

Richardson Vicks Ind. and anr. Vs. Vikas Pharmaceuticals

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Court : Delhi

Decided On : Aug-21-1989

Reported in : 1989(2)ARBLR381(Delhi); 40(1990)DLT194; 1989(17)DRJ340

Judge : S.N. Sapra, J.

Acts : [Trade and Merchandise Marks Act, 1958](#); [Code of Civil Procedure \(CPC\), 1908](#) - Order 39, Rule1

Appeal No. : Interim Application Nos. 4138 of 1985 and 4467 of 1986

Appellant : Richardson Vicks Ind. and anr.

Respondent : Vikas Pharmaceuticals

Advocate for Def. : Mr. Goel

Advocate for Pet/Ap. : Anoop Singh,; H.P. Singh,; Prayaga Chawla and;

Judgement :

S.N. Sapra, J.

(1) Along with suit, for perpetual injunction for infringement of trade mark and copyright, plaintiff filed an application, being I.A. No. 4138 of 1985, under Order 39 Rules 1 and 2 read with Section 151 of Civil Procedure Code, thereby claiming the following temporary inju.nction :

'IT is humbly prayed that pending the hearing and final disposal of this suit. the defendants themselves, there servants, agents, stockists and all other persons on their behalf be restrained from using and infringing mark in relation to any vaporising ointment or any other preparation, the trade mark VI KAS's Pacorub, bottles and metal containers as per annexures 'E' and 'F' which is in infringement of the plaintiffs registered trade marks Nos. 328354, 328355 and 267167. The defendants may be further restrained from passing off and enabling others to pass off their vaporising ointment or other product in bottles and metal containers annexures 'E' and 'F' as and for that of the plaintiffs or in some ways connected with that of the plaintiffs. The Defendants may be further restrained from infringing the plaintiff's Copyright in annexures 'A' and 'B'.' Vide an exparte order dated 31-7-1985 defendants, their agents, servants, stockists and all other persons on their behalf were restrained from using infringing mark in relation to any vaporising ointment or any other preparation, the trade mark 'YIKAS's PACORUB' bottles and metal containers, as per annexures 'E' and 'P' or any other mark of the plaintiff.

(2) Thereafter, defendants filed an application, being I.A. No. 4467 of 1986, under Order 39 Rule 4 read with Section 151 of Civil Procedure Code, for discharging and vacating the aforesaid order. It was further prayed that defendants be allowed to use and continue to use the trademark 'VIKAS'S PACORUB' and their labels, during the pendency of the suit.

(3) By this order, I purpose to dispose off these the applications.

(4) For better appreciation of the respective contentions of learned counsel for parties, it will be useful, prefer to, in brief, the facts of the case.

(5) Plaintiff no. 1 is a well known international company, inter alia, carrying on business as manufacturers and dealers in medicinal and pharmaceutical products and formulations. Plaintiff no. 2 carries on business as manufacturers of medicinal and pharmaceutical preparations.

(6) The goods, manufactured by plaintiff No. 1 as well as by plaintiff No.2, under the supervision and control, are well known for their superior quality. Plaintiff No. 2 is the registered proprietor of the word marks 'VAPORUB'and 'Vi CKS' and a label

mark bearing the words 'VICKS VAPORUB', in respect of the goods, falling in Class 5 of the Fourth schedule to the Trade and Merchandise Marks Rules, 1959 The registration of the aforesaid trade mark 'VICKS VAPORUB' bearing No. 267167 'VICKS' bearing No. 328355 and 'VAPORUB' bearing No. 328854 are valid and subsisting under the provisions of Trade & Merchandise Marks Act, 1958. Plaintiff No. 1 and its predecessors have been using the marks since 1924.

(7) Plaintiff No. 1 permitted and authorised plaintiff no. 2, to manufacture decongestant vaporising ointment, bearing the trade mark 'VICKS VAPORUB'. The bottles, in which the aforesaid product is sold, are coloured blue and at the base of each bottle, the words 'VICKS VAPORUB' are embossed in a circle with the letters 'PF' being inwards of the name of the manufacturers The bottles are fitted with a green coloured metal tempered screw, having a distinctive design, letterpress, colour scheme and get up. All the lettering is in dark blue colour The label, has also distinctive design, layout, colour scheme and get-up generally The label consists of three parts namely, green rectangle, white square and a similar green rectangle. The white square contains the words 'VICKS' and the word 'VAPORUB' printed in English and in Devnagari script in black letters and red letters respectively, and on the top of the label is an inverted triangle printed in red.

