

Corning, Incorporated and ors. Vs. Raj Kumar Garg and ors.

Corning, Incorporated and ors. Vs. Raj Kumar Garg and ors.

SooperKanoon Citation : sooperkanoon.com/706132

Court : Delhi

Decided On : Sep-09-2003

Reported in : 2004(73)DRJ649; [2004]54SCL378(Delhi)

Judge : R.C. Chopra, J.

Acts : [Code of Civil Procedure \(CPC\) , 1908](#) - Order 39, Rules 1 and 2

Appeal No. : I.A. Nos. 6059/02 and 7084/2002 in Suit No. 1152/2002

Appellant : Corning, Incorporated and ors.

Respondent : Raj Kumar Garg and ors.

Advocate for Def. : Ajay Sahni and ; Amit Sindhvani, Advs.

Advocate for Pet/Ap. : Dushyant Dave, Sr. Adv.,; P.N. Sewak,; Navin Chawla,;

Judgement :

R.C. Chopra, J.

1. is No. 6059/2002 is an application filed by the plaintiffs under Order 39 Rules 1 and 2 read with Section 151 CPC, praying for an ad-interim injunction restraining the defendants from importing, sourcing, manufacturing, distributing, supplying, offering for sale or dealing in ophthalmic glass blanks/lenses bearing 'two ribs' design which have not been sourced from the plaintiffs, and also from passing off

counterfeit 'two ribs' products as those of the plaintiffs till the disposal of this suit. It is also prayed that the defendants be restrained by an ad-interim injunction from infringing the plaintiffs copyright in the industrial drawings in the manufacture of ophthalmic lenses bearing 'two ribs' design which is a three dimensional reproduction. is No. 7084/2002 is an application filed by defendant No. 1 for restraining the plaintiffs from issuing any threats/communications to the dealers/business associates of the defendants till the application for stay is decided by the Court.

2. The facts, relevant for the disposal of the aforesaid two applications, briefly stated, are that the plaintiffs have filed a suit for permanent injunction and damages against the defendants alleging that the plaintiff No. 1 is an American Company which manufactures and sells ophthalmic glass blanks used in vision corrective spectacles since 1957. It is stated to be a world renowned company and plaintiff No.2 is its subsidiary. Plaintiff No. 3 in which the plaintiff No.2 holds 99.95% of the stake is manufacturing ophthalmic glass blanks including photo chromic glass blanks which are marketed worldwide. It has been granted a certificate by Registrar of Companies for establishing its business place in India. The plaintiff No. 1, by virtue of corporate relationship, exercises control over the use of trade marks and other intellectual property rights owned by plaintiff No.3. The plaintiff No.3 has a branch office in India but currently, it has no manufacturing or other facility in India for the manufacture of photo chromic ophthalmic glass blanks with edge markings. These are manufactured by plaintiff No. 1 but marketed in India by plaintiff No.3 through its branch office.

3. According to the plaintiffs, in the year 1964, the plaintiff No. 1 invented photo chromic glass which was launched few years later and commenced manufacturing of photo chromic glass blanks. The trade marks applications, as mentioned in para 10 of the plaint were filed by plaintiff No. 1 in relation to photo chromic blanks some of which were registered and some are pending. However, the registrations have been obtained in several other jurisdictions of the world. According to the plaintiffs, the ophthalmic blanks manufactured by the plaintiffs are used by the opticians for preparing the vision corrective spectacles. The packing material had the name of the manufacturer but the blanks did not bear the plaintiffs brand name

and as such, there always existed immense scope for production and marketing of counterfeit blanks/lenses and passing off inferior goods as those of the well-known manufacturers. In 1976 the plaintiffs found that loose pieces of counterfeit lenses were being supplied to the opticians as emanating from plaintiff No. 1 and as such, it addressed to the problem and set upon a task to devise a method for distinguishing its products from those of the other manufacturers. The in-house research of the plaintiff No. 1 came up with an ingenious method of distinguishing its products by engraving fine lines on the outer periphery of the finished blanks/lenses protruding mildly which were referred to as 'edge lungs', 'lines' or 'ribs'. These provide ready and easy means to the wholesalers and opticians to distinguish plaintiffs' products bearing ribs as compared to the products of the other manufacturers which would not have ribs but would have plain or smooth periphery/circumference. Accordingly, since 1976 the plaintiffs commenced manufacturing glass blanks with three and five ribs and publicised the same amongst the traders so as to make known to them the identity of the blanks being produced by the plaintiffs. It was further pleaded that the two other well known manufacturers of quality ophthalmic blanks namely 'Schott' of Germany and 'Pilkington' of U.K. also adopted the plaintiffs method of distinguishing their products and started manufacturing ophthalmic blanks with ribs on the periphery. In 1988, the plaintiffs, Schott and Pilkington agreed to use different number of ribs on their ophthalmic glass/blanks which were mutually exclusive and as per understanding the plaintiff started using three and five ribs, Schott one rib and Pilkington two and four ribs.

