DELHI HIGH COURT

Nestles Products

Vs.

Milkmade Corpn

F.A.O. (O.S.) No. 11 at 1972.
(V. S. Deshpande and S. Rangarajan, JJ.)

25.4.1972

JUDGEMENT

S. Rangarajan, J.

1. The tiffs/Appellants Nestlé's Products Limited Instituted a suit on 23-11-1971 and also filed an application under Order 39 Rules 1 and 2 and Section 151 of the Civil Procedure Code for a temporary injunction against the defendants (Messrs. Milkmade Corporation and Anr.) Shankar Lal (defendant No 2) is supposed to be carrying on the business of the first defendant either alone or in association with other persona in the following circumstances.

2. Plaintiff No. 1 is Nestlé's Products Limited, a company registered under the laws of the Bahama Islands and the second plaintiff. Nestlé's Products (India) Limited though registered under the laws of the Bahama Islands has its principal place of business in India at New Delhi plaintiff No. 1 is the registered proprietor of the following among other trade marks registered in India in respect of goods mentioned in Class 29 of the classified list of goods in the Fourth Schedule of the Trade and Merchandise Marks Rules:

> (1) Trade Mark consisting of a figure representing a milkmaid and the words "Milkmaid brand".
> (2) Trade Marks consisting of the transcription of the English word 'Milkmaid' in Tamil, Telugu, Bengali, Gujarati, Hindi and Assamese, respectively.

In addition the second plaintiff had applied for the formalities for the recordal of registered user rights in respect of trade mark containing the words "Milkmaid Brand" on a central panel consisting of a figure representing a milkmaid reproduction on either side thereof of two sides of a medal set in the middle of a rectangle with the

words "Condensed Milk". The trade marks consisting of the word "Milkmaid" and the figure representing a milkmaid have been used by the plaintiffs and their predecessors for over 100 years to distinguish the condensed milk manufactured and/or sold by them. The said condensed milk has been sold in India for over 50 years. The plaintiffs had acquired the said trademarks and brand "Milkmaid" which had acquired a wide reputation in other markets as well as in India.

3. It came to the notice of the plaintiffs in or about November 1970 that the defendants had adopted the trade name "Milk made Corporation" and had put on the market biscuits and toffees, under their said trade name and/or mark "Milk made". The plaintiffs complained that the said trade name and/or mark adopted by the defendants was both visually and phonetically nearly identical with and/or deceptively similar to the aforesaid trademarks and brand name "Milkmaid". The second plaintiff thereupon wrote to the defendants requiring them to desist from using the word "Milkmade" or any other similar word or mark in respect of their goods.

4. Various defenses were taken to the plaintiffs' suit, inter alia, as follows : The plaintiffs' trademarks, which were in respect of class 29, could not give them any right in respect of biscuits and toffees manufactured by the defendants, which fall under Class 30 and not under class 29. The defendants had advertised those products in 1968 (an issue of the Indian Express of that year containing the said advertisement was relied upon in support of this) and have invested huge sums of money, going beyond Rs. 6 lakhs, on the construction of the factory and installation of machinery for the manufacture of biscuits and toffees. The plaintiffs have stood by and allowed the defendants to carry on their business. Moreover "Milkmaid" is an ordinary English word which could not be registered under the Indian Trade and Merchandise Marks Act.

5. In their replication, which was filed by the plaintiffs, they met the charge of delay or latches made by the defendants and explained that the registered proprietors (Plaintiff No. 11 had to be consulted necessary copies had to be obtained and that a counsel had to be engaged and pleadings drafted with the approval of both the plaintiffs. The legal certificates of their trade mark registrations were not available until November, 1971. The present suit was filed in November, 1971 without even waiting for the said certificates. It was also asserted that the manner in which the defendants were manufacturing and selling their goods has made people wonder whether the plaintiffs were also entering the markets in regard to the products manufactured by the defendants. In this way not only did the defendants infringe the

plaintiffs' trademarks but also are passing off their goods as the goods of the plaintiffs and exploiting the goodwill and reputation of the plaintiffs to their disadvantage.

6. The learned Single Judge who had granted an *ex parte* interim injunction vacated it by his impugned order dated 20-12-1971. The learned single judge has held as follows:-

> (1) The plaintiffs, on their own showing, have a registered trademark "Milkmaid Brand" which falls under class 29 of the Fourth Schedule whereas the biscuits and toffees, which are manufactured by the defendants but not by the plaintiffs, are covered by class 30.
> (2) Although the plaintiffs' trade mark is "Milkmaid Brand" they are using only "Milkmaid" with a pictorial figure of the milkmaid and that under Section 15 of the Trade and Merchandise Marks Act they were not entitled to exclusively use a para of the trade mark "Milkmaid' without applying for separate registration of that mark (not the whole, "Milkmaid Brand").
> (3) There were no materials to show at the defendants were passing off their goods as those of the plaintiffs.