(8) According to plaintiffs, 'VICKS VAPORUB' label represents original artistic works, in respect of which plaintiffs are entitled to a subsisting copyright. Plaintiff No. 2, has been using the design, letter, letterpress, lay-out, colour scheme and get-up and artistic features of the 'VICKS VAPORUB' label with the permission of plaintiff no 1. Plaintiff No 1 has permitted plaintiff no. 2 to use the aforesaid marks, in respect of the goods, manufactured by plaintiff No 2, in India, according to the strict supervision control, specifications and standards, as prescribed by plaintiff no. 1.

(9) The aforesaid products, under the mark 'VICKS VAPORUB'. packed in bottles and metal containers, have been sold in India for the past several years and command large and extensive sales,

(10) The huge sums have been spent in advertising and popularising the said product. The product, under the trade mark 'VICKS VAPORUB', is wholly identified

by the blue bottles and metal caps, possessing distinctive features as well as the distinctive labels on the bottles. In other words, the plaintiff case is, that the .trade mark 'VICKS VAPORUB' as well as the blue colour of the bottles and get-up and other features of the labels, affixed thereto and the get and colour scheme of the cap have come to be associated exclusively with the plaintiffs and their products.

(11) Sometime, in March, 1983, it came to the knowledge of plaintiffs that with the deliberate object of trading upon the reputation of plaintiff's, said product 'VICKS VAPORUB' defendants were manufacturing, marketing and selling vaporising ointment called 'VIKAS'S PACORUB', packed in bottles and metal containers bearing metal caps and labels as well as lids, identical with or deceptively similar in all respects to the metal caps and bottles labels lids used by plaintiff's products 'VICKS VAPORUB'. The metal cap on the defendant's product is also a green cap, with the words 'VIKAS'S PACORUB', printed in black letters and in Devnagari script. Moreover, the words-vaporising ointment is also printed thereon. The label on the defendants' bottle, also consists of two green rectangles and a white square. The word 'VIKAS'S' is printed thereon in red letters in English.

(12) PLAINTIFFS' case is that the general idea, both for the mark and the impression, left for a mark on an ordinary person with average intelligence and imperfect recollection is the same or identical. The design, lettering, letterpress, layout, colour scheme and get-up, adopted by defendants, for their bottles and metal containers, in which they sell or offer to sell 'VIKAS'S PACORUB' is deceptively similar to plaintiffs' bottles and containers. The trade mark 'VIKAS'S PACORUB', used by defendants, is confusing and and deceptively similar to plaintiffs' trademark 'VICKS VAPORUB', and constitutes an infringement thereof.

(13) With a view to restrain defendants, from unlawful use of the trade mark, plaintiffs issued a warning letter to defendants on March 23, 1983. In reply, by letter dated April 16, 1983, defendants termed the demand of plaintiffs as arbitrary. Plaintiffs, recently learnt that defendants bad again introduced their products, bearing the impugned mark and the colour scheme, get-up, layout and design.

(14) In reply, defendants have taken various preliminary objections, such as, that this Court has no territorial jurisdiction to entertain and try the present suit, on the

ground that defendants have not sold any goods under the trade mark 'VIKAS'S PACORUB', in Delhi. The suit of plaintiffs suffers from undue and unreasonable delay and laches. The suit is also not maintainable under the Foreign Exchange Regulation Act, 1973 and Trade and Merchandise Marks Act 1958.

(15) Defendants have also alleged that the suit is not properly valued, for the purposes of jurisdiction & Court fee and that the proper court-fee has not been paid.