4. Subsequently, vide an assignment deed dated 21.12,2001, Pilkington assigned absolutely and forever its right, title and interest in two and four ribs to the plaintiff No. 1 and closed down its ophthalmic blanks manufacturing unit. Resultantly, the plaintiff No. 1 and its subsidiaries acquired exclusive proprietary rights in the manufacturing of 2, 3, 4 and 5 rib products. The existence of ribs became an easy and ready method for the wholesalers and opticians to distinguish and recognise the plaintiffs, products simply by seeing, feeling and counting the ribs on a product. It was alleged that the ribs on the periphery of the lenses were purely functional to the extent of the identification of the product and no aesthetic or design aspects were present in the ribs' under the Designs Act of 1911. It was also averred that

the plaintiffs had attained trade mark registrations for the rib products in several countries in the world. In India, the plaintiff No. 1 had filed trade mark applications for three and five ribs which were pending. The sale figures of the plaintiffs products between 1998 to 2001 were given in Para 32 of the plaint and few copies of the invoices substantiating sales in India were also placed on record. The amounts spent in advertising the range of products was mentioned in para 34. The four rib products were launched in India in January, 2002 but prior to the assignment of two and four, ribs products to the plaintiff' No. 1, Pilkington had been selling its two and four ribs products throughout the world including India and details of which were given in paras 37 and 38 of the plaint. These are in millions of dollars. It was also averred that Pilkington had advertised and promoted its two and four rib products in India during the period 1988 to 2001 and document were filed evidencing the publicity. An affidavit from an authorised signatory of the Pilkington was filed to show the reputation of two and four rib products in India also. In November .2001, plaintiff No. 3 and Pilkington sent a joint communication informing the trade circle about the acquisition of rights by plaintiffs in respect of the use of two and four ribs and in the month of January 2002, the plaintiffs decided to launch their two and four rib products in Indian market. However, they found that ophthalmic blanks and finished lenses bearing two ribs were already being marketed in Delhi and investigations revealed that the defendants were sourcing and supplying spurious two rib products to the opticians and traders in Delhi after getting them manufactured in China. Negotiations were held with the defendants to persuade them to stop dealing in spurious two rib products but the defendants deflected the issue and continued with their business. It was also alleged that the defendant No. 1 was a habitual in-fringer of plaintiffs rights as in the past also he had encroached upon the plaintiffs rights under the trade marks 'Photobrown Jet' and 'Photogray Jet' but when he was challenged, he gave an assurance that in future he would not violate the plaintiffs trade mark. A copy of the signed assurance given by defendant No. 1 has been placed on record.

5. The plaintiffs alleged that the defendants' who are father and two sons are selling two rib products by passing off the same as those of the plaintiffs and causing great harm and prejudice not only to the plaintiffs but to the interests of the opticians and ultimately consumers also, who purchase the vision corrective

spectacles believing the product having good quality lenses and accordingly prayed for a decree of permanent injunction to restrain the defendants from using 'two ribs' on their ophthalmic blanks/lenses. Damages in the sum of Rs. 50 lacs and an order of delivery up was also prayed for. The application under Order 39 Rules 1 and 2 of the Code of Civil Procedure is also based on the pleadings made in the plaint.

