

IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

APPEAL FROM ORDER No 48 of 1998

with

CIVIL APPLICATION NO. 1010 OF 1998

For Approval and Signature:

Hon'ble MR.JUSTICE R.BALIA.

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1. Whether Reporters of Local Papers may be allowed to see the judgements? YES
 2. To be referred to the Reporter or not? YES
 3. Whether Their Lordships wish to see the fair copy of the judgement? NO
 4. Whether this case involves a substantial question of law as to the interpretation of the Constitution of India, 1950 of any Order made thereunder? NO
 5. Whether it is to be circulated to the Civil Judge? NO
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RUPA & COMPANY LTD.

Versus

DAWN MILLS CO.LTD.

Appearance:

MR AC GANDHI and MR SB VAKIL for Appellants

MR BHARATBHAI SHELAT and MR YJ TRIVEDI &

MR NN PRAJAPATI for Respondents

CORAM : MR.JUSTICE R.BALIA.

Date of decision: 16/04/98

ORAL JUDGEMENT

1. This defendants' appeal is against the order of the learned City Civil Judge, Ahmedabad dated 30th December 1997 passed on a Notice of Motion restraining the defendants appellants by way of temporary injunction from using the word "DON" henceforth in respect of marketing their hosiery products as it infringes

plaintiffs' Trade Mark 'DAWN Hosiery' till the hearing and final disposal of the suit.

2. The facts leading to this appeal are that the plaintiff is a public limited company and is carrying on business of manufacturing, marketing and selling hosiery. The word "DAWN" is a main and essential feature of the plaintiffs trade mark which is registered under Trade Mark Act. The defendant No.1 is also a company engaged in the business of manufacturing and marketing hosiery products. The registered trade mark for marketing its hosiery products is "RUPA". The plaintiff's trade mark has been registered and in use by it for over 40 years. The dispute is about use of words 'DON' conjunctively or disjunctively by defendant No.1 in respect of some of its hosiery products as its identifying mark whether in conjunction with its registered trade mark 'RUPA' to be read as 'RUPA DON' or the word mark 'DON' separately used as feature of identifying the commodity for marketing as one of specific brand of its hosiery products. The plaintiffs having come to know of use of word 'DON' by the defendant No.1 company in the field of marketing its hosiery products, gave a registered notice dated 29/4/95 stating that use of word mark 'DON' in respect of their hosiery products by the defendant No. 1 amounts to infringing their trade mark and asked them to stop the use of the word 'DON'. The defendants replied by letter dated 25th May 1995 denying the plaintiff's claim. In reply, it was also mentioned that the defendant No.1 has filed the application for rectification of plaintiff's trade mark in respect of which infringement has been alleged by the plaintiff. There after, the plaintiff has filed the present suit on 4th March 1997 for restraining the defendants by way of perpetual injunction from using in relation to any of hosiery items the impugned word 'DON' or other marks in any manner so as to infringe the plaintiff's registered trade mark. Alternatively same relief on the basis of 'passing off the defendant No.1 goods as the plaintiff's goods' was also claimed. Other reliefs pertaining to the rendering of accounts of profit earned by defendants by infringing the trade mark and a decree for damages in the like amount was asked for.

3. A notice of motion for grant of temporary injunction restraining the defendants from using word 'DON' in connection with its hosiery products during the pendency of the suit was also moved.

4. The defendant's plea was that its products are marked under the brand 'RUPA'. However, in order to identify and distinguish its products of different

character, different names like 'DON' 'Kidline' 'Ribline' etc. are used alongwith the mark 'RUPA'. Since 1994 the defendant is manufacturing and marketing openly its products by bonafidely using mark 'RUPA DON'. It has also applied for registration under the Trade and Merchandise Act, 1958 for brand name used as 'RUPA DON' and the application is pending before the Registrar of Trade Marks, at Bombay. It is further urged that mark 'RUPA DON' is a composite mark comprising of 'RUPA' representing its own registered trade mark and 'don' an imaginary charisming character having no significant relevance to goods in question and is not deceptively similar to the plaintiff's mark nor is it likely to cause any confusion so as to result in infringement of its mark. It was also urged that if the two marks bear no occular similarity, and phonetic similarity of words like 'don' or 'dawn' it cannot cause any significant confusion.

5. The case of the plaintiff on the issue of infringement to trade mark is that the word 'DON' is phonetically similar to the plaintiffs trade mark 'DAWN' and that the offending word 'DON' when used in other vernacular language is written in the same way as plaintiffs mark 'DAWN', which is likely to cause confusion of similarity and identity of two products in question amongst the buyers and they are likely to be deceived by the use of word mark 'DON' as identifying particular goods of the defendants in the market with the plaintiffs goods. The defence of the defendant on the merit is that one of the plaintiffs mark comprise of word 'DAWN' together with rising sun with word hosiery. It is in the form of a label and the mark as registered under the Trade & Merchandise Marks Act, in its entirety constitutes the registered mark and only a part of it cannot be construed as a mark owned by the plaintiff so as to make out a case for infringement of its trade mark. It was also urged that considering the total sales of the RUPA Brand, in the year 1995-96, which amounted to about Rs. 58.7 crores out of which the sales or turnover of its DON BRAND of goods amounted to about Rs. 2.70 crores only, goes to show that when defendants on their own has such large turnover and looking to small ratio which the total sales of its products with offending mark bears to it, defendants can not have intention to pass off their goods as the goods of the plaintiff and action for passing off the goods is not maintainable. It was also urged that no confusion in the mind of people would arise at large as word 'DON' is used with 'RUPA' which is the registered trade mark of the defendants and is quite dissimilar to the mark used by the plaintiff. In other

words, it was urged that word 'RUPA DON', mark used by the defendant is quite dissimilar to mark 'DAWN' used by the plaintiff.

6. The trial Court found that the word 'DON' is given prominence repeatedly in the cartons and packages, labels and in the advertisements which prima facie amounts to infringement of plaintiffs' mark 'DAWN' visually. It also found that the word 'DON' used by defendants for merchandising their goods is phonetically very similar to the mark 'DAWN' owned by the plaintiffs for merchandising its articles. The plea of delay and laches on part of the defendants did not find favour with the learned trial Judge. Thus, finding that defendant has prima facie infringed the registered trade mark of the plaintiff by using the word 'DON' alongwith 'RUPA' and that balance of convenience favours plaintiff and that no irreparable injury would be caused to the defendants if the interim relief is confirmed to nonuser of the word DON by the defendants, the interim injunction referred to above was granted in favour of the plaintiff. To challenge the aforesaid order, the defendants has preferred this appeal.