(16) According to defendants, plaintiffs are not the proprietors of the marks, as alleged in the suit, as well as application. The trade mark and label 'VIKAS'S PACORUB', as used by defendants, in respect of their goods, are absolutely different and distinct from the alleged trade mark and label of plaintiffs. Defendants have been using the trade mark 'VIKAS'S PACORUB', since the year 1982, continuously and extensively in respect of Ayurvedic medicines. There is no infringement or passing off, as the goods in question are being prescribed by qualified doctors and sold by qualified chemists, who are registered under the Drug Rules. The goods of defendants are not of inferior quality. The defendant's business is legal and they have got the license to manufacture the goods from the concerned Authority. There are innumerable manufacturers, who are using such, kinds of labels, bottles, metal containers, having similar colour scheme, get up as those of plaintiffs.

(17) At the time of deciding an application for temporary injunction, it is not proper for this Court, to indulge in deeper examination of the merits of the case. I will deal with such contentions of learned counsel for parties, as are necessary for deciding the present applications.

(18) With regard to temporary injunction, three well known principles are taken into consideration, by the Courts. These are ; whether plaintiff has got a good prima facie case ; in whose favor the balance of convenience lies and if the temporary injunction is not granted, then, plaintiff will suffer an irreparable loss and injury.

(19) Defendants have raised a preliminary objection as to the territorial jurisdiction of this Court to entertain the present suit. Issue with regard to the jurisdiction, has

already been framed and after trial the same shall be decided on merits. However, if the suit of plaintiff, prima facie appears, to suffer from a fatal infirmity of lack of jurisdiction, then, in that even interim injunction is generally declined.

(20) Mr. Anoop Singh. Learned Counsel be plaintiffs, has urged that this Court has the jurisdiction to entertain the suit, as the goods of defendants, were being sold in Delhi on commercial basis Further, the copyright of plaintiffs' bottles and metal containers, was also being infringed within the territorial jurisdiction of this Court. He has placed reliance upon the judgment in *Tata Oil Mills Company Ltd Delhi v. Reward Soap Works*, : AIR1983 Delhi286 . Mr Justice H L. Anand held:

'THE comparative scopes of a copyright and trade mark registration are different, even though where a design on a wrapper is registered under the Copyright Act, there is, to an extent, an overlapping between the two remedies. Some controversy is no doubt possible if the mere jurisdiction of the Court to entertain an action for infringement of copyright would also give the court the necessary jurisdiction to deal with the corresponding infringement of trade mark, where both constitute part of a composite suit. In view of the undoubted jurisdiction of (his Court in relation to the infringement of copyright. Court would be justified in granting injunction of both the trade mark and the copyright at this stage of the proceedings, particularly, where there is specific averment in the plaint, whatever it may be worth, that the plaintiff has been selling the goods, inter alia, within the territorial jurisdiction of this Court.

I would, therefore, grant an injunction restraining the defendant from manufacturing, selling, offering for sale, advertising or dealing in washing soap under the trade marks 501, 507. or any other deceptively similar marks and wrappers as are identical with or deceptively similar to the wrappers of the plaintiff's 501 half bar washing soap and from in any manner infringing the registered trade mark and copyright of the plaintiff and from passing off its washing soap and business as the washing soap and business of the plaintiff during the pendency of the suit.'

(21) In the plaint, plaintiffs have made a specific averment to the effect that defendants' goods are being sold in Delhi and there is an infringement of plaintiffs'

copyright, within the territory of Delhi. This can only be decided after trial. At this stage, prima fade, it cannot be held that this Court has no jurisdiction to entertain the suit, in view of the allegation, made in the plaint.

(22) Defendants have also raised another preliminary objection to the effect, that the suit has not been properly valued for the purpose of jurisdiction and court-fee and that proper court-fee has not been paid. After going through the allegation in the plaint, with regard to the valuation of the suit, prima fade, there appears to be nothing wrong with the manner, in which the suit has been valued for purposes of jurisdiction and court-fee and the court- fee paid thereon. At this stage, I am not going to decide this point. An issue has already been framed and this point will be decided at proper stage.