The above view it may be noticed, was taken without any prejudice to the case of both sides on the merits. The plaintiffs have filed this appeal aggrieved by the above said order of the learned single Judge vacating the interim injunction granted to them.

7. Shri A.C. Gulati, learned counsel for the plaintiffs, has contended before us that the classification of coeds in the Fourth Schedule was not a legal criterion regarding description of the goods or classes of goods, the said classification merely being procedural. The real question was the nature of the goods and the trade connection. He contended that the registration of the trade mark is sufficient to give the exclusive right to the said trade mark to the plaintiffs who were entitled to prevent the defendants from, manufacturing biscuits and toffees under the impugned trademarks which are said to be deceptively similar because the description of the plaintiffs' goods were wide enough to cover goods of similar nature entitling them to enter the field for allied goods.

8. It was contended by Shri N.N. Keshwani, learned counsel for the defendants (respondents), that the right of plaintiffs to complain of infringement was confined to the goods in respect of which the trade mark has been registered in the plaintiffs' favor and there being no registration of trade mark in respect of toffees and biscuits the present action to misconceived. The goods and business of the plaintiffs being wholly

different from that of the defendants, it is contended, the plaintiffs could not bring an action against them. It is therefore, pointed out that the plaintiffs have no *prima facie* case and that, in any case, the balance of convenience is in favor of refusing the injunction rather than granting it:the plaintiffs cannot be said to suffer any irreparable injury by the injunction being not granted during the pendency of the suit.

9. The arguments concerning delay need not detain us for this has been sufficiently explained in the replication filed by the plaintiffs. The learned single Judge hag also not apparently vacated the interim ex carte injunction on the ground of delay.

10. The most important question for consideration in this appeal is whether the appellants have a prima fade case. This aspect of the matter has to be considered from the point of view of whether in relation to biscuits and toffees the latter, (toffee, alone was pressed seriously for the purpose of this injunction application by Shri Gulati during the hearing) would come within the ambit of the registered trade mark in favor of the plaintiffs. Whereas accordion to Sri Keshwani the goods manufactured by the defendants are totally different from the goods in respect of which registration was granted to the plaintiffs, according to Shri Gulati, the registration is wide enough to cover goods of similar nature for the appellants could enter the field in respect of similar and allied goods.

11. In order to appreciate these rival contentions it is necessary to notice the relevant provisions of the Trade and Merchandise Marks Act, 1958 (Act 43 of 1958). Section 28 of the Act provides that registration of a trade mark shall, if valid give to the registered proprietor of the trade mark the exclusive right to the use of the trade mark in relation to the goods in respect of which the trade mark is registered and to obtain relief in respect of infringement of the trade mark in the manner provided above. Section 29(1) provides that 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 a trade mark which is identical with, or deceptively similar to the trade mark, in relation to any goods in respect of which the said trade mark is registered and in such manner as to render the use of the mark likely to be taken as being used as a trade mark. According to Section 32, the original registration (subject to Sections 35 and 46, which do not apply here) of the trade mark shall, after the expiration of seven years from the date of such registration, be taken to be valid in all respects unless the registration is obtained by fraud of was registered in contravention of the provisions of Section 11 (which prohibits the use of certain marks likely to deceive or cause confusion) or was not at the commencement of the

proceeding, distinctive of the goods of the registered proprietor.

12. The distinction between an action for infringement and for passing off is now well-known. The latter is a common law remedy being in substance an action for deceit, that is, passing off by a person of his own goods as those of another. The former is a statutory remedy conferred on the registered proprietor of a registered trade mark for the vindication of the exclusive right to the use of the trade mark in relation to those goods. The use by the defendant of the trade mark of the plaintiff is not essential in an action to for passing off, but is the *sine qua non* in the case of an action for infringement. In an action for infringement the plaintiff must 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 plaintiffs lights are violated. In other words, 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 (*Kavirai Pandit Durga Dutt Sharma v. Navaratna Pharmaceutical Laboratories.* [1]

13. The test as to likelihood of confusion or deception arising from similarity of marks is the same both in infringement and passing off actions. The action for infringement is a statutory right depending, on the validity of the registration and subject to other restrictions laid down in the Act (*Ruston and Hornby Ltd. v. Zamindara Engineering Co.* [2].Lord Denning explained in *Parker Knoll v. Knoll International Ltd* [3] the words "to deceive" and the phrase "to cause confusion". "When you deceive a man you tell him a lie ..... 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" These observations were cited with approval by Ramaswami, J. in *F Hoffimanna-La Roche and Co. Ltd. v. Geoffrey Manners and Co. Private Ltd*[4] As pointed out by Sir Wilfred Green, M.R. reversing the judgement of Bennet, J. in *Saville Perfumery Ltd. v. June Perfect Ltd and F.W. Woolworth and Co. Ltd* [5] it did not necessarily follow that a trader who uses an infringing mark upon goods is also guilty of passing off, the reason being that once a mark is used indicating

its origin, no amount of added matter intended to show the true origin of the goods can affect the question. The statutory protection is absolute and infringement takes place not merely by exact imitation but by the use off a mark so nearly resembling the registered mark as to be likely to deceive (at page 161). The House of Lords dismissed the appeal preferred against the decision of the Court of Appeal.