7. Heard learned counsel for the parties.

8. It was first urged by learned counsel for the defendants-appellants that delay in filing the suit and seeking relief of injunction ought to be held against plaintiff disentitling them from relief of temporary injunction, as because of that balance of convenience cannot favour the plaintiff. It was urged that during the year ending 1996-97, the appellants had total sales of about Rs.58.00 crores of which Rs.2.74 crores accounted from sale of 'Don' brand of hosiery goods. Injunction, if granted, will affect daily sale of about Rs.1.50 lakhs per day. By not filing the suit promptly, the plaintiffs have allowed the defendants to believe that there is no infringement of plaintiffs trade mark and increase their trading activity. It was urged that plaintiffs sent notice about alleged infringement as far back as in April 1995, which was replied to on 25.5.1995. Yet suit has been filed only on 4.3.1997 after about 21 months. This delay in action according to learned counsel is fatal to plaintiffs application for temporary injunction. Reliance was placed on Unjha Formulations Ltd. vs. Unjha Pharmacy (1996) 2 GLH 511; Paras Traders v. Rajasthan Copy Manufacturing Associates 1996 PTC 229, Kirloskar Proprietary Ltd. & ors. vs. Kirloskar Dimensions (P) Ltd. AIR 1997 Karnt 1, The Fair Deal Corp. (P) Ltd. v. Vijay Pharmaceutical 1985 PTC 80

State of Maharashtra v. Digambar (1995) 4 SCC 683 and an unreported decision of this court in Indico Laboratories P. Ltd. vs. Burroughs Williams (India) Ltd. Appeal from Order No. 443 of 1992 decided on 7.10.1992

9. The question cannot be considered in a pedantic manner, by evolving a strait jacket formulae to be applied in all cases. Firstly delay or laches, as a sole ground for referring temporary injunction, has to be discerned from the principle applicable while exercising discretion under Article 226 of the Constitution. In the latter case relief itself cannot be refused altogether on the ground of delay or laches impinging on the conduct of the petitioner, which is a vital consideration. It cannot be so in the case of a suit to enforce a statutory remedy within the precincts of Statute itself. The ultimate relief in the case of an infringement action is not a discretionary one, but once establishing such infringement it is a matter of course. In Saville Perfumery Ltd. vs. June Perfect Ltd. (1941) 58 RPC 161 () Sir Wilfred Greene M .R. said, noticing that infringing word `JUNE' was printed in inverted commas was intended to be used as trade mark by the defendant.

"The statute Law relating to infringement by trade marks is based on the same fundamental idea as the law relating to passing off. But it differs from that law in two particulars, namely, (1) x x x x x x x x x x x x (2) the statutory protection is absolute in the sense that once a mark is shown to offend, the user of it cannot escape by showing that by something outside the actual mark itself he has distinguished his goods from those of the registered proprietor. Accordingly in considering the case of infringement the courts have held, x x x x x x x, that infringement takes place not merely by exact imitation but by the use of a mark so nearly resembling the registered mark as to be likely to receive"

10. The above principle found its approval in Rustom & Hornby Ltd. v. Z Engineering Co. AIR 1970 SC 1649 the Supreme Court while considering the distinction between enquiry in an action for passing off and an action for infringement held:

"in an action on the trade mark, that is to say in an infringement action, an injunction would issue as soon as it is proved that the defendant is improperly using the plaintiff's mark"

11. In *Century Traders v. Roshanlal Duggar & Co* AIR 1978 Delhi 250 a Division Bench of the High Court quoting from *Draper v. Irist* (1939) All ER 513 opinion of Goddard L.J. held:

"In passing of cases however the true basis of action is that the passing off by the defendant of his goods as the goods of the plaintiff injures the right of property in the plaintiff, that right of property being his right to the goodwill of his business...."

"This right is to be protected and the balance of convenience is in favour of the person who has established a prima facie right to property."

12. In *M/s. Hindustan Pencils Pvt. Ltd. vs. M/s. India Stationery Products Co. and another* AIR 1990 Delhi 19, B.N. Kirpal, J (as his Lordship then was) said:

"It would appear to be difficult to accept that relief of temporary injunction could not be granted because of the delay on the part of plaintiff, even though the court feels, at that point of time that ultimately permanent injunction will have to be granted. x x x x x x The defence of laches or inordinate delay is a defence in equity. In equity both the parties must come to court with clean hands. An equitable defence can be put by a party who has acted fairly and honestly. A person who is guilty of violating the law or infringing or usurping somebody else's right cannot claim the continued misuse of the usurped right."

13. Rejecting the defendant's contention that for a period of nearly ten years plaintiff had taken no action therefore he is not entitled to relief. Evershed M.R. in *Electrolux v. Electrix* (1953) 71 RPC 23 opined:

"I think upon analysis that Mr. Shelley's argument must, in the end of all, come to this that the owner of a registered trade mark who for a substantial period of time has lain by and not asserted his right has lost those rights, notwithstanding that they are rights conferred upon him by statute. I think so to hold at any rate in a case where the length of time involved is no greater than in this case would be to introduce a wholly novel - nay, revolutionary

doctrine and I think also that it would be contrary to the principles laid down by decided cases."

14. Apart from this in the infringement or passing off action there arise a consideration of public policy while exercising discretion to grant or refuse temporary injunction. The concept of infringing trade mark is in user of a mark which is likely to deceive or cause confusion. The subject of likely deception or confusion is un wary buying public. The user of trade mark results in associating the trade mark with particular goods. The buyer acts on the reputation which a particular trade mark enjoys in public eye in relation to particular goods. Thus an injunction is remedy provided in how not only to protect the registered owner of a mark against invasion of his business by the user of offending mark but to guard the general buying public from likely deception or confusion in the goods which he intends to buy and goods which are likely to be offered to him instead.

15. In *Corn Products v. Shangrila Food Products* AIR 1960 SC 142 it was expressed:

"It seems clear to us that what is necessary is that the reputation should attach to the trade mark, it should appear that the public associated that trade mark with certain goods."

16. In his book "Trade Marks and Unfair Competition, J. Thomas McCarthy called out five criteria guiding exercise of discretion of the courts in grant of preliminary injunction, relying upon the decision in *America last of which is to ask*. Is a preliminary injunction necessary to protect third parties. In this regard while dealing with the protection of third parties he observed that some courts also consider the necessity of protecting third parties. In Trade Mark cases third parties means the buying public. If the equities are closely balanced the right of public not to be deceived or confused may turn the scales in favour of preliminary injunction.

17. Hon'ble Kirpal, J (as his Lordship was then) in *Hindustan Pencils Pvt. Ltd., case (1990 Delhi 19)* after detailed consideration said drawing distinction between delay and latches on the one hand and acquiescence on the other:

"It would appear to me that where there is an

honest concurrent user by the defendant then inordinate delay or laches may defeat the claim of damages or rendition of accounts but the relief of injunction should not be refused. This is so because it is the interest of the general public which is the third party in such cases which has to be kept in mind. In the case of inordinate delay or laches, as distinguished from an acquiescence, the main prejudice which may be caused to the defendant is that by reason of the plaintiff not acting at an earlier point of time the defendant has been able to establish his business by using the infringing mark. Inordinate delay or laches may be there because the plaintiff may not be aware of the infringement by the defendant or the plaintiff may consider such infringement by the defendant as not being serious enough to hurt the plaintiff's business. Nevertheless, if the court comes to conclusion that prejudice is likely to be caused to the general public who may be misled into buying the goods manufactured by the defendant thinking them to be the goods of the plaintiff then an injunction must be issued."

18. Thus the court held that where there is infringement of mark which is likely to deceive or cause confusion injunction must issue to safeguard public interest.

19. There is yet another aspect which cannot be lost sight of, is the nature of wrong caused due to infringement of a mark, in an action for infringement or passing off. It relates to dealing in the goods associating with such mark which due to likelihood of causing deception or confusion, apart from exact imitation, continuously in market. Such offending activity is continuous and uninterrupted giving a recurring cause of action to the holder of mark infringed. The Supreme Court in M/s. Bengal Water Proof Ltd. vs. Bombay Water Proof Manufacturing Co. AIR 1977 SC 1398 considering the maintainability of a second suit for infringement when first suit was dismissed with reference to Order II Rule 2 of Civil Procedure Code, and noticing, as in the present case, that the defendants were trading in the offending goods even upto hearing of the appeal held:

"It is obvious that such infringement of a registered trade mark carried on from time to time would give a recurring cause of action to

the holder of the trade mark to make a grievance about the same and similarly such impugned passing off actions also would give a recurring cause of action to the plaintiff to make a grievance about the same and seek appropriate relief from the court. It is now well settled that an action for passing off is a common law remedy being an action in substance of deceit under Law of Torts. Wherever and whenever fresh deceitful act is committed, the person deceived would naturally have a fresh cause of action in his favour Similarly whenever and wherever a person commits breach of a registered trade mark giving a recurring and fresh cause of action at each time of such infringement to the party aggrieved."