(23) Mr. Anoop Singh has urged that plaintiff No. 1, is the registered proprietor of trade mark 'VAPORUB' and 'VICKS' for goods, falling in class 5, in respect of medicinal and pharmaceutical preparations of all kinds. Both these trade marks are being used since 1924. Legal Proceeding certificates have been filed. Plaintiff No. 2, has been using this trade mark under the registered user agreement with plaintiff No. 1. Plaintiffs are also the owners of original artistic work in the label. The bottles and containers of plaintiffs are easily recognised and are distinctive. He has further contended that since March, 1983, defendants used exactly the similar bottles, labels and containers bearing the trade mark Pacorub and Vikas PACORUB. Defendants' trade mark, is deceptively similar to plaintiffs' trade mark, which is registered. Besides, the bottles and containers are of the same size, colour scheme, get up, and lay out. Mr. Anoop Singh also contended that the use of the impugned trade mark and the labels and containers by defendants is likely to create confusion in the minds of the purchasers. He has placed reliance upon judgments in Colgate Palmolive Limited and another v. K.F. Pattron (1978) R.P.C. 635, Parker-Knoll Limited v. Knoll International Limited (1962) R.P.C.265; Cavendish House (Cheltenham) Limited v. Cavendish Woodhouse Limited (1970) R.P.C. 235; White Hudson & Company Limited v. Asian Organisation Limited, (1965) R.P.C. 45 ; Amritdhara Pharmacy v. Satya Deo Gupta, : [1963]2SCR484 , National Bell Co and Gupta Industrial Corporation v. Metal Good Mfg. Co. (P) Ltd and another A.I.R. 1971 S.C. 898 ; M/s Khetu Ram Bishambar Dass v. Bhim Sain

YashPal, 1983P.T.C. 313; Lalsons Machines Pvt. Ltd.v. Sachar Electric & Machine Store 1986 P.T.C 41 ; & Shri Swaran Singh Trading as Appliances Emporium v. M/s Usha Industries (India) New Delhi and another, : AIR1986 Delhi343 .

(24) Mr. Goel, learned counsel for defendants, argued that since the year 1982, defendants adopted the mark 'VIKAS'S PACORUB' and since then, using the same continuously, extensively and without any hindrance. Defendants had already filed a petition against plaintiffs, for cancellation of the registration in their favor. The goods of defendants, being Ayurvedic vaporising ointment are different from the goods of plaintiff. There is no question of infringement or passing off as the goods in question are being prescribed by qualified doctors and sold by qualified chemists. Mr. Goel has further contended that the trade mark and the label, used by defendants, are not deceptively similar to those of plaintiffs and, as such, there is no chance of any confusion. He has placed reliance upon judgments in Application by Thomas A Smith Ltd. to Register a Trade Mark, 1913R.P.C. 363; stadmed Private Ltd Calcutta v. Hind Chemicals. Kanpur A.I.R. 1965 P&H; 17. F. Hoffman La Roche & Company Limited v. The Sanitex Chemical Industries Limited. 1965(67) BLR. 729, The Singer . v. Geoffrey Manners & Co. Pvt. Ltd. : [1970]2SCR213 ; POL-RAMA Trade Mark 1977 R.P.C. 581.

(25) In F.Hoffmann-La Roche & Co. Ltd. (supra) their Lordships of Supreme Court were considering the question whether the word Dropovit a vitamin preparation, was deceptively similar to the word Protovit, and. thus offended the provision of Section 12(1) of the Trade & Merchandise Act, 1958, and further whether the word Dropovit was an invented or a deceptive word for the purposes of Section 9(1) of the Act.

(26) It was held that in order a trade, mark be found deceptively similar to another, it is not necessary that it should intend to deceive' or intend to cause confusion. It is its probable effect on the ordinary kind of customer that one has to consider. For this purpose, it is necessary to apply both the visual and phonetic tests., It is also important that the marks should be compared as wholes. It is not right to take a portion of the word and say that because that portion of the word differs from the corresponding portion of the word in the other case, there is no stuffiest similarity

to case confusion. The true test is whether the totality of the trade mark is such that it is likely 'to cause deception or confusion or mistake in the minds of the persons accustomed to the existing trade mark. '

(27) In *Shri Swaran Singh Trading as Appliances Emporium*, (supra) the Division Bench of this Court held :