14. Section 12 imposes a ban on the registration of an identical or deceptively similar trade mark. But this prohibition does not apply where the applicants' trade mark is in respect of goods which are of essentially different character from the goods or description of goods for which an identical or similar mark is already on the register.

15. To sell merchandise or carry on business under such a name, mark, description, or otherwise in such a manner as to mislead the public into believing that the merchandise or business is that of another person is a wrong actionable at the suit of that other person. This form of injury, according to Heuston (Law of Torts. 12th Ed. on. 659-688) is commonly, though awkwardly, termed as that of passing off one's goods or business as the goods or business of another and is the most important example of the wrong of injurious falsehood, though the statutory remedies in tills respect would have to be treated separately. The wrong of passing off is not confined to cases of the sale of goods but assumes many forms of which Heuston has given some instances.

16. Though in the plaint as well as in the application for injunction reference has been made to the use of the trade name and/or mark "Milk made" of the defendants being calculated to deceive, confuse and induce the belief that the goods of the defendants are those of the plaintiffs, thus damaging the high reputation which they had earned, it is seen from the order of the learned single Judge, however, that only two contentions were out forward, namely, infringement of trade mark and brand name of the plaintiffs and passing off by the defendants of their goods as if they were the goods of the plaintiffs. It is, therefore, not permissible for the plaintiffs/appellants before us to support their application for a temporary injunction, pending the disposal of the suit, on any ground not expressly urged before and considered by the learned single Judge: that could be canvassed. If it is permissible, only in the suit The present discussion, therefore, is confined to the twin contentions, of infringement and of passing off, which alone were urged before the learned single Judge.

17. Dr. Venkateswaran in his book on Trade and Merchandise Marks (1963 Edition at page 511) has stated as follows:

> "It has already been pointed out that the exclusive right conferred by registration is limited to the goods for which mark is registered, and does not extend to allied goods. In order to constitute infringement, the defendant's use of the mark complained of must be in relation to any goods in respect of which the plaintiffs mark is registered. An action for infringement cannot, therefore, be brought when the use complained of is in respect of goods for which the plaintiffs mark is not registered, even though an action for passing off may still be sustained."

In support of this statement the following cases have been cited:

> "*Hart v. Colley,*[6] *Edwards v. Dennis.*[7] *Hargreaves v. Freeman,*[8]."

In *Hart v. Colley* the defendant was charged with selling rolls of paper with the trade mark of the plaintiff, the plaintiff was not registered in class 39 which took in rolls of paper. It was held that the plaintiff not being registered under class 39 was not entitled to sue in respect of the infringement of the trade mark. We are not for the moment concerned with the other ground of passing off, on which that decision was rested. North, J. observed as follows:

> "In turning over the leaves of the Trade Mark Journal we constantly find four or five or more trademarks all exactly alike registered in respect of different classes of goods. What is that for ? Why, because the common consent of every one shows that they understand the right to registration under the act is in respect of the particular goods or classes of goods for which registration is obtained.
>
> I am surprised to find that this point has not expressly been decided, for it must have arisen a great many times : but I find in that case to which Mr. Aston referred of (1885) 30 Ch D 454 there are certain observations of the Judges which seem to me to point exactly the same way. There, it will be remembered, it was held that a person could not register with respect to all goods of a particular class unless he had used the marks in respect of such goods and it was held that the mark having been registered with respect to a particular class, but only used with respect to certain goods in that class, the registration must be rectified so as to show that it was not in respect of the whole class, but of the goods only with respect, to which the marks had been used. Now, it would be absurd to say that if a man registers under Class I, in respect of particular goods in that class, he cannot sue in respect, of other goods in that class, but can, without any other registration sue in respect of all goods found in all the other

classes. It is impossible to come to the conclusion that that could be so : and as it is decided that a man can register with respect to such only of the goods in any given class as he has used his marks upon, it follows, a fortiori that a man who is registered in respect of one particular class cannot by virtue of such registration, sue in respect of goods which are not within that class at all.

At page 474 of the 30th Chancery Division in (1885) 30 Ch D 454 Lord Justice Cotton says :- 'Now, what was done in the present case ? There was a registration by Mr. Edwards' predecessors in title for Class 5. of unwrought and partly wrought metals used in manufacture. That was registration in respect of all goods which came under Clause 5, a class which includes a vast number of things. Then, passing over a few lines :- The registration in the present case has been for the entirety of that class. In my opinion that is wrong. Even if a trade mark can be registered. Which is not in actual use, it ought to be restricted to those goods in connection with which it is going to be used. In my opinion it is not the intention of the Act that a man registering a trade marks for the entire class, and yet only using it for one article in that class, can claim for himself the exclusive right to use it for every article in the class'.

