

(1992) 02 CAL CK 0029

Calcutta High Court

Case No: Suit No. 439 of 1989

Brooke Bond India Ltd.

APPELLANT

Vs

C. Patel And Company

RESPONDENT

Date of Decision: Feb. 19, 1992

Acts Referred:

- Trade and Merchandise Marks Act, 1958 - Section 2(d), 2(f), 30, 34, 35

Citation: 96 CWN 839

Hon'ble Judges: Umesh Chandra Banerjee, J

Bench: Single Bench

Final Decision: Allowed

Judgement

Umesh Chandra Banerjee, J.

The law in regard to the grant of interlocutory injunction in an infringement action is now well-settled both in this country and in England. Lord Denning in *Hubbard vs. Vesper*; [1972(2) WLR 389] observed :

In considering whether to grant an interlocutory injunction, the right course for a Judge is to look at the whole case. He must have regard not only to the strength of the claim but also to the strength of the defence, and then decide what is best to be done. Sometimes it is best to grant an injunction so as to maintain the status quo until the trial. At other times it is best not to impose a restraint upon the defendant but leave him free to go ahead.

2. In *Granda Group Limited vs. Ford Motor Company Limited*, (1973J RPC 49, the House of Lords also quoted the above-noted observations with approval. The Delhi High Court in *Malhotra Industries vs. (sic)* [ILR 1976 (1) Delhi 278] also followed the same.

3. Considering the above it is seen, therefore, that no rigid or strict rules can be made applicable in the matter of grant of interlocutory injunction but the matter is

to be considered in a broader perspective, considering the entirety of the facts of the case, based on judicial discretion having in view certain basic factors viz., a) Prima facie case; b) a difficult question to be agitated at the trial, c) balance of convenience and d) if the grant is refused it may lead to an irreparable injury to an applicant.

4. Incidentally it is to be noted that it is to mitigate the risk of injustice to the plaintiff this grant is effected but that does not, however, mean and imply non-consideration of the defendant's rights. The basis is one of fairness, equity and justice in relation to all relevant facts. The speech of Lord Diplock in American Cyanamid's case [American Cyanamid Company vs. Ethicon Limited; 1975 RPC 513] lend support to the view expressed.

5. Having discussed the law on the subject it will thus be convenient to briefly advert to the factual aspect of the matter under consideration at this juncture.

6. Brooke Bond India Limited is a well known manufacturer of tea in the country enjoying a very wide reputation in the tea industry throughout the globe. Various brands of tea under various trade names are being sold and marketed by Brooke Bond India Limited both within the country and abroad. One such brand name is Taj Mahal Tea in packets and cartons having distinctive colour scheme and combination of blue and orange in a distinctive design and pattern. In respect of Taj Mahal Tea various marks have been registered in favour of Brooke Bond Limited in Class 30. It appears that the packets and cartons of Taj Mahal Tea bear a picture of Taj Mahal and immediately above the picture it is mentioned Brooke Bond. On two sides of the carton the name of Taj Mahal Tea appears.

7. Brooke Bond India Limited has also introduced Taj tea bags" though with a different picture. Admittedly, the word Taj Mahal" forms part of the registered mark and there exists an indisputable fact that the word Taj Mahal" is an essential part of the registration. Taj Mahal tea has also acquired a substantial goodwill and reputation. It is not out of place to mention that the historical Monument at Agra is commonly referred to as Taj being an abbreviation of Taj Mahal.

8. The defendants, also being in the tea industry, introduced a brand of tea under the brand name Taj Tea" in packets and cartons having a colour scheme of blue and orange. It to be noted at this juncture, admittedly; the defendants products in packets and cartons are however, meant for exportation only though mainly to the Middle Eastern Countries, and the name Taj Tea appears on two sides of the carton in English and on the other two sides, in Arabic script.

9. The issue in this interlocutory application for injunction and appointment of Receiver, therefore, arises for consideration as to whether this export of tea in blue and orange packets and cartons is likely to cause a deception in the mind of the people so as to make it believe, that the product is a product of Brooke Bond India Limited and not of any other concern. Before proceeding further, however, in the

matter it is to be noticed that the law is well-settled on this score that there need not be any actual deception nor any actual damage need be proved. It is also a well settled principle of law that the two marks need not be placed side by side but the comparison be made accordance to the imperfect recollection for an ordinary purchaser with an ordinary memory and I need not dilate much on that score.