20. If that be so, it is difficult to accept that for such recurring cause of fresh action remedy against future injury be denied because damages relating to distant part may be inappropriate to be awarded. The principle strengthen the view expressed in Hindustan Pencil's case (1990 Delhi 19) that in such case inordinate delay may defeat the claim to remote or past damages and accounts but not the claim to relief to an injunction, both on the ground of protecting the proprietary right from future damage and the interest of general public consisting of unwary buyers in the field of continuous dealing.

Law also appears to be otherwise fairly settled that delay by itself cannot be ground for refusing to exercise discretion of the trial court in the matter of granting temporary injunction. It is just one of consideration in the total gamut of consideration and unless there is justification for accusing the plaintiff of culpable delay amounting to acquiescence or abandonment of right, it cannot disentitle him to relief of injunction. If in totality of circumstances if the trial court has exercised its discretion by reaching conclusions which are reasonably possible, the appellate court will not interfere with such exercise of discretion. In D.G.Dongre and ors v. Whirlpool Corporation and Anr.. (1996) 5 SCC 714 the Whirlpool Corporation has sued the defendants for alleged violation of their mark by defendants in selling of washing machines by the defendant under the mark Whirlpool trial court granted temporary injunction in favour of the plaintiffs which had been affirmed by High Court. The plaintiffs had registered 'Whirlpool' as their trade mark in 1956-57 which lapsed in 1977. Fresh application was

made only in 1988 by the plaintiff which was pending. Meanwhile defendants had applied for registration of 'Whirlpool' as their trade mark on 6.8.1986 which was advertised on 16.10.1988. To this applicant had filed opposition on 16.1.1989. On 12.8.92 the registrar dismissed the opposition and on 30.11.1992 certificate of registration was issued in favour of the defendant. Plaintiff had preferred appeal on 7.11.1992 which was still pending. In the aforesaid circumstances plea of delay was raised in the suit for infringement filed on 4.8.94. Thus it was a case where in fact infringing mark as on the date of suit stood registered in the name of defendant. Suit has been filed about 5 years after plaintiffs were aware about defendants design to use their mark and two years after opposition to registration has failed before the registrar, clearing the deck for the defendant to use the mark unless injunction was obtained. The trial court finding that in the facts of the case user of 'Whirlpool' mark by the defendant amounted to infringement had granted the temporary injunction restraining the defendants from using the mark. The learned single judge did not consider the delay as obstruction to grant of injunction when it held that there is no justification to accuse the plaintiff of culpable delay, acquiescence and laches or abandonment so as to disentitle them from relief of injunction. The Supreme Court noticed that recently adopting the mark 'WHIRLPOOL' when business of washing machine was carried out earlier in other name at that stage was supportive of plea of unfair trading activity in an attempt to obtain economic benefit of the reputation established by the plaintiff. The plaintiff's conduct in opposing the application of registration by the plaintiff and filing rectification application was held against the plea of acquiescence or abandonment and supporting the finding that there was no culpable delay. By reaffirming that action for 'passing off' is regarded as action in deceit reiterated the principle governing interference in appeal:

"An appeal against exercise of discretion is said to be an appeal on principle. Appellate court will not reassess the material and seek to reach a conclusion different from the one reached by court below if the one reached by that court was reasonably possible on the material If the discretion has been exercised by the trial court reasonably and in a judicial manner the fact that appellate court would have taken a different view may not justify interference with the trial court's exercise of discretion."

22. The Court declined to interfere on principle on the ground of delay only, when keeping other facts and circumstances in view the Court was of opinion that conclusion reached by trial Court was reasonably possible on the material. This was independent of the fact that on merit the court agreed with the findings.

23. Unjha Formulation Ltd. v. Unjha Pharmacy 1996(2) GLH 511 was a case in which the respondent firm was engaged in the business of medicinal preparations in the name of Unjha Pharmacy since 1884. The appellant was registered as a company in the name of Unjha Formulation Limited with the Registrar of Companies on or about 2.2.1994, but it was doing the business of manufacturing and marketing allopathic, veterinary and Ayurvedic medicine. Since over a decade in the same name. The plaintiff had given a notice in 1988 to the defendant to stop using word 'Unjha' in their name and style of trading which was replied to in 1988 itself. No action whatever was taken since then until filing of the suit for passing off in February 1996 - claim relief that defendant be required to change his name so as not to include word 'Unjha' in it to which use the plaintiff has acquired goodwill and defendant is not entitled to use the said word. Relief for accounts and claim to profits made under the name Unjha was also made. Suit has been filed after the defendant company has gone for public issue to gather capital from the market. In notice of motion for interim injunction the only relief that was claimed was to restrain the defendants from raising capital by public issue by using the word 'Unjha' in its corporate name. The court found with this background the action to be not bonafide which will appear from following observations:

"It is to be noted that even though the respondents in the suits have pleaded that the appellant company is not entitled to use the word "Unjha" being the trade name of the respondent-plaintiff, as far as the prayer made in the Notice of Motion is concerned, they have prayed for an injunction against the Public Issue only. In other words, the respondents are permitting the appellant to continue its trading activities by using the word "Unjha" till the disposal of the suit. However, for reasons best known, it has objection against the appellant's Public Issue. This really appears strange and fishy."

"The fact that in the application for Notice of Motion the only relief prayed for by the respondents is to restrain the appellant-Company from proceeding further with the Public Issue. This would further go to show that the respondents are keen to see that the Public Issue is stalled for any reason."

"Mr. Vakil rightly contended that if the period of ten weeks under Section 73 of the Companies Act is allowed to be bypassed and thereafter if the respondents withdraw the suits, in that case, the entire exercise will be rendered void and the purpose of filing the suits by the respondents would be achieved without even trial thereof. I see quite justification in the apprehension of Mr. Vakil. As stated above, after the receipt of subscription it is neither possible nor feasible to change the name of the appellant-Company in the midstream."

24. The Court also found that the raising of funds by public issue did not amount to passing of goods and that the defendant company had already received a huge amount of subscription from investors as the suit has been filed after public issue to decide the issue of balance of convenience and irreparable injury in favour of the defendant.

25. In the aforesaid circumstances, the court refused to grant relief of transferring injunction by also taking into consideration the laches on the part of the plaintiff.

26. The facts of the case speak for themselves to make it distinguishable. As discussed above, that in the case of passing off action or infringement action mere delay by itself cannot be fatal to a claim for relief of temporary injunction, if prima facie case of infringement is made out, but delay coupled with conduct of the plaintiff, which may lead to an inference of acquiescence, or which is not bonafide or which is contumacious, may be fatal to the plaintiff's claim. That will again depend on facts and circumstances of each case. As noticed from the report in the passing of the action the court had reached a conclusion that the plaintiff has failed to make a prima facie case of 'passing off the goods' in respect of the capital issue. It has also found the conduct of the plaintiff in confining relief for restraining the defendant from using the offending word 'Unjha' only in connection with 'capital issue' but not asking any relief for excluding the same from other trading activity to be fishy. The decision

had not rested on the ground of delay alone or independently. Thus the case does not afford a parallel to case in hand.