A little further on, he says: - 'Can a man claim registration for all the articles specified in the class when the business he is engaged in comprises only one specific portion of the articles named in the class. I am of the opinion 'he cannot'. To paraphrase that, can a man who is registered in one class claim in respect of articles not comprised in that class, but comprised in some of the other classes? In the same way in my opinion, he cannot'."

(Emphasis supplied)

18. In (1885) 30 Ch D 454 it was held that an assignee of the goodwill of a business with the right to a trade mark which has been registered by the assignor under the Trade-marks Registration Act 1875, in respect of an entire class, but of which the articles dealt with in such business form part only is not entitled to the exclusive user of the trademark for the entire class, but only for the particular articles in connection with which it is actually used. In addition to the passage occurring in the above extract it would be helpful to set out the observations of Lindley, L.J. (page 477) :

"In my opinion the existing registration has no application to a class of goods in which Mr. Edwards carries on no business whatever. Surely an iron manufacturer could not obtain a restriction of registration against for instance, a gold manufacturer."

(Emphasis supplied)

19. In (1889) 8 RPC 237. Hargreaves registered a mark consisting of three crowns, his name and address, and the words. "The Three Crowns Mixture" for tobacco, he sold cut tobacco with this mark, and sold cigars with a label containing the three crowns, ornamental devices of leaves and flowers along with the words "The Three Crowns" and "Havana". Freeman commenced to sell cigars with a label bearing three crowns and the words "The Three Crowns". It was contended that the registration of 'Hargreaves' was confined to cut tobacco only and did not extend to cigars and was never applied by him to cigars. The motion was dismissed.

20. Reference may now be made to some further English cases which seem to bear on this question. In *Eno v. Dunn.* [9] it was observed by Lord Marshall that the words "Fruit Salt" for medicinal preparation did not prevent the registration by another for umbrellas. Whether the concerned goods are of the same description is a question of fact (Lord Evershed. M.R. and Romer, L.J. in In re Lyons (J) and Co. Ltd's application, 1959 RFC 120 at pp. 128 and 132 respectively). In deciding this question one has to look at the trade and from a practical, business and commercial point of view (Australian Wine Importers' Trade Mark. (1889) 6 RPC 311). It is also true that the mere classification in the trade mark rules may not be the decisive consideration. Lindley, L.J., observed in the above case at page 318 as follows:

> "Now, for the purpose of deciding whether two sets of goods are of the same description when they are not the same goods, we must not, as it appears to me, lay too much stress on the classification of the framers of the rules."

Shri A.C. Gulati relied upon the above case, where an application to register for wines with a trade mark containing the device of a suspended sheep and the words "Golden Fleece" was refused on the opposition of one who was the owner of two trade marks for spirits which comprised the same device and the same words: the appeal against the said refusal was dismissed. Cotton L.J. distinguishing (1885) 30 Ch D 454 observed as follows:

> "Although Mr. Mason does not in fact use his registered trade mark - nor could he without some alteration - in the sale of his wine, yet he is selling both whiskey and rum, and also selling wine, and it would be therefore wrong, in my opinion to give a. sanction to the Australian Wine Importers by enabling them to register this trade mark, although they register it not for that in respect of which Mr. Mason is using his trade mark, but in respect of one branch of the

trade which he is carrying on, and has been carrying on, since the year 1882". (Emphasis supplied)

21. The decision of the Supreme Court in *Corn Products Refining Co. v. Shangrila Food Products Ltd.* [10] is also of no assistance to Shri Gulati. That case also arose out of an application for registration of the trade mark "Gluvita" in class 30, which the applicant had not used prior to the date of application for registration. The application by Shangrila Food Products Ltd. for registration was opposed by Corn Products Refining Co. on the ground that it had the mark "Glucovlta" in class 30 in respect of "Dextrose (d-Glucose powder mixed with vitamins) a substance used as food or as an ingredient in-food, glucose for food". They had also registered the same trade mark in class 5 in respect of "infants' and invalids' foods" A single Judge of the Bombay High Court had allowed the appeal against the Registrar's decision, but it was set aside by a Division Bench of that High Court. The Supreme Court restored the decision of the single Judge on the ground of the absolute identity of the two competing marks and the trade connection. A.K. Sarkar, J. speaking for the Supreme Court observed as follows:-