10. One significant feature ought however to be examined in this matter under consideration is the area of operations. Admittedly the areas of operation of the two products are completely different. There is no exportation of Taj Mahal Tea by Brooke Bond India Limited and on the other count there is no sale of the defendants' tea in the country but meant only for exportation. The question that follows, therefore, is whether there can be any deception in the mind of the people of another country in regard to the product of the plaintiff company.

11. The Trade and Merchandise Marks Act defines the expression "deceptively similar" as a mark which shall be deemed to be deceptively similar to another mark, if it so nearly resembles that other mark as to be likely to deceive or cause confusion. In this context the definition of "false trade description" as provided in the statute ought also to be considered. False trade description in terms of Section 2(f) means -

i) a trade description which is untrue or misleading in a material respect as regards the goods to which it is applied; or

ii) any alteration of a trade description as regards the goods to which it is applied, whether by way of addition, effacement or otherwise, where that alteration makes the description untrue or misleading in material respect; or

iii) any trade description which denotes or implies that there are contained, as regards the goods to which it is applied, more yards or metres than there are contained therein standard yards or standard metres; or

iv) any marks or arrangement or combination thereof applied to goods in such manner as to be likely to lead persons to believe that the goods are the manufacture or merchandise of some person other than the person whose merchandise or manufacture they really are; or

v) any false name or initials of a person applied to goods in such manner as if such name or initials were a trade description in any case where the name or initials ?

a) is or are not a trade mark or part of a trade mark; and

b) is or are identical with or deceptively similar to the name or. initials of a person carrying on business in connection with goods of the same description "and who has not authorized the use of such name or initials; and

c) is or are either the name or initials of a factious person or of some person not bona fide carrying on business in connection with such goods; and the fact a trade

description is a trade mark or part of a trade mark shall not prevent such trade description being a false trade description within the meaning of this Act.

12. The definitions given under Sections 2(d) and 2(f) in terms of 1958 Act mean and imply, therefore, that it should nearly resembles the other mark which is likely to deceive or cause confusion and is misleading in a material respect. The user of the mark, therefore, has to be considered as the basic criteria in the matter of coming to even a prima facie finding as regards the -infringing marks. Admittedly, the infringing mark must be misleading in material respect and the mark must resemble to the other mark as to be likely to deceive or cause confusion. The user, therefore, is a material criteria in order to ascertain as to whether such mark resembles the other or there is any material or the same is misleading in a material respect. There must be some such evidence before the Court on the basis of which even at this stage of the proceeding the Court must come to a finding that the same is likely to lead persons to believe that the goods are the manufacture or merchandise of some person other than the person whose merchandise or manufacture they really are; This finding cannot be arrived at if the user of the goods or merchandise cannot be identified or located. While it is true that no actual loss or damage need be proved in an infringement action under the Trade and Merchandise Marks Act but the facts remain that there is likelihood of such a confusion that must be shown in order to obtain an interlocutory injunction.

13. Admittedly the registration of marks in Class 30 are all labels with name Taj Mahal Tea written prominently on the label and the word Taj Mahal forms a part of the registered mark. Particular reference may be made to trade mark No. 287895 which contains the advertisement of Taj Mahal and the word Taj Mahal prominently written on the label under an arch. There cannot be any manner of doubt that the said word Taj Mahal is essential part of the registration. Mr. Sarkar, appearing in support of the application submitted that the plaintiff Brook Bond is entitled to exclusive user of the word Taj Mahal in respect of tea, coffee though we are concerned mainly of tea in the "facts of the matter under consideration. Mr. Sarkar further submitted that extensive sales of Brook Bond tea and extensive expenditure incurred by it for advertisement in respect of Taj Mahal Tea have been effected and Brooke Bond has, as a matter of fact, acquired substantial goodwill and reputation in respect of it's Taj Mahal and the Taj Mahal Tea have come to be associated exclusively with the product of Brooke Bond and no other. It was contended on behalf of the plaintiff that the advertisement of Brooke Bond which can regularly be seen on Television and Newspapers refer to the tea as Taj and as a matter of fact, Taj is a common abbreviation from the Taj Mahal.

