assessing whether there are similarities between the goods before it, and not dissimilarities. The only similarity, between the products of the plaintiff and the defendant is, however, in my view, the phonetic similarity between "MUMUM" and "MUMMUM". This single factor is, *prima facie*, too loose a peg, on which to hang the case of the plaintiff.

(xi) Where the products of the plaintiff and the defendant are different, sold in different and distinct packagings, at different outlets, catering to different customers, as in the present case, *prima facie*, no question of "initial interest confusion" can exist.

70. Take a simple example, to examine whether, realistically, there is a possibility of the defendant's product being passed off as those of

the plaintiff. Mrs X, the proud mother of a four year old daughter, wishes to purchase a snack, for her daughter, who is underweight, to consume. The snack should be healthy; she does not want a *namkeen*, in the classical sense. She has heard, in some party perhaps, that such products are available. During her child's toddling years, she has been feeding her the plaintiff's 'MUMMUM' (which, I hasten to add, may not be the reason for her child being underweight). She knows of the plaintiff's product. She walks into the shop and asks the shop assistant for a children's snack, which could be consumed by her four-year old. The shop assistant hands her a packet of one of the defendant's products. Is she likely, on seeing the logo on the packet, to connect it with the 'MUMMUM' which she had been feeding her child as an infant? At a plain glance, the answer has, *prima facie*, to be in the negative. Is she likely to confuse the defendant's product as having been manufactured by the plaintiff, or purchase the defendant's product *because* she believes it to have been manufactured by the plaintiff? The decision, if any, would have to be taken by her on viewing the mark on the defendant's packet. Merely because the mark contains the word "MUMUM", would one expect Mrs X to notice, solely, the said word, latch onto its phonetic similarity with "MUMMUM" and, therefore, regard the product of the defendant as having been manufactured by the plaintiff, not noticing the obvious dissimilarity, in all other respects, of the two marks? Given the essentially different nature of the products themselves, the answer has, *prima facie*, in my view, to be in the negative. If she purchases the defendant's product, she would do so solely on its own strength, and not because she believes it to be a product manufactured

by the plaintiff. The defendant's products cannot, therefore, in my view, be legitimately be regarded as capitalizing on the goodwill earned by the plaintiff, for their dissemination and sale. I cannot reasonably hold that the defendant is "passing off" its goods as those manufactured by the plaintiff.

71. Holistically seen, therefore, I am of the view that there is no such deceptive similarity, between the mark of the plaintiff and the mark of the defendant, as could make out a case either of infringement of passing off. I do not deem it necessary to burden this order, which is only *prima facie* in nature, addressing the prayer for interlocutory injunction, with any detailed analysis of all other considerations, to which my attention was drawn and which stand noted hereinabove, including (i) the extent to which difference in classification of the goods, under the schedule to the Trade Marks Rules would be determinative, (ii) the issue of whether a prior adopter can infringe a trade mark, the "distinctive character and repute", stated to be possessed by the plaintiff's trade mark, (iii) the conferment of rights over the word contained in a logo, consequent on registration of the logo, (iv) the import of the Infant Milk Substitutes Act on the controversy in the present case, or (v) the allegedly "descriptive" nature of the plaintiff's trade mark. All these issues are left open for argument and consideration, at a later, and appropriate, stage.

72. In substance, therefore, I am of the opinion that the plaintiff has not been able to make out a case for injuncting the defendant, during the pendency of the present suit, from manufacturing or marketing its

products. The competing trademarks being completely distinct, visually and otherwise, the mere phonetic similarity between the words “MUMMUM” and “MUMUM” is, in my view, insufficient to make out a case of infringement. Given the nature of the products, the fact that they cater to different customer groups, and other factors highlighted hereinabove, I am not satisfied that, *prima facie*, a case for passing off can be said to exist, either.

73. I have also kept in mind, in this process, the consideration that the defendant is not a new entrant in the field, or an entity which is yet to commence the process of manufacture. The defendant has been marketing its product since long, and its product has been extensively advertised and is extensively sold both online and offline. At this stage, on the material that has been adduced, and the submissions that have been advanced, I am of the view that the balance of convenience would not justify bringing, to a halt, the business of the defendant, in respect of the allegedly infringing products.

Conclusion

74. In view of the aforesaid discussion, no case, for grant of interlocutory injunction, against the defendants, as prayed in the present application, can be said to exist.

75. The application is, therefore, dismissed.

76. Needless to say, all observations in this order are intended only to decide the application for interlocutory injunction under Order 39

IA 18292/2019 in CS(COMM)720/2019

Page 99 of 100

Rules 1 and 2 of the CPC, as preferred by the plaintiff, and cannot be regarded as a final expression of opinion, by the Court, on the *lis* in the suit, which would have to be decided on a comprehensive evaluation of the evidence that may emerge during trial.

C. HARI SHANKAR, J.

FEBRUARY 10th, 2021