6. The defendants filed a joint written statement and a reply to the injunction application denying the plaintiffs' right to use 'two ribs' on its blanks on the basis of the assignment deed dated 21.12.2001. It was also pleaded that there were many manufacturers of the ophthalmic lenses and photo chromic lenses similar to those being manufactured and marketed by the plaintiffs. It was disputed that the two ribs or presence of any ribs could be covered under the definition of 'mark' or 'trade mark' given under the Trade and Merchandise Marks Act, 1958 (hereinafter referred to as 'TMM Act') and added that the said ribs/lines were a pattern already in vogue and being resorted to by the defendants and other manufacturers and it was only a design. According to defendants, they were using two ribs/lines on their products as a 'design' which they had got registered even in the office of the Controller of Patents and Designs, Kolkata. It was also pleaded that these blanks/lenses were not purchased by the consumers directly but were purchased by the opticians, who could not be mislead as to the identity of the manufacturers and as such, no case of violation of trade mark or passing off existed in favor of the plaintiffs as averred. It was denied by the defendants that Pilkington ever manufactured any goods having two ribs/lines. It was pleaded that the three companies had no right to divide between themselves the use of different ribs on their products to the exclusion of others. It was submitted that the plaintiffs had no right to ruin the business of others, who were providing these lenses to the people on lower prices and were trying to penetrate plaintiffs' monopolistic regime so as to keep down their arbitrarily jacked up prices. It was disputed that the plaintiff's had any trade reputation or goodwill in respect of two ribs as pleaded. It was submitted that this suit was merely aimed at throttling the competitors. In reply to para 51 of the plaint, it was submitted that not only defendant No. 1 but more than a dozen other people in the trade did commit an inadvertent error by using the plaintiffs trade mark in advertisement, clippings but as soon as the plaintiffs brought this to

their knowledge, the defendant No. 1 immediately agreed to the said proprietary right of the plaintiffs. In para 53 of the written statement, it was admitted that the products in question being ophthalmic blanks/lenses were intended for use and purchase by the traders/opticians, who were specialists in the trade and could immediately recognise and identify the ribs/edge markings on the circumference of the blanks or lenses but it was denied that Pilkington or plaintiffs had ever manufactured or marketed lenses with two ribs.

7. I have heard learned counsel for the plaintiffs and learned counsel for the defendants. I have gone through the records.

8. To find out as to whether the plaintiffs have succeeded or not in establishing a prima facie case in their favor, this Court has to address itself to the question as to whether the ribs/lines on the periphery of ophthalmic lenses are covered within the definition of 'trade mark' or are covered within the definition of 'design' as given under the Indian Designs Act, 1911, and if the ribs/lines on the blanks/lenses are held to be a trade mark is there prima facie proof of plaintiffs proprietorship thereof or prior use with trade reputation and goodwill? It is also to be determined as to what is the effect of the registration of the two ribs/lines under the Designs Act in favor of the defendants.

9. The first question to be decided is as to whether the ribs on the periphery of the ophthalmic blanks/lenses being manufactured and sold by the parties to the suit are prima facie covered within the definition of a 'mark' or a 'trade mark' as defined in the TMM Act or are covered by the definition of 'design' as given in the Designs Act, 2000. According to the plaintiffs, the ribs fall within the definition of 'trade mark' and as such, they are entitled to restrain the defendants from using the said mark on their ophthalmic blanks/lenses with a view to prevent passing off. The plea of the defendants on the other hand is that the ribs are a 'design' which stands registered in their favor by the Controller of Patents and Designs, Kolkata and as such the plaintiffs have no case in their favor. According to the defendants, a design can never fall under the definition of a 'trade mark'.

10. Section 2(j) of the Trade and Merchandise Marks Act, 1958 defines 'mark' as under:

'2(j) 'mark' includes a device, brand, heading label, ticket, name, signature, word, letter or numeral or any combination thereof.'

11. Section 2(1)(v) defines the 'trade mark' as under: '(v) 'trade mark' means-

(i) in relation to Chapter X (other than Section 81), a registered trade mark or a mark used in relation to goods for the purpose of indicating or so as to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark; and

(ii) in relation to the other provisions of this Act, a mark used or proposed to be used in relation to goods for the purpose of indicating or so as to indicate a connection in the course of trade between the goods and some person having the right, either as proprietor or as registered user, to use the mark whether with or without any indication of the identify of that person, and includes a certification trade mark registered as such under the provisions of Chapter VIII;'

12. Section 2(2)(b) of TMM Act further says that unless the context otherwise requires, any reference to the use of a mark in relation to goods shall be construed as a reference to the use of the mark upon, or in any physical or in any other relation whatsoever, to such goods. A perusal of Sections 9(1)(e), 9(2) and 9(3) of TMM Act shows that a 'trade mark' must be a distinctive mark. It cannot be registered unless it contains or consists of certain essentials one of which is that it is a 'distinctive' mark adapted to distinguish goods with which the proprietor of the trade mark is or may be connected in the course of trade. Section 9(5) provides for determining whether a trade mark is inherently distinctive or is capable of distinguishing or not may be decided on the basis of the distinctive nature of the trade mark or inherent capacity of distinguishing it from other marks. These provisions under the Trade and Merchandise Marks Act, when read in harmony lead to a definite conclusion that a 'trade mark' may be a device, brand, heading, label, ticket, name, signature, word, letter, numeral or any combination thereof upon any goods which is capable of distinguishing the goods so as to connect them with the proprietor of the trade mark.