14. On a perusal of the defendant's packets it is seen that there exists the self-same arch and the picture of a crown appears within the Arch. Mr. Mitter, however, appearing for the defendant submitted that the packets and cartons of the defendant contained the logo of the tea board which is absent In packets and

cartons of the plaintiff and the words Brooke Bond are printed in English above the picture of Taj Mahal and the words Taj Mahal Tea are printed in English above the picture of Taj Mahal whereas on the packets and cartons of defendant the word Taj Tea" a "Pure Indian Tea are in English and in Arabic below the picture of crown. Mr. Mitter further contended that from the certificate of registration of trade mark issued in favour of the plaintiff it is clear that what has been registered is entire mark and it cannot be said that by using the word Taj the defendant has been infringing the trade mark of the plaintiff. Strong emphasis has been laid by Mr. Mitra in regard to the area of operation of the two products. It was contended that since the defendant's product is meant to be exported out of the country and has no internal market as compared to the plaintiffs product which is for internal market only, question of deception does not arise and the essential ingredients of infringement will be lacking. Lastly Mr. Mitter contended that the court should consider as to the persons who are likely to be deceived or confused and what rules of comparison are to be adopted in ascertaining existence of resembles. Such a question has to be approached from the point of view of a man's average intelligence and imperfect recollection.

15. While it is true that comparison of the two marks has to be made according to imperfect recollection of an ordinary purchaser with an ordinary memory who does not see the marks side by side and the law is well settled on this score, it is to be noted, however, that in considering the two marks more so, in the facts of the matter under consideration it has to be examined whether the essential feature of one has been infringed or not.

16. Lord Radcliffe in *De Cordova and Others vs. Vick Chemical Co.* 's case (68 RPC 103) observed : -

There Lordships consider that the Court of Appeal were right in holding that the Appellants had infringed Trade Mark 1852. They have not used the mark itself on the goods that they have sold, but 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. The identification of an essential features depends partly on the Court's own judgment and partly on the burden of the evidence that is placed before it. A trade mark is undoubtedly a visual device; but it is well-established law that the ascertainment of an essential feature is not to be by ocular test alone. Since words can form part, or indeed the whole, of a mark, it is impossible to exclude consideration of the sound or significance of those words. Thus it has long been accepted that, if a word forming part of a mark has come in trade to be used to identify the goods Of the owner of the mark, it is an infringement of the mark itself to use that word as the mark or part of the mark of another trader, for confusion is likely to result. It is sufficient to refer to the words of Lord Cranworth, L.C. in *Seixo vs. Prouezende*, (1866) LR 1 Ch 192 at p. 197; "If the goods of a manufacturer have, from the mark or "device he has used, become

known in the market by a particular name, I think that the "adoption by a rival trader of any mark which will cause his goods to bear the same name "in the market, may be as much "a violation of the rights of that rival as the actual copy "of his device". Decisions to the same effect are to be found in *Ford vs. Foster* (1872) LR 7 Ch. 611. *Orr Ewing & Coy vs. Johnston & Coy.* (1880) 13Ch. D. 434. *Saville Perfumery Ltd. vs. June Perfect Ltd.* (1941) 58 R.P.C. 147. The likelihood of confusion or deception in such cases is not disproved by placing the two marks side by side and demonstrating how small is the chance of error in any customer who places his order for goods with both the marks clearly before him, for orders are not placed, or are often not placed, under such conditions. It is more useful to observe that in most persons the eye is not an accurate recorder of visual detail, and that marks are remembered rather by general impressions or by some significant detail than by any photographic recollection of the whole.

17. The decision of the Supreme Court in [Parle Products \(P\) Ltd. Vs. J.P. and Co., Mysore](#), also sounded the similar note as regards the consideration of essential feature in an action in infringement. There are various other decisions cited from the Bar but since the law is well-settled in regard thereto I need not detail out the same here on that score excepting recording that the word "Taj Mahal" in the facts of the matter under consideration constitute an essential feature of the plaintiffs mark.