> "..... a trade connection between glucose and biscuits would appear to be established. We are therefore of opinion that the commodities concerned in the present ease are so connected as to make confusion or deception likely in view of the similarity of the two trademarks". Reference was made by the Supreme Court to (1946) 58 R.P.C. 91 (In the matter of an application by Edward Hack for the registration of a Trade Mark) and to (1946) 63 R.P.C. 59 (In the matter of an application by Ladislas Jellinek for the registration of a Trade Mark). In the former case Morton, J. accepted the appeal against the Registrar of Trade Marks allowing the registration of Laxatives despite opposition. The facts were that application was made for registration of the words "Black Magic" in respect of "Medicated preparations in solid form for human use as laxatives" in Class 3. It was opposed by the proprietors of the Trade Mark "Black Magic" in Class 42 in respect of (inter alia) "Chocolate and Chocolates", which mark had been extensively advertised and used for a certain class of their goods. It was proved that chocolate was used to flavor certain laxatives, and that in many cases chocolates and laxatives were sold in the same shop. On the ground that there was risk of confusion, in that some persons are likely to think that both the preparations were made by the same manufacturers and others to wonder if this might be the case : the appeal was allowed and registration was refused.

Morton, J. pointed out that chocolates and laxatives were alike in this, that they were both edible that the laxatives were solid in form and both articles were intended for human consumption. There was evidence, however, that "Black Magic" had been applied in respect of lipstick pencils and vacuum cleaners but there was no evidence that it had ever been applied except by those who opposed registration, to articles which are edible, or solid in form and intended for human consumption. This case, therefore, does not support the broad proposition of Shri Gulati that regardless of toe nature and kind of goods in respect of which the plaintiffs trade marks were adopted by the defendants, the registration in the plaintiffs' favor, of the trade mark by itself, is sufficient. In the latter case the trade name "Panda" in respect of shoe polish was held not permissible when the mark had been used for shoes even though both of them were not of the same description of goods. Romer, J. declined to interfere with the order of the Registrar allowing an application to register the trade mark of a Panda together with the word "Panda" in class 3 for shoe Polish despite the opposition by the proprietors of a similar mark "Panda" registered in respect of shoes. The Registrar had found that the main channel for the sale of shoe polish was such that there was little risk of confusion with the opponents' shoe mark, and that different traders did not hesitate to adopt the same mark for shoes and polish respectively as was seen from a reference to a trade Year Book and to extracts from the Registrar the Registrar also held that shoes and shoe polish were not of the same description of goods. Romer, J. observed that while shoes are made to wear, shoe polish is used for cleaning and from this point of view there is nothing common between the two. Reliance was placed upon the decision of Eve, J in J and J. Colman Ltd.'s application reported in (1929) 46 R.P.C. 126. The Registrar had come to the conclusion that mustard and semolina were sold by the same persons and across the same counter and both the commodities were sufficiently similar to one another and should be treated as of the same description, one being condiment and the other a nutrient; both were probably treated as articles of food and used for cooking in the same kitchen., Eve. J, however, took a different view of the matter while conceding the common characteristics on which the Registrar relied and had observed as follows:-

"One must I think go a little further and find out what is the real nature of the article..... I think it is a fair division of the two sets of things to say that one would fall under the description of a condiment and the other under the

description of a cereal, and although these goods are found side by side and in juxtaposition when offered for sale and in domestic use, that cannot of itself alter the description of the goods."

Romer, J. also observed that there was no evidence that members of the public at any relevant time were aware of Panda at all. Romer, J. applied the test (in (1946) 63 R.P.C. 59 at p. 80) propounded by Lord Wright in *Aristoc Ltd. v. Rysta Ltd* [11] of there being a general risk of confusion which in the public interest should not be authorized.

22. Shri Gulati also relied upon a number of other cases where trademarks resembling those already on the register were not permitted even in respect of goods which were either not the same or identical with those used by the existing registered proprietor but also not strictly coming within the classification of the goods in respect of which registration had already been permitted. These cases would, on examination, seem to rest on the basis of the connection in the course of trade which the two classes of goods in addition to similarity of the marks and other surrounding circumstances may lead an unwary customer to mistake the defendant's goods for those of the plaintiffs.

23. In the *Eastman Photographic Materials Company Ltd. v. John Griffiths Cycle Corporation. Ltd. and the Kodak Cycle Co. Ltd.* [12] an injunction was granted restraining the carrying on of cycle manufacturing business under the name Kodak Cycle Company Ltd. having regard to the trade mark "Kodak" having become associated with the manufacturers of "cycle cameras", cameras associated with cyclists. It was held that the registration had been procured by the Cycle Company by an untrue statement to the Registrar and that the trade mark of the Cycle Company must be expunged as being calculated to deceive. Following this, among other cases, an injunction was issued by the Lahore High Court in *National Electric Stores v. General Electric Co. Ltd* [13] restraining the use of the trade mark "Osram" in respect of electric batteries at the instance of the General Electric Company who had been manufacturing electric goods, such as, bulbs and dry cells for flash light batteries. It was held on the basis of the evidence in that case that any normal purchaser of ordinary intelligence who had used Osram electric bulbs would regard the battery sold by the defendants as having been manufactured by the General Electric Company as they bore the trade mark which is also printed exactly in the same manner on the batteries as on the electric goods manufactured by the General Electric Company.