13. Section 2(d) of the Designs Act, 2000 defines a design as under:

'design' means only the features of shape, configuration, pattern, ornament or composition of lines or colours applied to any article whether in two dimensional or three dimensional or in both forms, by any industrial process or means, whether manual, mechanical or Chemical, separate or combined, which in the finished article appeal to and are judged solely by the eye; but does not include any mode or principle of construction or anything which is in substance a mere mechanical device, and does not include any trade mark as defined in Clause (v) of Sub-section (1) of Section 2 of the Trade and Merchandise Marks Act, 1958 (43 of 1958) or property mark as defined in Section 479 of the Indian Penal Code (45 of 1860) or any artistic work as defined in Clause (c) of Section 2 of the Copyright Act, 1957 (14 of 1957).'

14. A bare reading of the definition of 'design' conveys that the 'design' relates to the features of shape, configuration, pattern, ornament or composition of lines or colours applied to an article which appeal to and are adjudged solely by the eye but it does not include 'trade mark' as ' defined in Section 2(1)(v) of the Trade and Merchandise Marks Act, 1958. The design, therefore, is not a device, brand, heading, label, name, word ' etc. but is a shape, configuration, pattern, ornament or composition of lines and colours applied to any article which when applied to the finished article appeals to and is adjudged solely by the eye.

15. This Court, therefore, is of the considered view that the 'trade mark' and a 'design' are entirely different connotations because the 'trade mark' is a device, label, colour, name or any other mark put on a product to link it to its manufacturer/producer, who may be the proprietor of the registered trade mark or who might have acquired reputation in an unregistered trade mark on account of its prior use and reputation in the trade. On the other hand, the 'design' is merely a feature of shape, pattern, configuration, ornament or composition of lines or colours applied to an article to make it attractive and appealing to the eye of the consumer. A 'trade mark' may also be attractive and appealing to the eye but it should be directly relatable to the producer/manufacturer of the goods whereas the 'design' may be merely appealing or attractive to the eye and need not give any indication to the consumer/purchaser about the identity of the manufacturer or producer of the article. The fundamental difference, therefore, between a 'trade

mark' and 'design' is that 'trade mark' signals to the mind the source or identity of the producers/manufacturers of the article whereas 'design' appeals to the eye and attracts the consumer/purchaser. It need not necessarily reveal the identity of producer to the consumer though in certain well known designs the identity even may get conveyed. A producer or manufacturer may put his trade mark also on a designed product so that it is conveyed to the consumer that he has produced it. An easy illustration can be found in toothbrushes which are marketed in different designs, some of which are registered even, but still trade mark is used thereon to connect them with, the producers/manufacturers thereof.

16. After going through the pleadings, affidavits, documents placed on record and considering the submissions made by learned counsel for the parties, this Court finds that the two ribs on the periphery of ophthalmic blanks/lenses are prima facie a 'trade mark' and not a 'design' for the reason that it is prima facie shown on record that these ribs were adopted by the three leading manufacturers of ophthalmic blanks and lenses for distinguishing their products from the products of other manufacturers and by mutual agreement, the three leading Companies-Pilkington, Corning and Schott-agreed to use different number of ribs on their products so that the wholesalers, opticians or other traders in the trade could distinguish between the manufacturers thereof. It is not disputed by learned counsel for the parties that the ultimate users of these ophthalmic blanks/lenses are not in a position to identify the manufacturers on account of the presence of ribs on the periphery thereof as once the spectacles are ready, these ribs get concealed under the frames of the spectacles. It also remains a question to be determined in this suit as to whether the blanks/lenses are a finished article or not inasmuch as these have to be further processed by opticians to manufacture spectacles to be used by consumers. However, traders and opticians, who purchase these blanks are also purchasers/consumers and are in a position to notice the ribs present on the blanks. This device/mark appears to have been adopted by the manufacturers of the ophthalmic blanks/lenses for a further reason that it is not feasible to disclose in detail the identity of the manufacturers on the ophthalmic blanks/lenses on account of nature of article and its size. It, therefore, must be held prima facie that the 'two ribs' in question which do not appeal to the eye at all and are not capable of attracting a purchaser in any manner for the

purchase thereof are not covered with the definition of 'design' and are a 'trade mark' which is being used and adopted for connecting them with the producers thereof. These ribs are so small and on such a part of the ophthalmic blanks that they can be located and seen by the traders and opticians only who are specialists in the field and use them for preparing vision corrective spectacles. These ribs therefore, which have no artistic, aesthetic or eye catching appeal serve no purpose as a design and do not fall within the definition of 'design' as given in the Designs Act, 2000.