18. Turning now on to the issue as regards the locality of infringement, it is to be noted that the registered proprietary rights are infringed only if the mark is used in the territory covered by the registration and if registration is not specifically limited to any particular area it is deemed to be registered for the whole of India over which the Act extends. The use of the offending mark must, however, take place within India in relation to goods for sale either within India or for export to other countries. In this context Section 55(1) ought to be considered. Section 55(1) provides :-

The application in India of trade mark to goods to be exported from India and any other act done in India in relation to goods to be so exported which, if done in relation to goods to be sold or otherwise traded in within India would constitute use of a trade mark therein, shall be deemed to constitute use of the trade mark in relation to those goods for any purpose in which such use is material under this Act or any other law.

19. It, therefore, followed that an action for infringement will lie even if it is shown that the trade of the plaintiff and the defendant will not overlap.

20. Mr. Mitter, however, contended that deception being the primary factor:

and since the area of operation or the availability of the goods in open market are completely different, question of any deception even on the basis of "imperfect recollection of ordinary individual or placement of the carton side by side does not and cannot arise. There cannot be, it was contended, any deception in the mind of unwary purchasers. While it is true that the reputation or goodwill of Brooke Bond in

the matter of its products viz., Taj Mahal Tea may not have any impact on unwary purchasers outside the country but by reason of the specific language of the statute I am unable to accept the contention of Mr. Mitter since even an unauthorized printing of label of the plaintiff will constitute an infringement and admittedly the packages are printed and the tea is packed in this country for exportation and this activity squarely and evenly comes within the meaning of Section 55(1) of the Act with particular reference to "any other Act done in India in relation to goods to be so exported which, if done, in relation to goods to be sold or otherwise traded, in within India would constitute use of a trade mark therein.

21. The decision of the Chancery Division in John Walker and Sons Limited & Ors. vs. Henry Ost & Co. Limited & Anr., 1970(2) All ER 106 lend support to the view expressed above.

22. Incidentally it is to be noted that in an infringement action it is not necessary to prove actual deception but only likelihood and the probability of deception or confusion will entitle the plaintiff to relief. In this context the observation of the Supreme Court in the case of [Ruston and Hornsby Ltd. Vs. The Zamindara Engineering Co.](#), seen to be very apposite.

23. In Paragraph 6 of the Report the Supreme Court observed : -

6. The action for infringement is a statutory right. It is dependent upon the validity of the registration and subject to other restrictions laid down in Sections 30, 34 and 35 of the Act. On the other hand the gist of a passing off action is that A is not entitled to represent his goods as "the goods of B" but it is not necessary for B to prove that A did this knowingly or with any intent to deceive. It is enough that the get-up of B's goods has become distinctive of them and that there is probability of confusion between them and the goods of A. No case of actual deception nor any actual damage need be proved. At common law the action was not maintainable unless there had even been fraud on A's part. In equity, however, Lord Cottenham L.C. in *Millington vs. Fox* (1833) 3 M&C 338 held that it was immaterial whether the defendant had been fraudulent or not in using the plaintiff's trade mark and granted an injunction accordingly. The common law courts, however, adhered to their view that fraud was necessary until the Judicature Acts, by fusing law and equity, gave the equitable rule the victory over the common law rule.

24. The other aspect of the matter ought also to be noted viz., the use of a part of the mark only but in my view, that in an infringement action the plaintiff is entitled to obtain relief even where a part of the mark is used. The decision of the Supreme Court in *Ruston and Hornsby Ltd. vs. Zamindara Engineering Co.* (supra) lends support to the view expressed above.

25. Lastly it is to be noted that the original colour and combination of blue and orange being similar to that of the plaintiff's packet has been agreed to be altered by the defendant to red and yellow but in my view, even the change of colour to red

and yellow does not and cannot necessarily obviate the differentiation in the essential features of the mark and as such is of no consequence.

26. In that view of the matter, this application succeeds. The interim order of injunction granted earlier is confirmed. It is, however, made clear that the observations made herein shall not have any bearing at the time of final hearing of the suit.

27. There shall, however, be no order as to costs.

The suit is however expedited. Written statement to be filed within a period of 3 weeks from date. Cross order for discovery within 2 weeks thereafter. Inspection forthwith thereafter and the suit to appear in the appropriate prospective list 8 weeks hence.

All parties to act on a signed copy of the operative portion of the Judgment on the usual undertaking.