27. In paras Trader's case (supra) the defendant has been manufacturing exercise books with Chetan brand depicting Rana Pratap riding horse in Rajasthan since 1975 under approval from the Government. He has filed a suit under Section 120 of the Trade Marks Act and Section 60 of Copy Right Act against plaintiff. To counter blast that suit the plaintiff had filed the suit in 1992. The court found that notwithstanding a registered trade mark in favour of plaintiff to use word 'Chetan' since 1971, there was no satisfactory evidence of actual user by the plaintiff and six bills spread over a period of five years between 1987 to 1992 had been produced to prove the actual user. The plaintiffs had in fact at least come to know of user of their trade mark by the defendant in 1987, yet the suit was filed in 1992. In these circumstances, the plaintiff was held to be disentitled to temporary injunction because of delay and laches.

28. Kirloskar case {AIR 1997 Karnataka} does not take the appellant's case any further. It rather supports the case of respondents. The Court while agreeing that delay in bringing action may not come in the way of granting injunction, the Court was not inclined to issue injunction as it did not see any immediate threat of injury to plaintiffs, as the two rivals field of activity was different. The ratio of Hindustan Pencils case laid down by Delhi High Court that;

"No doubt the delay in bringing the action itself may not come in the way of granting an order of injunction in favour of the plaintiffs as per the decision reported in AIR 1990 DEL 19 cited by the counsel for the plaintiffs case. In the instant case, the plaintiffs and defendants are not engaged in the common field of activity and there is no material to show that the defendants are passing off their goods or business representing as that of the goods or business of the plaintiffs and therefore, there is no immediate threat of causing any damage to the plaintiffs.

29. In the Fair Deal Corporation case (1985 PTC 80), the court found as a fact a palpably wrong assertion about the date of knowledge about alleged offending activity that too in the face of fact that plaintiff himself has not proved that defendant should not use the

mark VIJAY ELECTROLYTE but only attack was on the user of Sachet similar to that of plaintiff. The court also considered that goods in question being medicinal preparation and ordinarily sold on doctor's prescription, there was little likelihood of confusion on the part of consumer.

30. In the case of Indico Laboratories the unreported judgment of this Court (Appeal from Order No. 443 of 1992) though detailed comparative facts are not discernible, it appears that what weighed with the court was progressively increased sale of defendants since last 10 years, tilted the balance of convenience in favour of defendants for refusing temporary injunction to plaintiff.

31. The decision in Digambar's case (1995) 4 SCC 683 does not directly concern the grant of temporary injunction in infringement of passing of suits but relates to general principles governing exercise of extra ordinary jurisdiction of superior courts wherein grant of ultimate relief by very nature of jurisdiction discretionary and petitioner's own conduct has a vital bearing on exercise of discretion. It was in that context that the court has observed that conduct of delay and latches on the part of petitioner disentitled him to exercise of discretion in his favour.

32. From the above it will be seen that none of decided cases really render any assistance to the appellant. Each case depends on its own facts.

33. In my opinion, on each principle individually or taking compendious view of principles discussed above plea to deny relief of temporary injunction solely on the ground of delay and latches in bringing the suit cannot be sustained.

34. On the merit of the finding as to prima facie case about the infringement of mark owned by the plaintiff, two-fold contentions have been raised before me. Firstly, it was urged that the trade mark under document mark 3/4 consists of a label. Therefore, while considering the question of infringement of mark under the document exh. 3/4, it is only visual or ocular similarity is relevant and phonetic 'similarity' of the word 'DAWN' with 'DON' is not relevant and in respect of other registered mark under document mark 3/5, registered mark is word 'DAWN HOSIERY' per se meaning thereby, it is the use of the words 'DAWN HOSIERY' in totality makes use

of the trade mark owned by the plaintiff. By dissecting it for confining the alleged infringement to the word 'DAWN' only is not permissible. There is no similarity visually or phonetic between the 'RUPA DON', the words used by the defendants, while marketing their commodity and the 'DAWN HOSIERY' marketed by the plaintiffs. In this connection, it was also urged that symbol of rising sun in the background of word 'DAWN', is the essential feature of the plaintiff's trade mark which makes ocular similarity more relevant and as the defendants have not adopted any such device to have visual similarity with picture of rising sun, there is no similarity much less deceptive similarity by the use of word 'DON' simpliciter identifying some of the defendants goods with the registered mark of the plaintiffs.

35. When a trade mark can be said to be infringed by another trader, the law appears to be settled that even without using the whole of it, on or in connection with his goods, if one or more of its essential features are adopted by the other traders, it may amount to infringement of mark.

36. The action for infringement of a trade mark is authorised by statute under Section 29 of the Trade and Merchandise Marks Act, 1958, (hereinafter called as the Act), which provides as to when a trade mark can be said to be infringed. It says a registered trade mark is infringed by a person, who not being the registered proprietor of the trade mark, or a registered user thereof using by way of permitted use, uses in the course of trade a mark which is identical with or deceptively similar to the trade mark in relation to any goods in respect of which the trade mark is registered and in such manner as to render the use of the mark likely to be taken as bonafide use as a trade mark. In other words, using of a mark by a person which is 'deceptively similar' to a registered trade mark owned by another person as distinct from user of an identical mark also amounts to infringement of a trade mark.

37. What is meant by 'deceptively similar' is defined in Section 2(d) of the Act which postulates that a mark 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. This definition makes two distinct areas to be probed to find out whether the impugned mark can be held to be deceptively similar to one in respect of which infringement is alleged or where it is likely to deceive another, though it may not actually confuse, but is likely to cause confusion. The

test of considering whether a particular mark is likely to deceive may vary from the test whether the disputed mark is likely to cause confusion. In addition to this definition it may be noticed that Section 29 itself envisages that where the disputed mark is used in such a manner as to render the use of the mark likely to be taken as being used as a trade mark. This provision also goes to show that a user of mark by a person which may be taken by those persons who are to acquire the goods in question, which is not a registered trade mark nor intended to be used as a trade mark but still if in the minds of people, ordinary user of the goods, buying the same are likely to take the same to be a trade mark because of the manner in which the mark has been used by a person trading in those goods, if use in that manner is likely to deceive or cause confusion about the identity of required goods or articles, still it would amount to infringement of trade mark. In other words, in considering the question whether a mark used by a person infringes the registered trade mark held by another, the test is not confined to exact reproduction of the infringed mark or to actual deceptions or confusion to exist among its users, but it is enough if the offending mark is deceptively similar to a degree with the infringed mark to a degree which is likely to deceive or cause confusion in the minds of buyer. It is even not necessary that offender may have intended to use it as a mark, if the manner of use of a mark impresses in the mind of buyer that the same is being used as mark. It relates to association of mind of an average buyer with the mark for identification of goods he wants to buy connecting the same with the reputation it has acquired with the goods. If in that process of association of mind, there is likelihood of deception or confusion amongst the two marks, infringement is said to have taken place by the offending mark.

38. In substance it can be stated that in determining the question of likely to deceive or likely to cause confusion, it is necessary to assess the psychological reaction that mental association with the mark will generate in the mind of average buyer when he buys the goods under normal circumstances and conditions in the trade. The area of conflict between the user of two marks in the case about existing trade mark by user of another marking is to be resolved by considering the fair and normal use of both the marks. It is all the more so where confusion or deception has to be assessed when the marks are used in relation to the same goods or same description of the goods. Expression likely to deceive or likely to cause confusion indicate that what is

required to be considered and established while considering whether a particular mark infringes another mark is only a probability of deception or confusion and not actual deception or confusion in the minds of the buyers. Nor does the definition of deceptively similar or likely to cause confusion restricted in its scope to the particular type of confusion. If a person may buy the goods seeing one mark thinking that it is the brand which is in his mind which in fact is not the case, it may amount to confusion or deception. So also where a person looking at a mark may buy the goods thinking that it is coming from the same source as some other goods bearing a similar mark which he is familiar with. The word 'likely' excludes the necessity of proving the injury to one or illicit benefit to others, before establishing the case of deceptive similarity. The test is not whether one man will be injured and the other man will gain illicit benefit, but whether there will be a confusion in the mind of public which will lead to confusion in the goods.