17. The mere registration of a mark as a 'design' is no conclusive proof of it being a design. In terms of the definition of 'design' given under the Designs Act, 2000, a 'trade mark' cannot be registered as a design. It may be reiterated that when these ophthalmic blanks/lenses are not being sold directly to the consumers and only opticians are using them for manufacturing spectacles and it is they alone who notice and count the ribs to link the blanks/lenses with the manufacturers. In spite of repeated questioning, learned counsel for the defendants could not explain to the Court as to why the defendants were so keen to put the 'two ribs' on their ophthalmic blanks in spite of the fact that these ribs are hardly visible and are not capable of appearing to the eye of a purchaser in terms of Section 2(d) of the Designs Act. On the other hand, the plaintiffs have placed on record not only the affidavits but letters also from various dealers to show that these 'two ribs' are a trade mark used by the plaintiffs and some other leading manufacturers of the ophthalmic blanks and opticians and traders notice and count these ribs for connecting the glasses with the manufacturers. It is, therefore, prima facie held that 'two ribs' in question on the ophthalmic blanks are a 'Trade Mark' under TMM Act and not a 'design' in terms of the Designs Act, 2000.

18. Coming to the question as to whether a prima facie case is made out or not in favor of the plaintiffs that the ophthalmic blanks which are being produced/manufactured by them carry their trade mark in the form of 'two ribs' on periphery of blanks/lenses and their blanks/lenses are being passed off by the defendants by the use thereof on the blanks/lenses being procured by them from China or other sources, this Court finds that the pleadings as contained in the plaint, averments in the application and the documents placed on record prima

facie establish that right from the year 1957 the plaintiff No. 1 and its predecessor in interest have been manufacturing and selling the ophthalmic blanks which are used in corrective vision spectacles. It is proved on record that plaintiff No. 1 has been selling its products in various parts of the world including India. When it was found that certain other manufacturers were passing off their own glass blanks/lenses as those of plaintiffs the plaintiff No. 1 invented a device/mark of engraved lines on the periphery of the blanks which were called 'edge lungs'/'lines'/'ribs'. These lines/ribs were intended to be used as 'trade mark' for connecting the goods to the manufacturers thereof. The three leading manufacturers of these blanks namely Pilkington, Schott and the plaintiff No. 1 amongst themselves decided to use the technology for putting ribs on the blanks and agreed to use different number of lines/ribs so that the traders could know as to from which company those blanks were. It happened in the year 1988 and since then the plaintiffs have been manufacturing and selling blanks with 3-5 ribs and publishing the same amongst the traders also to enable them to identify the blanks being produced by them. The 'two ribs' were being used by Pilkington of U.K. on their ophthalmic blanks but vide assignment dated 21.12.2001 they assigned the 'two ribs' mark in favor of plaintiff No. 1 and closed down its ophthalmic blanks unit. The assignment Deed which has been placed on record clearly says so. The objections raised by the defendants in regard to sufficiency of the consideration and the stamping of this document are prima facie not tenable for the reason that it was between Pilkington, the transferor, and the plaintiff No. 1 to settle the consideration for the assignment of the rights to which the defendants have no right to object. The question of the Stamp Duty on the Assignment Deed would be examined in the course of trial and at this stage it can be held that it is prima facie found to be a document executed between Pilkington and the plaintiffs. The defendants who are strangers to this agreement cannot be, at this initial stage itself, allowed to assail the validity thereof and remain free to indulge in misuse of the trade mark of others by passing off their goods as those of the plaintiffs.

