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Asha Soap Factory Vs Dhanthak and Company and Another

Appeal from Order No. 329 of 1983 with Civil Application No. 1439 of 1983

Court: Bombay High Court

Date of Decision: Dec. 7, 1983

Acts Referred:
Trade and Merchandise Marks Act, 1958 â€" Section 105, 109, 11, 28, 29

Citation: (1985) 1 BomCR 298

Hon'ble Judges: H.H. Kantharia, J

Bench: Single Bench

Advocate: K.H. Bhabha, Mahendra Shah, D.J. Dalal and G.K. Masand, for the Appellant; J.I. Mehta, M.L. Bansale and K.R. Ghosh, for the Respondent

Final Decision: Dismissed

Judgement

H.H. Kantharia, J.
This is an Appeal from Order dated 18th March, 1983 passed by the learned Judge of the City Civil Court, Bombay,

in Notice of Motion No. 503 of 1983 taken out by respondent No. 1 (hereinafter referred to as `the plaintiffs") in Short Cause Suit No. 601 of

1983.

2. The facts and circumstances under which the present appeal came to be preferred are that the plaintiffs filed a suit in the trial Court for

permanent injunction against the present appellants (hereinafter referred to 89 `the defendant No. 1") from manufacturing washing soaps bearing

their trade mark or trade mark identical or similar or deceptively similar to the plaintiffs'' trade mark and for permanent injunction restraining

respondent No. 2 (hereinafter referred to as `the Defendant No. 2") from selling such soaps and further ordering defendant Nos. 1 and 2 to render

accounts of the business done in selling such soaps and ordering them to pay the profits derived from such business to the plaintiffs. The case of the

plaintiffs was that they are the manufacturers of a kind of washing soap with a particular and distinguished mark of their product since the year

1952. According, to them this distinguished mark was registered under the Trade and Merchandise Marks Act, 1958 on 6-6-1977, the

registration being effective from 21st March, 1975. The trade mark consisted of two letters ""BB"" each within separate circles. This registration was

initially for a period of seven years and was renewed in the year 1982 for a further period of seven years. They alleged that defendant No. 1

started manufacturing soaps having similar shape and having a mark of two figures ""88"" each within separate circles thus similar or deceptively

similar to the trade mark of the plaintiffs with a mala fide intention to take advantage of the popularity of the plaintiff''s trade mark and with

dishonest intention to trade upon the plaintiff''s goodwill and reputation. Defendant No. 2 was selling the said soaps manufactured by defendant

No. 1 in Kurla. The plaintiffs contended that the soaps manufactured by defendant No. 1 were of much inferior quality and, therefore, they would

lose their reputation and goodwill if such soaps were allowed to be sold in the market. The case of defendant No. 1 was that there could not be a

trade mark regarding shape of soap or with regard to geometrical designs such as circles. They contended that they had got their trade mark ""88

registered as on 24th March, 1966 and the said registration is still valid and further that they were using the said trade mark since the year 1956.

The also contended that the plaintiffs were aware of these facts which they suppressed from the trial Court.

3. A notice of motion was taken out by the plaintiffs, in the suit for certain reliefs and after the parties filed their documents and affidavits and after

affording a reasonable opportunity of being heard the learned trial Judge by his impugned order made the Notice of Motion absolute in terms of

prayer Clauses (c) and (d) thereby ordering that during the hearing and final disposal of the suit, defendant No. 1 by themselves, their proprietors,

servants and agents be restrained by a preventive interim injunction and order from manufacturing and/or producing for sale of the said washing

soaps bearing a trade mark containing letters ""BB"" in two circles (each is one circle) or numericals encircled in two circles similar to and/or,

identical with and/or deceptively similar to and/or identical with the plaintiffs'' said registered trade mark ""BB"" in two circles, duly registered under

Trade Mark No. 303948 and/or from selling any such fake products under such infringing trade mark and/or from passing off their products as the

products of the plaintiffs and further that during the hearing and till final disposal of the suit, defendant No. 2 by themselves, their servants, agents

and officers be restrained by a preventive interim injunction and order from selling the said fake goods viz., the products of defendants No. 1

referred to above and bearing such infringing trade mark thereby violating plaintiffs'' Registered Trade Mark No. 303948. Aggrieved by this order

defendant No. 1 preferred the present appeal.

4. Now, it is no doubt true that defendant No. 1 had got their trade mark ""88"" registered as back as on 24th March, 1966. However, a specimen

of the said trade mark, as and by way of a Xerox Copy, is produced with the case papers which---clearly shows that the said trade mark was

very much distinguishable from the one of the plaintiffs a Xerox Copy of which is also brought on the record. Thus figures ""88"" shown encircled

separately at that time in 1956 when compared to letters ""BB"" encircled separately, give an altogether different appearance and, therefore, it would

be correct and proper for defendant No. 1 to say that they had been using such a trade mark right from the year 1956 and as such now the

plaintiffs can not take any objection to it in other words, what they were using as trade mark from 1956 was different from what they are trying to

use now resembling the trade mark of the plaintiffs. On behalf of defendant No. 1, a bill of the year 1957 was shown to me during the hearing. It

appears there form that two figures ""88"" in two separate circles were used on that bill but a bare look at it shows that those marks look very much

different from the plaintiffs'' trade mark. Further, the trade mark as defendant No. 1 was then using was with the words ""Asha Shop Factory"" just

above the two figures ""88"" and below these figures the work ""special"" was also inscribed or written. That made the whole difference between the

trade mark of the plaintiffs and that of defendant No. 1 which they claim to be using from 1956. Therefore, to say that they have been using such a

trade mark from the year 1956 and that it was registered in the year 1966 does not help defendant No. 1 in any manner, for, their trade mark then

was basically looking different from the trade mark of the plaintiffs. Still one more circumstance against defendant No. 1 is that they had applied for

registration of a trade mark having two figures ""88"" encircled separately long time back which was objected to by the plaintiffs. At that time

defendant No. 1 had taken no steps with a view to pursue their application for registration of such a trade mark and it was allowed to be dismissed

which was held to be deemed to have been abandoned and defendant No. 1 were ordered to pay costs to the plaintiffs by the Registrar of Trade