39. Ocular comparison is not necessarily the test to find out infringement and sound similarity may be decisive where goods of particular class are associated by name in the market is the principle recognised for long. In *Saxio vs. Bovezende* (1866) LR 1 Ch. 192, it was enunciated that; "Actual physical resemblance of the two marks is not the sole question for consideration. If the goods of a manufacturer have, from the mark or device he has used, become known in the market by particular name, the adoption by a rival trader of the mark which will cause his goods to bear the same name in the market may be as much as violation of the rights of that manufacturer as the actual copy of his device.

40. It was a case where plaintiffs mark containing the device of a crown and word 'Seixo' and other features used for wine came to be known as 'Crown Sexio' wine. Defendant sold wine under a mark containing inter alia the device of a 'crown' the words "Sexio de Cima" and other features. Holding it to be a violation of plaintiff's mark injunction was granted although the marks when seen side by side were not similar.

41. What should be the test in determining whether the similarity between the two marks are likely to cause deception or confusion in comparison to each other has been succinctly stated by Parker, J in *Pianotist Application*. (1906) 23 RPC 774) when it said:

"It always is so in cases of this sort where you

cannot really test whether a confusion has arisen, but only have to judge from the general appearance or sound of the two words whether confusion is likely to arise. With regard to the law upon the point, it seems to me quite settled and quite clear. It may be taken that the law is as follows:- You must take the two words. You must judge of them, both by their look and by their sound. You must consider the goods to which they are to be applied. You must consider the nature and kind of customer who would be likely to buy those goods. In fact, you must consider all the surrounding circumstances; and you must further consider what is likely to happen if each of those trade marks is used in a normal way as a trade mark for the goods of the respective owners of the marks. If, considering all those circumstances, you come to the conclusion that there will be a confusion - that is to say, not necessarily that one man will be injured and the other will gain illicit benefit, but that there will be a confusion in the mind of the public which will lead to confusion in the goods - then you may refuse the registration, or rather you must refuse the registration in that case."

42. The observation came in the wake of an application for registration of trade mark. But this clearly gives out that the likelihood of causing confusion may arise not only from the visual or ocular effect of the mark but by reason of similarity in the sound. The phonetic similarity gains more important role where the competing marks in respect of which conflict is to be resolved are words. In ordinary case when the essential feature of a trade mark is expressed in word or words, phonetic resemblance gains importance and any physical similarity or dissimilarity in appearance is pushed to the background. The fact that phonetic resemblance has relevance and the test in such circumstances as dealt with by Lords Parker quoted above, has found its approval by the Supreme Court in *State of West Bengal v. S.N. Basak* reported in AIR 1963 SC 449 (2) and *F. Hoffmann-La Roche and Co. Ltd. v. Geoffrey Manners & Co. Private Ltd.* reported in AIR 1970 SC 2062. (3)

43. It will be apposite to notice the opinion of Lord Redcliffe in *De Cordova v. Vicks Chemical* (1951) 68 RPC 103. (PC) (4).

44. This was a case where Vicks Chemical had registered one trade mark consisting of words 'Vicks VapoRub Salve' a device consisting of a triangle with the words Vicks Chemical Company printed on sides and other subsidiary words below the triangle and another consisting of single word 'VapoRub' in Jamaica. These marks were registered with reference to an ointment kind of which were described to mean by British Pharmaceutical Codex 1934 as 'Vapor rubs are preparations of menthol with other volatile substances in a basis of soft paraffin and are applied on chest for their local action and as account of their value when inhaled.' The 'Vapour Rubs were referred to as a generic term. The defendant started marketing the similar ointment under the name 'Karsote Vapour Rub'. In an action for passing off and infringement of trade mark by V. Chemical, when the matter reached Privy Counsel at the instance of defendant in respect of first trade mark No. 1952 it was urged that on account of ocular distinctiveness of two competitive marks there was no infringement. Lord Redcliffe in his opinion emphasising when the phonetic similarity becomes important to test the likely causation of deception or confusion holding that there is an infringement said:

"They have not used the mark itself on the goods that they have said, 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 feature depends partly on the court's own judgement and partly on the burden of evidence that is placed before it. A trade mark is undoubtedly a visual device but it is well established 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 considerations 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 or part of the mark it is an infringement of the mark itself to use that word or part of the mark it is an infringement of the mark itself to use that word or part of the mark of another trader, for confusion is likely to result. xxxxxxxxxxxxxxxxxxxxxxxx xxxxxx xxxx xxx x xx x x

xxxx. 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 condition. It is made useful to observe that in most persons the eye is not an accurate reader 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."

45. The contention of the appellant as to latter mark on the ground that word 'VapoRub' is merely description of goods and cannot be registered as trade mark, the Board opined, 'there is no absolute incompatibility between what is descriptive and what is distinctive'. It was further opined that though the word has a descriptive element for it was a compound of two ordinary English words which were chosen for the purpose of suggesting to reader the leading characteristics of the substance. 'But the word itself is no description of a substance except to these persons to whom the term 'Vapour rub' would be an intelligible use of words".

46. The principle in above case was approved by the Supreme Court in K. Krishna Chettiar's case. The ratio applies to facts of the case in hand as will be seen in discussion hereinafter.

47. Where the words are distinctive features of a trade mark, the apex court in K.R. Chinna Krishna Chettiar v. Sri Ambal & Co. and another reported in AIR 1970 SC 146 (4) opined:

"The resemblance between the two marks must be considered with reference to the ear as well as the eye and ocular comparison is not always the decisive test. Therefore, even if there be no visual resemblance between the two marks, that does not matter when there is a close affinity of sound between the words which are distinctive features of the two marks."

48. The court was considering whether the two marks in question prevailing in the field of snuff trade can be considered to be deceptively similar. A mark which came prior in existence was the mark owned by the respondents prior to the date of application made by the appellant before the Supreme Court consisted of a label containing a device of a goddess Sri Ambal seated on a globe floating on water enclosed in a circular frame with the legend "Sri Ambal parimala snuff" at the top of the

label, and the name and address "Sri Ambal and Co., Madras" at the bottom. Trade mark No. 14691 consists of the expression "Sri Ambal". The appellant had sought the registration of label consisting of three panels. The first and the third panels contain in Tamil, Devnagri, Telugu and Kannada the equivalents of the words "Sri Andal Madras Snuff." The centre panel contains the picture of goddess Sri Andal and the legend "Sri Andal.". Sri Andal and Sri Ambal are separate divinities. Sri Andal was a vaishnavite woman saint of Srivilliputtur village and was deified because of her union with Lord Ranganatha. Sri Ambal is the consort of Siva or Maheshwara. Pointing out these dissimilarities in the appearance the objection to the registration of Shri Ambal and Co., Madras shown as Trade mark of the appellant was registered. Laying down the aforesaid ratio, the court on the merit stated:

"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 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"

49. Applying the test as aforesaid, the court came to the conclusion that:

"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'. The distinguishing feature of the respondents mark is Ambal while that of the appellant's mark is Andal. The two words are deceptively similar in sound. The name Andal does not cease to deceptively similar because it is used in conjunction with a pictorial device."