19. The defendants have disputed the plaintiffs prayer for injunction further on the ground that the ribs are not a 'trade mark' but a 'design' which has been registered in defendant's favor in India in November, 2001. As discussed in the foregoing paras, this plea of the defendants is prima facie untenable as 'the ribs' are not a

'design' and even its registration in their favor does not afford any protection to them for the reason that the ribs being 'trade mark' could not be registered as a 'Design' and defendants cannot be allowed to put it on their product if it is found that the plaintiffs are the proprietors thereof and have been using the same since long and have developed good will and trade reputation in respect thereof. The registration of the two ribs as a 'design' in favor of defendants is directly hit by Section 4 of the Designs Act, 2000 which prohibits registration of a design which is not new or original or has been disclosed to the public anywhere in India or in any other country. If ribs were being used in India as well as abroad prior to the date of application, it could not be registered as a 'design'.

20. It is also prima facie shown on record that even defendants have been purchasing Ophthalmic blanks with ribs from the plaintiffs. The production of 'two ribs' blanks in India by plaintiffs is yet to commence but it stand withheld primarily for the reason that the defendants are passing off their goods by using the 'two ribs' trade mark. The averments made in para 51 of the plaint and reply thereto in the written statement shows that the defendant No. 1 was earlier also found to, be indulging in the piracy of the proprietary rights of the plaintiffs in respect of certain trade marks and when objections were raised the defendant No. 1 admitted its mistake assuring the plaintiffs not to indulge in such an activity in future. A copy of the letter addressed by defendant No. 1 to plaintiff No. 1 in this regard has been placed on record. It not only shows the regret of defendant No. 1 for using the plaintiffs trade mark in its advertisement material but also contains on admission of defendant No. 1 that the plaintiffs and its subsidiaries were using 3-5 lines ribs trade mark to denote/distinguish their products. This letter, therefore, is a clear admission on the part of defendant No. 1 that the lines/ribs being used by the plaintiffs on their products are a trade mark to distinguish the plaintiffs products. If 3-5 ribs are trade marks it does not lie in the mouth of the defendants to say that 'two ribs' are not a trade mark or that they do not denote/distinguish the plaintiffs products.

21. In paras 37, 38 and 39 of the plaint the plaintiff had given details of the sales made by them as well as Pilkington in India, in respect to 3-4 ribs blanks which are to the tune of millions of dollars and certain invoices have been placed on record

to show that even defendants were purchasing 'two ribs' products from Pilkington which were called 'FX-4 blanks'. The plaintiffs letters to leading manufacturers of corrective vision glasses, and the copies of the invoices placed on record show that Pilkington has been selling two ribs blanks also in India as well as other parts of the world and as such they had acquired a transborder reputation in regard to the two ribs trade mark. Affidavits of Shri Sanjay, Khazanchi, Robert E. Parker, M.D. of Pilkington, Ashim Dass and Ashok Vasani, to which no counter affidavit has been filed by the defendants, prima facie show that the plaintiffs are the proprietors of the two ribs mark after its assignment by Pilkington and as such the defendants have no right to use the said mark on the products being procured by them from China or other sources. The plaintiffs have placed on record number of letters written by the opticians/dealers in India which say that ophthalmic glasses being sup-plied to them by the plaintiff No. 1 and its subsidiaries were distinguished by 3-5 ribs for the last several years and even two ribs now belong to them after its transfer from Pilkington, These letters when read with letter written by defendant No. 1, acknowledging that the plaintiffs were the proprietors of 3/5 ribs trade marks, are sufficient to hold prima facie that the plaintiff have made out a case that they are the proprietors of 'two ribs' trade mark also and because of its prior use and trade reputation they are entitled to protection against any attempt of passing off. The advertisements placed on record show that the plaintiffs have been advertising their goods in India also.

22. Learned counsel for the defendants laid a great deal of stress on the so called contradictions in plaintiffs' stand in regard to the year of the commencement of the use of 'two ribs' in India and submits that the application filed by the plaintiff in October, 2002 regarding two ribs and the earlier one regarding four ribs mentioned that the said mark was proposed to be used but the amendment thereof stated that it was being used since 1998. It is submitted that the affidavits filed on behalf of the plaintiffs stated that these were being used since 1986 and as such, according to him the plaintiffs are coming up with false pleas supported by false affidavits. This Court is unable to agree with these submissions for the reason that the plaintiffs have been consistent in their stand that the 'two ribs' mark which is in question in the present suit has not yet been introduced in India by them but their predecessor in interest Pilkington has been using the same since 1986. Since