24. Abdul Rashid, J., speaking for the Division Bench in the above case, also referred to a number of other English decisions, some of which have also been relied upon by Shri Gulati. One of them was *Warwick Tyre Co. Ltd. v. New Motor and General*

Rubber Co. Ltd. [13] where the plaintiffs had manufactured and sold tires for cycles and motor cycles under the name of "Warwick" and had obtained a distinctive meaning and character, but they never manufactured or sold tires for motor cars. The defendants, whose Managing Director bore the name Warwick, commenced to sell their motor tires under the name of "Warwick Motor Tires". Injunction restraining the selling of motor tires was granted on the ground that it would lead to the supposition that the persons who were dealing with motor tires were the same as those who had for many years in the past been dealing with Warwick cycle tires.

25. Another caw was *Dunlop Pneumatic Tyres Co. Ltd. v. Dunlop Lubricant Co.* [14] where an injunction was issued restraining the use of the word "Dunlop" for oils and lubricants for cycles, a name which had become associated with pneumatic tires for cycles and other accessories, such as pumps, inflators etc. by the Dunlop Pneumatic Tire Co. Ltd. Romer, J. (as he then was) observed as follows:

> "It appears to me that the plaintiffs are entitled to say that the word "Dunlop" ought not to be allowed to be used under those circumstances with those objects by the Defendant: that it would injure them in their business very considerably if it is not stopped. They themselves are sellers of cycle accessories, though as a matter of fact up to the present time they have not sold burning oil or lubricants. But they may do so, and in the meantime it appears to me that they "are entitled to come into Court and say that a name substantially identical with theirs ought not to be allowed to be used by the Defendant in the way in which he is using it".

(Emphasis supplied)

26. Yet another case referred to by Abdul Rashid, J. was *Ainsworth v. Walmslay,* [15] where the following observations were made by Vice-Chancellor Wood :

> "If a manufacturer does not carry on a trade in iron, but carries on a trade in linen, and stamps a lion on his linen, another person may stamp a lion on iron but when he has appropriated a mark to a particular species of goods and caused his goods to circulate with this mark upon them, the Court has said that no one shall be at liberty to defraud that man by using that mark, and passing off goods of his manufacture as being the goods of the owner of that mark."

(Emphasis supplied)

27. Abdul Rashid, J., had relied on Niamatullah, J. of the Allahabad High Court, who in *Thomas Bear and Sons v. Prayag Narain* [16] held (on a difference between King and

Iqbal Ahmad, JJ.) that chewing tobacco did not constitute goods of the same character as smoking tobacco; these observations were affirmed by the Privy Council in *Thomas Bear and Sons v. Prayag Narain* [17] The observations of Viscount Maugham, J., who spoke for the Judicial Committee of the Privy Council, are instructive :

> "A manufacturer of cigarettes under an undoubted trade mark such as an animal, or any other device cannot legato object to the use of the identical mark on, say, hats, or soap, for the simple reason that purchasers of any of the latter kinds of goods could not reasonably suppose. even if they were well acquainted with the mark as used on cigarettes, that its use on hats or soap denoted that these goods were manufactured or marketed by the cigarette manufacturer : see *Somerville v. Schembri* [18] Those would be simple cases, but some much more difficult ones can be suggested. If a manufacturer of a special kind of smoking tobacco under a trade mark seeks to restrain the use of it on cigars or on a very different kind of smoking tobacco, or on cigarettes, or on snuff, or on chewing tobacco, or on tobacco in some form sold for use as a weed killer - all these things being made of tobacco - questions, sometimes, of great difficulty, may arise. It is however very important to observe that each of these questions will be a question of fact to be decided on the evidence adduced. The vital element in such a case is the probability of deception."

(Emphasis added)

Reference was also made by Abdul Rashid, J. to *Anglo-Indian Drug and Chemical Co. v. Swastic Oil Mills Co. Ltd.* [19] where it was held that bar soap for washing clothes could not be regarded as goods of the same class and character as toilet requisites.

28. In the Matter of Dunn's Trade Mark ((1890) 7 R.P.C. 311) the House of Lords, by a majority, held that the application by Dunn to register the words "Dunn's Fruit Salt Trade Mark Baking Powder" as a trade mark for baking powder in class 42 should not be registered on account of there being already on the register the mark of J.C. Eno. Containing the words "Fruit Salt" in class 42 for dry preparation for making a non-intoxicating beverage. Despite the powerful dissent of the Lord Chancellor and Lord Morris the majority held that it was the element of deception which compelled courts of Equity to interfere to protect traders. Lord McNaughton referred (at page 319) to Dunn giving the words "Fruit Salt" Prominent position among the words he sought to be registered, which was calculated to deceive. What is of particular (significance for our present purpose is the observation of Lord Morris which characterized the argument for J.C. Eno that persons who wanted Eno's Fruit Salt powder to bake might

be deceived into buying Dunn's products, as an argument wanting foundation in fact. As we read the majority opinions we do not think that this reasoning of Lord Morris was repudiated: the majority rested the decision against Dunn on the element of deception.