50. The principle for considering infringement was also considered by Supreme Court in Amritdhara Pharmacy v. Say Deo Gupta AIR 1963 SC 449 when question arose in the context of whether use of mark 'Lakshmandhara' is likely to deceive or cause confusion

with trade mark 'Amitdhara' used by plaintiffs so as to refuse registration to former. Applying Parker L.J.'s test in Re Pianoist's case (23 RPC 774), the Court said:

"For deceptive resemblance, the 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 exist.

As to confusion, it is perhaps an appropriate description of mind of a customer who on seeing a mark think that it differs from the mark on goods which he has previously bought, but is doubtful whether the impression is not due to imperfect recollection.

51. Applying the test to two marks the court though of the view that the critical examination of two marks disclosed some dissimilarity, said:

"The question has to be approached from the point of view of an average intelligent man with 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. xxxxxxxxxx. An unwary purchaser of average intelligence and imperfect recollection would not split the name into its component parts and consider the etymological meaning thereof or even consider the meaning of composite words. He will go more by similarity of the two names in the context of widely known medicinal preparation which he wants for his ailments."

52. Lord Denning in Peter Knoll Ltd. v. Knoll International Ltd. (1962) 10 RPC 265 succinctly stated the test to determine the question whether the offending mark is likely to deceive or cause confusion relates to state of mind of buyer when he said :

"It is not necessary that it should be intended to deceive or intended to cause confusion. You do not have to look into the mind of the user to see what he intended. It is its probable effect on ordinary people which you have to consider."

53. The opinion also explains distinction between 'to deceive' and 'cause confusion' as under:

"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 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"

Thus in the field of same goods where word was essential feature of mark the test of phonetic similarity, which was likely to confuse was applied.

54. The Court also emphasised that each case must be decided on its own facts what degree of resemblance is necessary to deceive or cause confusion must in the nature of things be incapable of definition a priori.

55. With parity test in the present case will be whether the buyer will go mere by the similarity of two names ('DAWN' or 'DON') in the context of widely known hosiery goods which he wants to buy for his use or by identifying the hosiery goods with reference to visual background of cartons and labels, the devices on which mark is projected.

56. The principle has been accepted that phonetic similarity of the essential or distinctive feature of mark that may cause deception or cause confusion to an unwary customer is the acceptable test was again reaffirmed by Apex court in Durga Dutt vs. N.P. Laboratories AIR 1965 SC 980.:

"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."

57. The Court also made out clearly that the comparison of similarity between distinctive or essential features of the mark for the purpose of enquiry into alleged infringement is relevant. The Court said:

"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.

.....

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."

58. The principle was reiterated and applied in Parle Products (P) Ltd. v. J.P. & Co. Mysore AIR 1972 SC 1349.

59. As to what constitutes a distinctive or essential feature to court referred to Section 9 (1) of the Act of 1958, which can be usefully be quoted here:

Section-9. Requisites for registration in Parts A and B of the register -

(1) A trade mark shall not be registered in Part A of the register unless it contains or consists of at least one of the following essential particulars namely;

(a) the name of a company, individual or firm represented in a special or particular manner;

(b) the signature of the applicant for registration or some predecessor in his business;

(c) one or more invented words;

(d) one or more words having no direct reference to the character or quality of the goods and not being, according to its ordinary signification, a geographical name or a surname or a personal name or any common abbreviation thereof or the name of a sect, caste or tribe in India;

(e) any other distinctive

mark.

60. Section 9 in no unmistakable terms tells us that words which directly refers to character or quality of goods in connection with which they are used are not the distinctive marks. Ordinarily, such words also cannot be treated as essential feature of the mark taken as a whole.

61. A classical example of this class of cases is Coca Cola Co. of Canada v. Pepsi Cola Co. of Canada Ltd. (1942) 50 RPC 127. In comparing the two marks 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 make Pepsi Cola was 'Pepsi' and not Cola. There was no likelihood of confusing Coca with Pepsi. The principle was approved by Supreme Court in K.Krishna Chettiar's case (AIR 1970 SC 146).

62. This case aptly answers the objection that in the present case the mark registered is 'DAWN Hosiery' per se or word 'DAWN' with rising sun in the back ground with 'Hosiery' written below word 'DAWN' in small letters. Word 'Hosiery' being referable to character of goods dealt with by plaintiff or for that matter all hosiery products by whomsoever manufactured and dealt with cannot be considered as distinctive or essential feature.

63. An average purchaser asking for the goods with plaintiff's mark, applying the tests of an average intelligent person with imperfect meaning is more likely to distinguish the goods desired by him by the brand name 'DAWN' than by visual mark of rising sun. Customer is not likely to ask for hosiery goods with picture of rising sun but is most likely to ask for the goods by brand name. Thus, in my opinion, word 'DAWN' is the essential feature of plaintiff's both marks in question likely to hang on in the mind of an average person with imperfect recollection and in the circumstances the phonetic similarity is to be most important test to be considered while comparing the plaintiff's mark with offending mark. Applying the test with keeping in mind the persons who are to be customers, who are scattered all over the country in India, not necessarily literate or knowing English language keeping the distinction of spellings and etymological meanings of two words 'DAWN' and 'DON' in mind, and is more likely to identify the

requisite goods with vernacular inscription on the packing or advertisements, the vernacular transcription and phonetic sound are to provide acceptable test for the present purposes to compare the two marks and find degree of similarity and whether the same is likely to result in deception or cause confusion. Once this conclusion is reached there is no serious dispute, rather it was candidly stated by learned counsel for the appellant that word 'DON' and 'DAWN' sound similar when spoken. Thus, there cannot be any dispute about phonetic similarity of the two words and the two words when written in vernacular script, whether Devnagri or Gujarati or Marathi or other language, will look and read similar. An average purchaser scattered in distant part of country like India with level of education, nay literacy, it cannot but be expected that with phonetic similarity he is further likely to discern with difference in spelling and meaning between word 'DAWN' and 'DON' when both words do not bear reference to character or quality of goods he is buying but are used only as distinct trade names in the term of spoken words only.

64. A faint attempt was made to urge that registered trade mark Exh.3/5 is of a label and it can only be tested on the anvil of ocular similarity and phonetic similarity cannot be of any avail. Reference was made to Sunstar Lubricants Ltd. v. Federal Chemical Industries 1997 PTC (17) 64, Amar Singh Chawbwala v. Shree Wardhman Rice and General Mills 1996 16 PTC 196, Application by Thomas A Smith Ltd. to Registrar of Trade Mark 1913 RPC 363 and Kirloskar Proprietary Ltd. vs. Kirloskar Dimensions (P) Ltd. AIR 1997 Kntk 1.

