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Court : Madhya Pradesh

Decided On : Jan-08-1999

Reported in : AIR1999MP118; 2000(1)MPLJ33

Judge : R.P. Gupta, J.

Acts : [Trade and Merchandise Marks Act, 1958](#) - Sections 29

Appeal No. : M.A. No. 1074 of 1997

Appellant : Cox Distillery and anr.

Respondent : Mcdowell and Co. Ltd. and anr.

Advocate for Def. : Gautam Bhaduri and ;Alok Aradhe, Advs.

Advocate for Pet/Ap. : V.K. Tankha and ;Sameer Seth, Advs.

Disposition : Appeal dismissed

Judgement :

R.P. Gupta, J.

1. This appeal is directed against the order dt. 2-7-1997 of District Judge, Raipur passed in Civil Suit No. 9B/1996 on an application for injunction under Order 39, Rules 1 and 2, C.P.C. prohibiting the appellants from manufacturing, marketing, using, transporting and selling their Whisky under the brand name of 'COX

DIPLOMAT PREMIUM WHISKY.'

2. The respondents/plaintiff manufactures and sells Whisky under the registered trade mark 'Diplomat' as its brand. Its label and logo are also registered with the Registrar under the [Trade and Merchandise Marks Act, 1958](#), since 1962.

The defendants have started distilling Whisky and labelling it under the name and style of 'COX DIPLOMAT WHISKY' their trade name and label are not registered with the registrar. The defendants/appellants claim to have moved the Registrar for registration of the same under the Trade and Merchandise Act. According to the plaintiffs the label and logo of the defendant's Whisky bottle is deceptively similar to that of plaintiffs' Whisky bottle.

3. The trial Court observed that use of logo and print of similar size and of word 'DIPLOMAT' on label by the defendants with printed figure of human being inside, make the label of the defendant's product deceptively similar to that of the plaintiffs and these factors are enough to grant the relief of temporary injunction in favour of the plaintiffs as a prima facie case is made out.

4. The defendants (present appellants) pleaded that they were using label of 'COX DIPLOMAT WHISKY' for a long period, that is as far back as that 1995. They applied to Excise Commissioner for approval of manufacture and sale of Whisky under this label. This was permitted by the Commissioner of Excise. The suit of the plaintiffs is allegedly delayed and barred by laches. It was also pleaded that the word 'DIPLOMAT' is a generic word in English Dictionary and is used in many products and also by the manufacturers of Whisky, particularly the first user of this word in relation to Whisky was by Mohan Meakins Ltd. who manufactured Whisky under the brand name of 'MOHAN MEAKINS DIPLOMAT (contd. on col. 2) WHISKY'. At best the plaintiffs/respondents may be a pirater of that name. The right of use which, if at all such rights existed, belonged MOHAN MEAKINS. The plaintiffs being themselves a pirater of this name cannot seek injunction against the defendants/appellant for prohibiting them from use of this name as part of brand name of their product.

5. The contention of the defendants, however, did not find favour with the learned trial Judge and he passed the impugned prohibiting order.

6. Learned counsel for the appellants/defendants had advanced the same arguments before this Court also. It is worth noticing that it was far back as 6th October, 1962 that trade mark number 211697 was registered in the name of McDowell and Co. Ltd., Madras-1, in respect of wine, spirit, liquor and whisky as 'DIPLOMAT' by the Registrar of trade marks. It has been renewed from time to time. A copy of the certificate of registration is on record as Annexure E.

7. The plaintiffs had pleaded the following comparative study of their infringed label and defendant's pirating label of Whisky :

Label of plaintiffs' product

Label of defendant's product

(a)

Any yellowish coloured background

(a)

Yellow coloured label with red border line

(b)

A red border line on the label

(b)

A to go with the impression CD in red colour.

(c)

The words McDowell's printed in red colour

(c)

The word COX in red colour.

(d)

The mark DIPLOMAT is written on the top in black colour

(d)

The word DIPLOMAT is written in black and below the word DIPLOMAT, a photo of an Englishman in oval shaped framed with golden border.

(e)

Below the trademark DIPLOMAT, a photo of an Englishman on oval-shape frame with golden coloured outline.

(e)

The words Premium Whisky is written in red colour.

(f)

The word ' Whisky ' is written in red.