29. Lord Ever shed, M.R. held ice cream and table jellies were not of the same description (vide J. Lyons and Co. Ltd.'s application to rectify the register 1959 R.P.C. 120). He discussed some of the cases decided in England Paraffin oil intended to be used medically for human consumption was held to be of the same description as paraffin oil intended to be used for machine lubrication on the ground that both were chemically the same substance, the difference between them depending only on the degree of refinement. (In the matter of Mc Dowell's Application for a Trade Mark. (1926) 43 R.P.C. 313 at p. 334 (C. A.) and In the matter of Mc Dowell's Application for a Trade Mark. (1927) 44 R.P.C. 335 (House of Lords).) In the Australian Wines case (already noticed) spirits, particularly rum and whiskey were held to be of the same description. In Jellinek's Application (already noticed) it was held that shoe polish and shoes were different In J and J Colman Ltd.'s Application (also noticed already) mustard and semolina, in spite of their being commonly sold in the same establishment over the counter were held to be not goods of the same description particularly having regard to the divergence in use and method of preparation when they respectively reached the kitchen of the housewife. Lord Ever shed, M.R. then observed (at pages 128-129):

> "It should be stated that the two things, ice creams and jellies, are not in, the same classes under the rules for registration of trade marks. This, however, is admittedly irrelevant. Nor with all respect to the Assistant Comptroller, can I attach much significance to the fact that they may be eaten off the same plate, if he meant, so eaten at the same time; for so might, for example, roast beef and Yorkshire pudding or chops and tomato sauce, respectively goods (I should say) of very different descriptions. But the circumstances in which the two things are used (as I have attempted to state in my more limited description of the kind of sweets which they are) plus the fact that they or their sources for the housewife may be offered for sale side by side on a grocer's counter are. I think, weighty considerations".

30. The Judicial Committee of the Privy Council held in (1887) 12 AC 453 that on general principles, even apart from any statute (the case arising from Malta) the use of the trade mark "Katsar-i-Hind" in respect of hats, soaps and pickles could not impede

the acquisition of an exclusive right to it as a trade mark for cigarettes.

31. A Division Bench of the Calcutta High Court held in *Rustom Ali v. Bata Shoe Co. Ltd.* that the trade mark 'Bata' used In respect of footwear, leather and rubber goods, socks and hosiery, could not impede the use of the said mark with reference to lungis. Warwick (cited already) was distinguished on the ground that it involved tyres for cycles and motor cycles. Somerville was followed and the observations of Romer, J. in Dunlop Pneumatic Tire Co. case (1899) 16 RPC : 12 (already cited) were dissented from if he meant that even if the sets of articles concerned had no connection with each other, still an injunction could be granted.

32. Since even the cases relied upon by Shri Gulati, besides those discussed by Abdul Rashid, J. were also seen to be those where some kind of trade connection between the two sets of goods was established, he had ultimately to rely more on the appellants making a false suggestion that Nestlé's had entered the field of toffees also and that if this is permitted the trade reputation acquired for them by expending such labour and cost over a long period of time would be affected. For this submission Shri Gulati tried to seek support from the observations of Maugham, J., in *British Medical Association v. Marsh* [21] This case really followed the observations of Wynn Parry, J. in *Mcculloch v. Lewis A. May (Produce Distributors) Ltd.* [22] In the latter case the plaintiff a well-known broadcaster under the name "Uncle Mac" sued the defendant from selling cereals under his name, causing confusion with himself and damaging his professional reputation the action was dismissed. In the former case the British Medical Association (B. M. A. for short) obtained an injunction against the defendant who had formed a company which made articles from the analysis of the B. M. A. but sold them at low prices with the letters "B. M. A. On the window, where these goods were displayed, there was a card guaranteeing that they were prepared strictly according to analysis of the B. M. A. The injunction was granted on the ground that the act of the defendant injured the plaintiff in their business both by tending to cause existing members of the Association to leave it and others to abstain from joining it. Referring to a decision of Lord Langdale in the year 1848 (*Clark v. Freeman* [23] Maugham J. observed that the said case was not an authority for the proposition as some people held, that a professional man had no remedy if a tradesman chooses to put forward some quack remedy or article of that kind as having been prescribed or been sold for the benefit of or the approval of the medical man in question. In ***Clark v. Freeman*** a leading physician had applied for an injunction restraining the defendant from selling or processing to be sold pills purporting to be those of that physician. The injunction

was refused on the ground that such an eminent physician could not be really injured by the kind of false statement published by the defendant.