65. The contention does not appear to be well founded on principle. As has been discussed hereinabove, the essence of a mark giving rise to infringement action is comparison of two marks concerned keeping in view the essential feature of the mark. Sec. 2(1)(f) speaks that a mark includes or device, brand, heading, label, ticket, name, signature, word, letter or numeral or any combination thereof. It does not say that various forms of marks envisaged are to be treated on different anvil. On the contrary it envisages combination of one or two of device. Label or other designs are only vehicle of manifesting the mark. Label, or packets etc. are at best devices of projecting the mark. Any mark will obviously be put in format on some device. Words simply, or in the form of a slogan or sentence used as a mark will find place on some device like label, sachet, cartons only. Section 2(1)(d) defines 'trade mark' to mean a mark used or proposed to be used in relation to

goods for the purpose of indicating or so as to indicate a connection between the goods and some persons having the right either as proprietor or registered user to use that mark. These two definitions leave no room for doubt that the fact that trade mark indicating connection between the goods as its user is projected through any device, it makes no difference while considering the question whether particular user of a mark infringes right of other to use his mark. What is relevant is what is the essential feature of the mark that connects the goods, with its rightful user, in the mind of buyer with imperfect recollections. If this is the design, visual similarity may result in infringing, if the reputation of goods connecting them with its origin is built around word mark, phonetic test may be of more relevance. Its phonetic resemblance will be of greater relevance when the goods have acquired reputation with reference to word used for its distinctions, whether used on label or other device. Else phonetic similarity could not be a relevant consideration inasmuch as spoken word in audible form will not be considered as mark. Mark will ordinarily refer to visual presentation through some device projecting its phonetic it. Phonetic similarity becomes relevant when words used in such device acquire the distinct character of the mark providing reputation to goods to be identified or associated with such word. Secondly, in considering similarity between the two marks to find whether it is deceptively similar to the mark as a whole in its essential feature has to be kept in consideration.

66. In Sunstar Lubricants case (17 PTC 64) the comparison was between plaintiffs mark 'Golden Cruise-1200' and defendants mark 'Sun Cruiser 2001'. The commodity in both cases was automobile lubricant. As in Cola's case, the court found that in trade circle word 'cruiser' came to be associated with character of goods i.e., automobile lubricants and chemicals and had no such significance. The first name provides essential feature and distinctive mark of the goods providing it the reputation denoting its origin. There being no likelihood of deception or confusion between the two words Sun and Golden, no infringement was found. The test was not the dissimilarity of packet or label.

67. Likewise in Amar Singh Chawbwal's case (16 PTC 196) the commodity in respect of which both the parties were using their respective marks was rice. The marks in comparison were plaintiff's trade mark 'GOLDEN QILLA' and defendants mark 'NEELA QILLA'. This case was also within the principle enunciated in Cola's case referred to

above. 'QILLA' was the word that had come to be associated the 'Rice' the commodity generally and the 'Golden', 'Lal', 'Neela' were the different and distinctive mark associated with marketing the rice denoting the origin of goods associated with its reputation. Thus the question of dissimilarity rested on principle of essential feature and not on the basis of the device that has been used as a mark viz., label or word.

68. In the Application by Thomas A. Smith Ltd. 1913 RPC 363 the comparison was between two words 'LIMIT' and 'SUMMIT'. Objection to register word 'LIMIT' as registered mark. The case related to goods where customers were English people as the case had arisen in England in respect of goods to be marketed there. The court rejected the objection in following words:

"The words in question "Limit" and "Summit" are words in common use and each of them conveys a perfectly definite idea, and the only connection between them, that I can see, is that one refers to the extreme of height, and the other refers to the extreme of breadth, and undoubtedly, in the vulgar colloquialism of the day the word "Limit" has a secondary meaning attached to it which may convey the idea of the extreme of excellence, or the extreme of the reverse. I do not think that so far as the meaning of the words is concerned, a reference to the one would in the least leave such an impression in the mind of the reader as to make him mistake the other for it. Looking at the marks I do not think that there is any possibility of anybody being deceived. That nobody will ever make a mistake is more than I am prepared to say, but, if there is a mistake, I think it will be made by some person so foolish, or so unobservant, as in that respect to be without the pale of the protection of the law."

69. Obviously, words 'LIMIT' and 'SUMMIT' would not phonetically or otherwise cause deception or confusion in the minds of an Englishman with average intelligence with imperfect memory. The case did not rest on any such distinction between the device in which the mark was depicted viz., Label or carton or advertisement.

70. The appellants reliance on Kirloskar's case (1997 Karnta 1) is also misplaced. It was a case where plaintiffs and defendants were not engaged in common

field of activity. There was no immediate threat of causing any damage to plaintiff's interest. The dispute related not primarily to offending trade mark, but user of Kirloskar as the part of Corporate name, and suit had been filed after company had already been incorporated. In these circumstances, suit filed after notice of incorporation was held to conclusions independently reached that neither balance of convenience favoured the plaintiff nor it would cause irreparable injury to it if injunction prayed for is not granted. Primary factor which weighed was that field of activities of two companies, using the corporate name was entirely different.

71. From the above discussion, in the light of decided cases, it can be broadly stated that in an action for infringement of passing off, the crux of enquiry is whether mark used by defendant on comparison is deceptively similar to that of plaintiff which is likely to deceive or cause confusion amongst its buyers. The similarity which can cause infringement may be ocular as well as phonetic similarity on comparison of two marks, depending upon the essential feature of the marks in question. Comparison has to be concerning essential feature of the marks and not with each and every detail of each mark to find exact or near exact reproduction. The essential feature of a mark is one by which an average person with imperfect recollection remembers it rather by general impression or by some significant detail than by any photogenic recollection of the while in visual detail. Test of such enquiry being in the state of mind of an average buyer of the goods, it is equally important to consider the class of persons who are likely to buy the goods bearing the mark, background from which they come, level of their education and degree of care they are likely to exercise in purchasing goods. What degree of resemblance is necessary and in which field, visual or sound, is from the very nature of things a matter incapable of a definition a priori. Each case must depend on its own facts and on the satisfaction of Court on totality of evidence where words or group of words are considered essential feature of the mark, than instead of its visual detail, resemblance in sound or phonetic similarity will be of prime relevance.

72. For determining the question of similarity between two marks and likelihood of deception or confusion arising from their use, following factors may be considered, as succinctly state by Delhi High Court in *Essco vs. Mascot* AIR 1982 DELHI 308.

- (1) the nature of the marks, i.e. whether they are words, coined or descriptive or non-descriptive, surname or geographical name, devices, letters or numerals or a combination of one or more of the above;
- (2) the degree of resemblance between the marks phonetic, visual as well as similarity in idea.
- (3) the nature of the goods in respect of which they are used or likely to be used as trade marks.
- (4) the similarity in the nature, character and purpose of the goods of the rival traders,
- (5) the class of purchasers who are likely to buy the goods bearing the marks, their level of education and intelligence and the degree of care they are likely to exercise in purchasing the goods,
- (6) the mode of purchase of the goods or of placing orders for the goods,
- (7) any other surrounding circumstances.

73. These are by no means exhaustive enumerations of considerations. As noticed above, it is impossible to lay down a precise and universal test for resolving the question. It must depend on the facts of each case. The Court is guided by general principles emerging from earlier precedents, which provide broadly the line of enquiry to be pursued.

74. Coming to the facts of the case at hand, it may be recapitulated that plaintiffs are owner of registered trade mark in the form of label depicting figure of sun at dawn with prominently displayed word 'DAWN' and subsidiary word hosiery beneath DAWN as well as words 'DAWN HOSIERY' per se since last over 40 years and are marketing their products under that name and in the circumstances it can well be said that word 'DAWN', which is not directly referable to the character or quality of goods, corresponds to essential requisite to require registration under Section 9(1)(d) of the Act of 1958 and has acquired a reputation associated with the hosiery goods manufactured by the plaintiff. So also defendants are manufacturing and trading in the same field of hosiery for over 25 years now under their own registered trade name RUPA. Yet prior to 1994, they did not thought of adopting word 'DON', phonetically very similar to plaintiffs mark 'DAWN' and when written in

vernacular language offering no dissimilarity as far as the identity of word mark is concerned. There is no explanation as to what prompted the defendants to adopt word 'DON' having similarity to plaintiff's mark with reference to their own hosiery articles, which hitherto is traded by them in other names. In fact plea of likelihood of causing confusion due to user of this name is supported by the fact that defendant has taken the stance that they have in fact moved for rectification application to remove the mark 'DAWN', from register of trade marks, which is pending, though the plaintiffs assert that they have not yet received even the notice of such application. The admitted fact that defendants are continuously trading with the offending mark causing uninterrupted injury giving fresh cause of action to plaintiff to complain of his grievance. Except for the fact of alleged inaction on the part of plaintiff since May 1995 in not filing suit until March, 1997 there is no suggestion of any culpable delay or acquiescence on the part of plaintiffs to raise it to level of abandonment, either in pleading or in affidavit.