plaintiffs have got the assignment of the rights, they are entitled to plead that on account of its earlier trade reputation they are entitled to protection. The affidavits of Mr. San-jay Khajanchi and Mr. Robert Parkson, Managing Director of the Pilkington prima facie show that two ribs mark is being used since long even in India, because Pilkington has been having substantial sales thereof. No counter-affidavit was filed to contradict the averments being made by these persons and as such, prima facie it cannot be said that the plaintiffs' case in regard to the use of two ribs blanks is contradictory, false or not acceptable. The Members Directory, 2000 issued by Delhi Optical Association also contains an advertisement issued by Pilkington regarding 'two rib' mark. The opinion of certain Attorneys given to the plaintiffs that ribs mark could not be registered in India under the Trade and Merchandise Marks Act is neither conclusive nor binding on the Court. This Court will be adjudicating this question after trial but prima facie it can be said that the 'ribs' engraved on the glass blanks are a 'mark' under the TMM Act, and the same are being acknowledged by the traders, opticians and specialists to connect the ophthalmic blanks with the producers/manufacturers thereof.

23. In the case of *Wander Ltd. v. Antox-India (P) Ltd.* , the Supreme Court has laid down in no uncertain terms that in a passing off action, the plaintiffs right is independent of a statutory right to trade mark and it is against the conduct of the defendant which leads to or is intended or calculated to lead to 'deception'. It was held that passing off is a species of unfair trade competition or of actionable unfair trading by which one person through deception attempts to obtain economic benefit of the reputation which another has established for himself in a particular trade or business. The passing off action is regarded as an action for deceit. In the case of *N.R. Dongre and Ors. v. Whirlpool Corporation* , : AIR1995 Delhi300 , which was affirmed in appeal by the Supreme Court in *N.R. Dongre v. Whirlpool Corporation* , : (1996)5SCC714 , it was once again reiterated that passing off action is an action for deceit intended to prevent unfair trade practices and the prior use of trade name by a plaintiff having trans-border reputation actually extending to India was good enough for maintaining such an action. It was held that injunction was a relief based on equitable principles and prior use of a mark was a good ground to injunct even a defendant who had got the trade mark registered in his name. The observations of the Division Bench were also referred

to which had stated that the principle on which passing off action is grounded is that a man is not to sell his own goods under the pretence that they are the goods of another man.

24. In the case in hand, learned counsel for the defendants has contended that the defendants are selling their goods at a cheaper price as compared to the plaintiffs which is in the interest of the consumers and the plaintiffs should not be permitted to monopolise the market and jack up the prices arbitrarily. It is argued that this should be taken as a factor for refusing the relief to the plaintiffs. In the case of Whirlpool Corporation also, a plea was raised by the defendants that they were manufacturing and selling their washing machines at a cost which was less than 1/3rd of the price of the plaintiffs' machines but it was observed in para 18 of the judgment that this statement itself supports the plaintiffs plea that the defendants' washing machines are not of the same engineering standards and are inferior in quality to the washing machines of the plaintiffs. In Whirlpool's case (supra), the Division Bench of this Court in para 14 of the judgment further held that in this age of electronic media, international press and exchange of global information, the knowledge and awareness of a particular mark is not restricted to the people of the country where such goods are manufactured or are available but the knowledge and awareness reaches the shores of other countries, also where the product has not been launched even. The cognizance of the same is taken by the people through advertisements in newspapers, magazines, television, video films, cinema etc. It was also held that the dissemination of knowledge of a 'trade mark' in respect of a product through advertisement in media amounts to the use of the 'trade mark' whether or not the advertisement is coupled with the actual existence of the product in the market. thereforee, the question as to whether the 'two ribs' blanks were actually being produced by the plaintiffs or not or had been earlier marketed in India or not would be of no significance if the traders and opticians who are the purchasers of these blanks in India are fully aware of the importance and relevance of the ribs on such blanks/lenses. In Indian Shaving Products Limited v. Gift Pack, 77 (1999) DLT 137 : 1998 18 PTC 698, Colgate Palmolive (India) Ltd. v. Hindustan Lever Ltd., : AIR 1999 SC3105 , Laxmikant V. Patel v. Chetanbhat Shah and another, : AIR 2002 SC275 , Mahendra & Mahendra Paper Mills Ltd, v. Mahindra & Mahindra Ltd., : AIR 2002 SC117 and Castrol India Ltd. v.

Tide Water Oil Co., 1996 (16) PTC 202, a consistent view has been taken that in cases of violation of registered trade marks or passing off actions, the key to the question lies in the likelihood of deception or confusion in the minds of the purchasers are thereby possibility of selling the goods by the defendants by creating an impression that the goods are produced/manufactured by the plaintiffs it has to be held that the plaintiffs have a prima facie case and need protection by issuance of an injunction.