8. A comparison of two labels on the two products clearly shows that the colour scheme of the labels of the defendants is similar to that of the label of the plaintiffs' product. It further indicates that the pictorial effect is the same as the word 'DIPLOMAT' in both labels is used in red colour with figure of a young Englishman below it and below that figure the word 'WHISKY' is used in plaintiffs' label, but, 'PREMIUM WHISKY' in defendants' label on the same colours scheme as that of the plaintiffs. It does become clear that the pictorial impression conveyed from the defendants product labels will be the same as that of the plaintiff's product label on the bottles. Of course, if one looks for such minute details as use of word 'Premier' together with word 'McDowell' or the use of word 'COX' and whether there is a logo above the word 'COX' in defendant's bottle or the name of the distillery, then certainly the distinction will appear. But, similar features are striking to any innocent eye and one, who does not understand the difference in the details of

names, is likely to be misled. This is, prima facie, shown.

9. In AIR 1972 SC 1359, Parle Products P. Ltd. v. J. P. and Co. Mysore, the Supreme Court of India had occasion to spell out the applicable tests for finding out deceptive similarities in two products so that one may be held to be infringement of the trade mark of another. To decide the question as to whether the plaintiffs* right to a trade mark has been infringed in a particular case, the approach must not be that as in an action for passing off goods of the defendant, as and for those of the plaintiff. In order to come to the conclusion whether one mark is deceptively similar to another, the broad and essential features of the two are to be considered. They should not be placed side by side to find out if there are any differences in the design and if so, whether they are of such character as to prevent one design from being mistaken for the other. It would be enough if the impugned mark bears such an overall similarity to the registered mark as would be likely to mislead a person usually dealing with one, to accept the other, if offered to him. It is of no use to note on how many points similarity or absence of it (sic). Their Lordships had approved the following observations in Karly's Law of Trade Marks and Trade Names (9th Edition Paragraph 383) :

'Two marks, when placed side by side, may exhibit many and various differences, yet the main idea left on the mind by both may be the same. A person acquainted with one mark, and not having the two side by side for comparison, might well be deceived, if the goods were allowed to be impressed with the second mark, into a belief that he was dealing with goods which bore the same mark as that with which he was acquainted. Thus, for example, a mark may represent a game of football; another mark may show players in a different dress, and in very different positions, and yet the idea conveyed by each might be simply a game of football. It would be too much to expect that persons dealing with trade marked goods, and relying, as they frequently do, upon marks, should be able to remember the exact details of the marks upon the goods with which they are in the habit of dealing. Marks are remembered rather by general impressions or by some significant detail than by any photographic recollection of the whole. Moreover, variations in detail might well be supposed by customers to have been made by the owners of the trade mark they are already acquainted with for reasons of their own.'

Before the Supreme Court the case was of wrapper on the confectionary of plaintiff of Parle Products Private Limited which had the trade name 'Parle Gluco Biscuits' printed on them with specific colour scheme of the wrapper. The infringing party was using the name of 'Glucose Biscuits' on their biscuits pack. The trial Court and the High Court had tried to find out the points of differences in the two labels and declined relief of injunction to the plaintiff. The Supreme Court, however, with the above observation found broad similarities which created confusion and misled any of the purchasers so granted relief of injunction.

10. Section 29(1) of the Trade and Merchandise Marks Act, (hereinafter called the Act) specifies what is infringement of trade mark. It is as under :

'29(1) 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 being use as a trade mark.'

11. Section 2(d) of the Act defines the expression 'deceptively similar', thus :

'2(d) 'deceptively similar' -- 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;'

12. The contention of learned counsel for the appellants is that for such items as Whisky, prefix before the main label such used as the word 'Cox' and the qualifying word such as 'Premium' before the word Whisky and the name of the distillery as Cox Distillery, make the label entirely independent of plaintiff's label and totally dissimilar and the defendants/appellants have even changed the colour scheme subsequently which are important. The fact that the Commissioner Excise gave permission to manufacture under this name is also stressed as giving a right to manufacture under this name.

13. In a recent case -- Tube Investments of India Ltd. v. Trade Industries, Rajasthan, (1997) 6 SCC 35 the Supreme Court was faced with the facts that the appellants were well-known manufacturers of bicycle and bicycle parts holding registered trade mark for goods in Class 12 bearing initially TI in two concentric circles. The respondent, a small manufacturer of bicycle saddle covers was using mark IT in a single circle for his goods. The mark used by respondent was prima facie similar to that used by appellants. The Supreme Court held that the appellants' right in respect of their trade mark was violated. It was held that on such facts injunction order prohibiting infringement of the trade mark of appellants should be issued. Their Lordships observed that the visual similarity between the two marks coupled with the fact that the respondent's mark is used on bicycle saddle covers, prima facie, posed a real danger that the product of the respondent can be passed off as a product of the appellants.

14. In AIR 1965 SC 980 (Kaviraj Pandit Durga Dutt Sharma v. Navaratna Pharmaceutical Laboratories) the Supreme Court held that 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 that the Court reaches the conclusion that there is an imitation, no further evidence is required to establish that the plaintiff's right 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 on the registered proprietor of the mark, would be immaterial.'