75. In Karly's words 'mere' failure to sue without some positive act of encouragement is not general enough to give a defence. A defendant who infringe knowing of the plaintiffs mark can hardly complain if he is later sued upon it. A defence of estoppel by acquiescence is to be distinguished from defence that by delay the mark has become public juris".

76. The fact that in reply to very first notice the defendant held out that he has taken proceedings for rectification for removing the mark 'DAWN' registered in favour of plaintiff from the registrar of trade marks at least does go to show that defendants knew that use of word 'DON' by it is likely to cause confusion in the minds of prospective buyers with plaintiffs registered mark 'DAWN' so as to cause infringement of trade mark unless the same is removed from register and it was not a case where he bona fide believed that no infringement is likely to cause by the use of word 'DON' by him.

77. It is also noticed from the sample of offending hosiery products and cartons in which the same are offered to buyers by the defendant shown to the Court, that on labels attached to it word 'DON' is shown in prominence rather than its registered trade mark 'RUPA'. So also, on the carton slogan "xZs xjoB xNuU" the word "xNuU" in vernacular script is shown prominently within inverted comas. The advertisement of this particular class of goods also gives prominence to word "xNuU" in

vernacular script. Thus, the manner in which defendant is projecting its product in the market leaves little room of doubt in the mind of buyers that the goods offered to him are of 'DON' or "DAWN" mark. Notwithstanding that there is quite dissimilarity in the visual background of the packing carton, one cannot say with confidence that a buyer of average intelligence with imperfect recollection is not likely to be confused by the manner in which the mark of defendant is projected to treat it as the trade mark under which the goods are being sold and confusion between the two marks is likely to prevail in his mind. Particularly, keeping in mind that goods in question are hosiery products like banyans and underwear of daily use used by thousands of persons from common milieu scattered all over the country in far flung areas, with level of common education and acquaintance with English language, the likelihood of average buyer discerning differences in spelling of 'DON' and 'DAWN' and difference between their etymological meaning is little, as was the case in an English Court in the application. *Thomas A Smith Ltd.* (1913 RPC 363). He is more likely to relate the goods by name "DAWN" than by pictorial presentation on the package. The very fact that both the plaintiff and defendant have registered words 'DAWN' and 'RUPA' respectively as their trade marks in connection with conveying on their trade of hosiery further strengthen the view that goods are identified by name of the brand and not by pictorial background of package or label or the device on which the brand mark is projected. With all these material on record, the conclusion of trial Court that the use of word 'DON' by defendant prima facie infringes plaintiff's registered mark in question, is a reasonable conclusion.

78. It will be apt to refer the following observation of the Supreme Court in *Corn Products vs. Shangrila Foods Products* {AIR 1960 SC 142}, while considering the phonetic similarity between words 'Glucovita' and 'Gluvita'; it is observed that;

"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 India people is a foreign word.

xxxxxxxxxxx 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."

79. The phonetic similarity test must be keeping in view the person who are concerned with was again emphasised by the court in Amritdhara Pharmacy vs. Satya Deo {AIR 1963 SC 449} that;

"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 Hindu 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 literate sense has no meaning; to give it meaning one must further make the inference that the 'current or steam' 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."

The assertions that by injunction the defendants sale of don' brand of hosiery is likely to be affected to the tune of Rs.1.50 lacs per day also suggest that defendant is intending to take benefit of buyers support who have associated the hosiery goods to be purchased by them with 'DAWN' name, notwithstanding that it claims to have its own good will with the name of RUPA. In the former, it is a clear case of lack of bona fide. In the latter case, even if the defendant is restrained from using the word 'DON', he is not likely to suffer any injury as it was suggested by learned counsel for the defendant himself that they will have only to place some sticker on the cartons for blocking the word 'DON' appearing thereon and to replace the labels only on the finished goods before offering to public in their own name 'RUPA' or some other name not offending the plaintiffs mark to which plaintiffs too does not have any objection. This was the course suggested by apex court in Whirlpool's case too. When according to defendants, they have a

turnover of over 58 crores of which share of goods with 'DON' make is only about 2.25 crore, the demand to use of word 'DON' cannot affect the business of defendant on their own goodwill adversely.

80. Thus in totality of circumstances plea of delay in isolation to deny the relief of temporary injunction cannot be accepted. So also temporary injunction has been granted by the trial court in reasonable exercise of its discretion on materials before it. Hence, the order does not call for interference in appeal, even if the court were to come to different conclusion on merit, though on merit also as seen above this court agrees with the trial court finding.

81. Coming thus far, it was stated by Mr. A.C.Gandhi, learned counsel for the appellant - defendant that defendant shall not use the word 'DON' in any of its products or cartons in which they are packed or in any advertisement independently either in English or any vernacular language until disposal of the suit. However, he may be permitted to use word 'DON' in company with 'RUPA' without prominence to either of it on its product to read as 'RUPA DON' until decision of the suit, hearing of which may be expedited.

82. Mr.Shelat, appearing for the respondent plaintiff had urged that permitting the defendant to use the word 'DON' in any manner at this stage would continue to cause confusion in the market and may give wrong signals for future adjudication. Therefore, any modification in the trial Court's order will not be justified. However, he had no objection to trial of the suit being expedited. In that connection, it was stated by him that the plaintiff does not wish to lead any oral evidence so far the question of infringement is concerned. However, the evidence, if any, required for establishing for passing of action and damages may be required to be led for which the plaintiff would abide by any time schedule fixed by the Court. In response, Mr. Gandhi too stated that defendant also would not be leading any oral evidence in respect of the infringement action but he would lead the evidence only in rebuttal in respect of which the plaintiff leads evidence as aforesaid without prolonging the proceedings before the trial Court, within the time frame fixed by the Court.

83. Having considered the request of the parties, in the light of discussion made above, I am of the opinion that since I have come to the conclusion that the temporary injunction has been granted by the trial Court

in reasonable exercise of its discretion on the materials before it, and to that conclusion, I have also agreed on merits, and keeping in view the limitation of the appellate jurisdiction, as pointed by the Hon'ble Supreme Court in Whirlpool's case (supra), I am not inclined to make any modification in the order passed by the trial Court at this stage without expressing any opinion on the question whether the user of the word 'RUPA-DON' as suggested by the defendants at this stage in future would amount to infringement or not, except to that in the circumstances of this pending litigation, if such permission is granted, the apprehension of the plaintiff that it is likely to cause confusion and give wrong signals is justified.

84. However, the prayer for expeditious trial of the suit appears to be reasonable.

85. In view of the statement made about the confining the precincts of evidence to be led before the trial Court, the suit itself shall be put on the Board of hearing of the trial Court in the month of July 1998. The evidence, documentary or oral, whatever, shall be produced by the plaintiff, as far as possible, by 30th October 1998 and the evidence by the defendants in rebuttal, if any, shall be produced within two months thereafter by 31st December 1998. The trial should be completed by the Court as far as possible by 31st January 1999.

86. As a result, the appeal fails and the same is dismissed with costs subject to the aforesaid directions.

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