Marks. Again, a clinching circumstance against defendant No. 1 on their own admission is that they are using the trade mark ""88"" in two circles in

the present form at least from the year 1980. It may be noted here that this contention was unwittingly raised by them with a view to make a point-

that the suit as filed by the plaintiffs was delayed inasmuch as although they came to know that defendant No. 1 started using such a trade mark

from the year 1980, the suit was filed as late in the year 1983. But in their attempt in doing so, defendant No. 1 exposed themselves to the extent

that they mischievously tried to copy the trade mark of the plaintiffs somewhere in the year 1980 with a view to go very near the trade mark of the

plaintiffs. At this stage, I may also dispose of a contention raised on behalf of defendant No. 1 that the filing of the suit was delayed, as stated

hereinabove. The explanation of the plaintiffs in this regard is that defendant No. 1''s products were noticed in the market in or about September,

1981 but-thereafter the said products were not seen in the market for a long time and, therefore, the plaintiff''s entertained an impression that

defendant No. 1 had stopped production and/or using the said infringing trade mark of the plaintiffs and hence they did not take any action earlier

against them. It is now when they again noticed the products of defendant No. 1 in the market bearing the infringing trade mark of the plaintiffs that

the plaintiffs were shocked and surprised and filed the suit. Any way, that the defendant No. 1 started using a trade mark very much similar to that

of the plaintiffs somewhere in the year 1980 goes to show that they had the mala fide intention of infringing the trade mark of the plaintiffs. Apart

from all these circumstances, I have had a look at the soap cakes of both the plaintiffs and defendant No. 1 and I am convinced that even a bare

look at these soap cakes clearly shows that there is great similarity and/or resemblance in them and as such there is every possibility of customers

being misled and misguided into buying one soap for the other because the appearances of the trade marks of the plaintiffs and defendant No. 1

are very much deceptive being alike. Under the circumstances, I am more than satisfied that the plaintiffs have made out a prima facie case that

their trade mark is being infringed.

5. Mr. Bhabha, learned Counsel appearing on behalf of defendant No. 1, drew my attention to a number of trade marks allotted to various

manufacturers or traders with two letters encircled separately or to numerical figures encircled separately and urged that when geometrical designs

like circles have no bearing so long as registration of trade mark is concerned, why should the plaintiffs be so very touchy that defendant No. 1 is

making use of such circles. The argument of Mr. Bhabha appears to be attractive but it should be remembered that there is great similarity between

figures ""88"" and letters ""BB"" and when they are separately encircled that the appearance becomes very much deceptive as both trade marks look

alike. Such use of the ""figures"" and ""letters"" after they are encircled is bound to mislead or misguide the innocent customers in buying one kind of

soaps for the other. It is also pertinent to note here that admittedly the trade mark of defendant No. 1 was registered with two figures ""88"", then

who and why are they interested in using those figures after encircling them unless they have mala fide intention to reach very near the trade mark of

the plaintiffs. None can have any objection to their using their trade mark as ""88"" only but if they are interested in using also the circles, instead of

using figures ""88"" they may use any other figures which may not have resemblance to letters ""BB"" belonging to the plaintiffs so that the trade mark

of the plaintiffs be not infringed. It may also be noted here that the plaintiffs have absolutely no objection if defendant No. 1 make use of figures

88"" only without they being encircled.

6. The balance of convenience also appears to be in favour of the plaintiffs. The business of defendant No. 1 in this particular kind of soap does

not appear to be lucrative at all. On behalf of defendant No. 1, the figures of turn over from the year 1956 to 1981-82 of the sale of their soap are

shown to me and I find that the largest turn over was in the year 1980-81 to the tune of Rs. 13,12,947/-. This amount was reduced to Rs.

9,63,555/- in the year 1981-82. As against this the turn over of the business of the plaintiffs" has been increasing by leaps and bounds. A

statement as to the yearly turn over of the plaintiffs from 1972 to 1981 was shown to me. As rightly pointed out on behalf of defendant No. 1 that

the figures of turn over of the plaintiffs from 1972 to 1974 cannot be taken into consideration because admittedly the registration of the trade mark

of the plaintiffs was effective from 1975. But even if we take into consideration the turn over of the plaintiffs business from the year 1975 we find

that the turn over has been increasing year after year inasmuch as in the year 1975 it was to the tune of Rs. 117.69 lakhs and it want on increasing

upto the extent of Rs. 296.12 lakhs in the year 1981. If, therefore, defendant No. 1 were allowed to sell their products infringing the trade mark of

the plaintiffs, the business of the plaintiffs is not only likely to suffer but their reputation and goodwill are also likely to be adversely affected

inasmuch as if people are misled in buying soap cakes of inferior quality, they are bound to react by saying that the product of the plaintiffs was of

inferior quality and this loss of reputation and goodwill cannot be compensated in terms of money. On the other hand, if defendant No. 1

manufacturers their soaps with the same trade mark ""88"", no harm or injury is likely to be suffered by them.

7. In the premises of what I have stated above, I find absolutely no infirmity in the impugned order. There is thus no substance in the appeal. The

appeal, therefore, stands dismissed with costs. The interim orders passed in Civil Application No. 1439 of 1983 stand vacated.