14-A. The legal position which has, thus, been crystallised by these pronouncements of the Supreme Court is that the court, while deciding whether one trade mark is infringement of another trade mark, has to see the following :

(i) Whether the broad features and scheme of the two marks are such that an innocent purchaser would consider one to be the other;

(ii) The Court has not to proceed on the line as to what are the detailed points of dissimilarities between the two marks, as if the court was solving a pictorial quiz to count the number of hidden or not-so-hidden dissimilarities in two, apparently similar pictures.

(iii) The test is, what would be the impression on the mind of a person who is acquainted with the plaintiffs mark, on seeing the defendant's infringing mark, when the two marks are not side by side before him. If he is likely to consider the infringing mark as that of plaintiff's goods, there is clear deceptive similarity resulting in infringement of plaintiff's trade mark. So, the best test is that of 'impression on mind of an innocent purchaser' .

The trial court has found overall similarities in the two trade marks, so that innocent purchaser can be led to believe on seeing defendant's manufactured whisky that it is the one manufactured by plaintiff. The addition of word 'COX' with 'Diplomat Whisky' or name of defendant's company at the end of label, make no difference in this 'impression to the purchaser'. On examination of two labels this Court finds that the findings of the trial Court are justified prima facie. On seeing defendant's Diplomat Whisky Bottle, any innocent purchaser is likely to accept it as plaintiffs manufactured whisky.

15. The appellant has produced certain intimation by the Commissioner of Excise dt. 12-10-1995 addressed to M/s. COX Distillery, Chhatarpur, regarding approval of labels of brands of Indian made Foreign Whisky with reference to their application dt. 17-9-1995. By this the Commissioner permitted M/s COX Distillery to bottle in ASWANI Distt. Chhatarpur various brands of Whisky under the listed labels and to sell them in the State of M.P. and the other States subject to the given conditions. This is a list of 12 labels, at No. 11 there is label of 'COXDIPLOMATPRE-MIUM WHISKY'. The size of the bottle is also given against the name of brand of this label. Vide another communication (Annexure-D2) dt. 2-5-1996 the Excise Commissioner permitted bottling of this brand (COX DIPLOMAT PREMIUM WHISKY) in pet bottles.

16. A perusal of these intimation letters makes clear that the Excise Commissioner was nowhere concerned with the rights of any parties under the Act including that

of the appellants. Giving such permission by the Excise Commissioner under the M.P. Foreign Liquor Rules 1996 is entirely with different purpose i.e. collection of revenue and control and regulation of the liquor trade. It has nothing to do with the rights of the parties under the Act. It might be a piece of evidence of time of user by the person who obtained the permission of the Commissioner. But, no more so far as the [Trade and Merchandise Marks Act, 1958](#) is concerned. The suit in this case was filed on 10-12-1996. The suit is not barred by time nor it can be said that user of this similar misleading trade mark of the defendants was with the consent of the plaintiff. So order of the Commissioner in this respect can make no difference to the appellants/defendants.

17. Counsel for the appellants urged that after notice of the plaintiff/respondent his client had changed the colour scheme of their label making the background white instead of yellow as it originally was. In fact in the reply 22-8-1996 to the notice of the plaintiff sent by the appellant/defendant to the plaintiff's notice to desist from infringement their trade mark, the defendant had urged that they will be taking steps soon to suitable amendment of their label and will send their new label to the plaintiff and that the defendant shall desist from using the old label as also the remaining stock of the old label shall be destroyed.

18. The contention of the appellant that this reply non-suited the plaintiff, is not acceptable and not supported by any legal, valid authority or statutory provisions. The plaintiff has sought his relief of injunction on the basis of label then in use by the defendant which amounted to infringement of the plaintiff's trade mark.

19. The Court below found that there was infringement.

20. From the perusal of the principles enunciated by the Supreme Court authorities extracted above, it is clear that when there is deceptive similarity between the label used by the plaintiff as his trade mark and the one introduced by the defendant, it amounts to infringement of the plaintiff's trade mark within the meaning of Section 29(1) of the Act.

21. A perusal of the two labels of the plaintiff's trade mark as also the defendant's label of their bottles makes it clear that the defendant has made his label

deceptively similar to that of the plaintiff which is their registered trade mark. This is prima facie so and the defence raised by the defendant are prima facie unhelpful. The respondent plaintiff was entitled to interim injunction pendente lite restraining the defendants from using the infringing labels. The prohibition order has been issued justifiably. This appeal has no substance and is dismissed with costs of Rs. 2500A.

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