'THE order under appeal has the effect of permitting the defendants to use the impugned mark during the pendency of the suit. In the case of a registered trade mark, this creates a very difficult situation. The effect of registration is to give an exclusive right of user to the proprietor of the registered trade mark. This is provided in Section 28 of the Trade and Merchandise Marks Act 1958. The only persons who can defeat this exclusive user are persons covered by Section 33 of the Act, which provides as follows:- 33. Saving for vested rights : Nothing in this Act shall entitle the proprietor or a registered user of a registered trade mark to interfere with or restrain in the use by any person of a trade mark identical with or nearly resembling it in relation to goods in relation to which that person or a predecessor in title of his has continuously used that trade mark from a date prior-

(A) to the use of the first mentioned trade mark in relation to those goods by the proprietor or a predecessor in title of his ; or

(B) to the date of registration of the first mentioned trade mark in respect of those goods in the name of the proprietor or a predecessor in title of his, whichever is the earlier, and the Registrar shall not refuse (on such use being proved) to register the second mentioned trade mark by reason only of the registration of the first mentioned trade mark'

In short, if there is user prior to the date of registration, then the user may continue. According to the defendants, now respondents, they have been using the marks from a prior date. There are two portions of the Section, one of which refers to the date of user and the other refers to the date of registration. The Section seems to give the earlier date as the operative date, i.e. if the user is earlier than the registration it is that date. If we take the user of the two trade marks as being 1960 and 1971 respectively, it means that the defendants must show that they have

used the trade mark 'USHA' prior to 1960 in relation to electric irons and prior to 1971 in respect of room heaters stoves, angithis, hot plates, etc.

THERE is then the question of delay, Learned counsel for the respondents had urged that the delay is fatal to the grant of an injunction We are not so satisfied A delay in the matter of seeking an injunction may be a ground for refusing an injunction' in certain circumstances In the present case, we are dealing with a statutory rig lit based on the provisions of the [Trade and Merchandise Marks Act, 1958](#). An exclusive right is granted by the registration to the holder of a registered trade mark. We do not think that statutory rights can be lost by delay The effect of a registered mark is so clearly defined in the Statute as to be not capable of being misunderstood. Even if there is some delay, the exclusive right cannot be lost. The registered mark can not be reduced to a nullity The principles governing other types of injunctions are not to be. readily applied to a case of present Of course, if it was a case of a similar mark as opposed to the same mark, the concurrent user coupled with delay might be a ground for refusing an injunction. However, when the same mark is being used, in a sense, the public is deceived into purchasing the defendant's goods on the belief that they are the plaintiff's goods, so a registered trade mark is a causality, it is the duty of the Court to protect the registered mark That is the whole concept of registration. So, we can not refuse an injunction even if there is delay especially when the mark is the same. To refuse the injunction would tantamount to permit a fraud being practiced on unwary customers. This is a matter of principle on which the Court can not refuse the injunction.'

(28) In *Lalsons Machines Pvt. Ltd (supra)* this Court held that when there was a valid trade mark, registered in the name of plaintiff, its rights, therefore, were to be protected during the pendency of the proceedings, particularly. when it is a case of simple identity where the mark used by the defendant was the same, the goods were the same and also the trade area. With regard to delay, it was held that where the exclusive right was granted by registration to the holder of registered trade mark, the statutory right could not be lost by delay.

(29) In *M/s. Khetu Ram Bishamber Dass*, (supra). B. N. Kirpal, J. held that the two labels, namely, the label of the plaintiff as well as of defendants, were remarkably similar and, there are little doubt, that an effort was made by defendants in copying the plaintiff's label, the application restraining the defendants, from using the impugned trade mark, under the name and style of 'Himachal Snuff' was allowed.

(30) Prima facie, plaintiffs have been able to show that plaintiff No. 1 is the registered proprietor of the trade trade marks 'VAPORUB' and 'VICKS' and a label bearing the words 'VICKS VAPORUB', in respect of goods, falling in class 5 of the fourth schedule to the Trade & Merchandise marks Rules, 1959. Both these trademarks are being used for a considerable long period continuously. Plaintiff no, 2 has been using the trade mark, under the registered user agreement, with plaintiff no. 1. Plaintiffs have placed on record the sale figures, to show that the products under the aforesaid trade mark packed in bottles and metal containers, have been sold in India for the past several years and command large and extensive sales.