25. Learned counsel for the defendants has relied upon the judgment S.S. Products of India v. Star Plast, 2001 PTC 835(Del), to contend that in view of the registration of the design in their favor no injunction should be issued. In the said case, both the parties to the suit were having registration of 'designs' in their favor in regard to air pumps but the Court did not find prima facie that the plaintiffs design had been infringed. The parties were left to seek cancellation of the offending design if any, of the other party and as such, no injunction was issued. In the present case, the dispute between the parties revolves around the question as to whether the 'two ribs' are a trade mark or a design and as held hereinbefore, the ribs on the ophthalmic blanks, which are being used by the plaintiffs and some other companies, are not at all a 'design' but a 'trade mark' only, this judgment is of no help to the defendants. The judgment in Bishwanath Prasad Radhey Shyam v. Hindustan Metal Industries, : [1979]2SCR757 , is also of no help to the defendants for the reason that the controversy in the present suit does not revolve around the question of registration of a design and prior public knowledge in respect thereof which could disqualify the registration of a design. Reliance placed upon 'Coca Cola' Case, (1986) FSR 472, is also misplaced for the simple reason that in the said case before the House of Lords controversy was in regard to the registration of Coca Cola bottle itself and in that context, it was held that the Trade Marks Act was not thereof. It is prima facie established that the ribs mark has acquired trans border reputation. It is also prima facie shown that the defendants are indulging in the infringement of the said 'trade mark' of the plaintiffs with a view to deceptively pass off their own ophthalmic blanks/lenses as the ones produced by the plaintiffs. This act of creating confusion is absolutely dishonest and mala fide and is required to be checked by issuing appropriate orders.

26. Coming to the question of irreparable loss/injury and balance of convenience, this Court finds that both are strongly in favor of the plaintiffs who are shown to be the proprietors of the 'two ribs' trade mark by virtue of assignment, prior use and trade reputation in favor of the assignor Pilkington. These ophthalmic blanks are used in vision corrective lenses which are comparable to drugs and medicines. A sub-standard or spurious vision corrective lens may not merely deceive the consumer monetarily but may also cause him serious bodily injury by affecting his eyes or eye sight. It is therefore, in public interest to prevent the passing off of such goods. The defendants, who are in the trade are at liberty to procure, manufacture and sell ophthalmic blanks from whatever source 'they want including China but they have no right to mislead and confuse others in regard to the identity of the manufacturer thereof. They may sell their ophthalmic blanks under their own trade name or by disclosing that the same are made in China but they cannot be permitted to represent directly or indirectly that the same are produced by the plaintiffs who are well known manufacturers of ophthalmic blanks. Learned counsel for the defendants vehemently argued that there is nothing on record to show that the ophthalmic blanks/lenses being sold by the defendants are of inferior quality. This fact is not required to be established in a passing off action. If defendant's goods are superior to the goods of the plaintiffs, they should sell them under their own brand name instead of attempting to sell them under the trade mark of the plaintiffs. The very fact that the defendants are trying to pass off their goods by using the trade mark of the plaintiffs is indicative of the fact that the defendants do not want to sell their products under their own name. The obvious inference is that the goods of the plaintiffs are superior in quality and as such the defendant's intend to take unfair advantage of plaintiffs goodwill and trade reputation and make profits to which they are not entitled. In case ad-interim injunction is not issued to restrain the defendants during the pendency of suit the defendants will continue to indulge in illegal and unfair trade practice to enrich themselves at the cost of plaintiffs' business reputation and consumer's health and pocket.

27. In view of the forgoing reasons, the plaintiffs application under Order 39, Rules 1 and 2 read with Section 151 of the CPC bearing is No. 6059/2002 is allowed and it is ordered that till the disposal of the present suit, the defendants, either

themselves or through their agents, representatives, distributors, dealers, servants, shall not apply the 'two ribs' mark on the ophthalmic blanks Aenses manufactured or sold by them directly or indirectly.

28. is No. 7084/2002 was filed by the defendant No. 1 under Section 151 of the CPC with a prayer to direct the plaintiffs to abstain from issuing circulars, letters or communications to the dealers/business associates of the defendants till such time their application under Order 39, Rules 1 and 2 of the CPC was decided stands dismissed as an ad-interim injunction stands granted in favor of the plaintiffs and against the defendants.

SooperKanoon - India's Premier Online Legal Search - sooperkanoon.com