(31) Prima facie, it appears that the trade mark 'VICKS VAPORUB' as well as the bottles, distinctive labels and metal containers have become well known and acquired a great reputation in the Indian market. These trade marks have come to be associated exclusively with plaintiffs and identified with the plaintiff's products.

(32) Now, the question, to be considered, is whether prima facie the impugned trade marks, the labels and containers, are deceptively to those of plaintiffs. In other words, whether the use of the impugned trade marks and the labels, is likely to deceive or cause confusion in the mind of the ordinary purchaser. As it has been held, that in order a trade mark may be found deceptively similar to another, it is not necessary that it should be intended to deceive or intended to cause confusion. It is its probable effect on the ordinary kind of customer, that one has to consider. It is thus important that the marks should be compared as, wholes. It is not proper to take a portion of the word and compare it with the portion of the word of the other mark. The true test is whether totality of the trade mark is such, that it is likely to cause deception or confusion or mistake in the minds of the persons accustomed to the existing trade mark.

(33) It should be remembered that in the present case, the customers include, agriculturists, labourers, illiterate men and women and infact the person from all walks of life, including the weaker section of the society. It is not in dispute that the rival trade marks are for medicinal preparations. So the goods of both the parties are the goods of the seem description. Defendants adopted the impugned trade mark and the labels in the year 1982. But plaintiffs have been using the trade marks and the labels for the last several years.

(34) I am not comparing the trade mark 'PACORUB' of the defendants with the trade marks 'VAPORUB' and 'VICKS VAPORUB'. If it was the Question of comparison of the trade mark 'PACORUB' with 'VAPORUB' or 'VICKS VAPORUB', then, it could be said that there was no deceptive similarity between the two. But here, the totality of the trade marks, including the labels, have to be considered for the purposes of coming at a conclusion whether there is a deceptive similarity between the two or not.

(35) Admittedly, defendants are using the trade mark and the label with the words 'VIKAS'S PACORUB'. Plaintiffs are using the trade mark with the label and container bearing the words 'VICKS VAPORUB'. Upon comparison, whether one mark resembles another generally depends upon first impression. The mark 'VIKAS'S' of defendants and marks 'VICKS' of plaintiffs, are prominent. Marks 'PACORUB' And 'VAPORUB' take the second place 'VIKAS'S' resembles the mark 'VICKS' and, in any case, appears deceptively similar to the mark 'VICKS'. Further, if the marks 'VIKAS'S PACORUB' along with the design, colour scheme and get-up of the label and containers of defendants are compared with the marks 'VICKS VAPORUB' with the design, colour scheme and get up of plaintiffs, then the impugned marks and the labels appear deceptively similar to those of plaintiffs and are likely to cause confusion in the mind of the ordinary customer.

(36) I am of the prima facie view, that the two marks and the labels, namely the marks and labels of plaintiffs as well as of the defendants, are deceptively similar and if the defendants are allowed to use the impugned trade mark and the labels the there is every likelihood that amongst the customers, there will be genuine mistake or confusion, which may seriously damage the reputation of plaintiffs,

thereby adversely affecting their business. In other words, it prima facie appears that the customers may consider the products of defendants, under the impugned trade mark and label, as the products of plaintiffs.

(37) Thus, plaintiffs have been able to make out a prima-facie case.

(38) The balance of convenience also lies in favor of plaintiffs because plaintiffs have been using the trade marks 'VICKS' and 'VAPORUB' with the aforesaid labels, for a considerable long period and have acquired a reputation. Similarly, plaintiffs will suffer an irreparable loss and injury, if defendants are allowed to use the impugned trade mark and the labels, as it will affect, not only the business of the plaintiffs, but their reputation.

(39) Any observation made by me in the order, shall not affect the final decision on merits of the case.

(40) Under the circumstances, stay granted on July 31, 1985, is confirmed, till the decision of the suit. I.A. 4138 of 1985 is allowed. I.A. 4467 of 1986 is dismissed.