33. An action of this kind. It is worth recalling would not be either one of infringement or of passing off : it would be one of injurious falsehood Wynn Ferry, J. referring to the British Medical Association case (1931) 48 RFC 565 observed as follows :-

> I have listened with care to all the cases that have been cited and upon analysis I am satisfied that there is discoverable in all those in which the Court has intervened this factor, namely, that there was a common field of activity in which however, remotely, both the plaintiff and defendant were engaged and that it was the presence of that factor that accounted for the jurisdiction of the Court."

(Emphasis supplied)

34. The relevancy of the use of the mark in respect of goods was highlighted Co Ltd. (1926) 43 R.P.C. 385 The Plaintiffs were proprietors of the mark "Mirabol" registered for enamels, paints and varnishes, but only used in respect of enamels and undercoating. The defendants were proprietors of Trade Mark "Muralol"' registered for colors, paints and varnishes but used only for flat oil paint. There was a motion by plaintiffs to remove defendants' mark from the register and there was another motion by the defendants to limit registration of plaintiffs, mark. The defendants' mark was ordered to be removed from the register and the plaintiffs' mark was allowed to be infringed. It was held that passing off was not proved Astbury, J. referred to (1885) 30 Ch D 454 and (1890) 7 RFC 93. In distinguishing the former. Astbury, J observed that the trade mark of, the defendants was of a totally separate class of business, one which was not carried on and was never intended to be carried on toy the plaintiff. In Walpamur the plaintiffs had registered in a very wide class but only for specific articles "in respect of which they carried on their business" articles, ordinarily made and sold by persons in that particular kind of business Hart was distinguished on the ground that the registration in that case was for a wide class and not for a specified article in that class: the user had been for 15 years unlike the one which had just commenced in Walpamur.

35. The test of remoteness of the defendant's activities from that of the plaintiff was adopted in the Matter of British Lead Mills Ltd.'s application for a Trade Mark (1958 RFC 425) British Lead Mills Ltd. applied to register the mark "Welloy" in respect of "cast rolled and extruded alloys of tin and lead" Wellworthy Ltd. opposed on the

grounds (under Section 11) that they were the proprietors of the registered trade marks "Well-worthy- "Welflex" and "Welcrom" in respect of goods which were included "metallic Alloys" and that the registration of the metallic alloy would be contrary to Section 12(1) of the Trade Marks Act, 1938 on account of "Welloy" and "Walloy" both being similar visually and Phonetically and that the goods in respect of which Welloy were registered (alloys containing lead, the lead predominating) are goods of the same description as the goods in respect of which it was sought to register the mark Welloy. The Assistant Controller disallowed the application on ground that tin allow were not so remote from the Wellwprthy's field of activity.

36. The Court of Appeal discussed in *Neostyle Manufacturing Co. Ltd. v. Ellani's Duplicator Co* [24] whether the word "Neostyle" had become identified in England with the plaintiffs' duplicating machines they never had any exclusive right to the word in connection with duplicator accessories) and whether the defendants might sell ink and paper for use on the "Neostyle" machine and so describe them, provided they did not by words or get up represent their goods as those of the plaintiffs. Passing off was not made out. The injunction sought for was refused by Byrne, J. which decision was confirmed in appeal Byrne, J. had suggested however, that the defendants' name should always appear on the tins of ink sold by them.

37. Toffees are of various kinds. According to the classification made in the Prevention of Food Adulteration Rules, 1995 framed under the Prevention of Food Adulteration Act, 1954, toffees have been classified as plain, milk, modified and butter. Plain toffee shall be made out of sugar, vanaspati, milk fat of any edible oil and in addition any of the materials mentioned in Rule A. 25.02 as being permissible for use in such manufacture. Milk toffee shall be made out of sugar, vanaspati, milk fat of any edible oil and milk in any form and in addition may contain any of the materials used in the making of plain toffee. Modified toffee shall be made of the ingredients used for plain toffee or milk toffee. In addition, it may contain one or more of chocolate coffee, cocoa, dried fruits and nuts. Butter toffee shall be made out of ingredients used for plain toffee milk toffee or modified toffee but should not contain less than 5 percent butter by weight. Toffee should also comply with certain prescribed requirements i.e. ingredients like ash, sugar, fat, total protein etc. In the face of the above there does not appear to be much force in the contention of Shri Galati that by merely condensing the condensed milk still further toffee is prepared. According to Encyclopedias Britannica (1969) Vol. 15, page 457, plain condensed milk is concentrated whole milk of a composition similar to that of evaporated milk but not

sterilized. The standards of solids and food value differ from country to country. The same Encyclopedia (Vol. 6 page 284) explains "Caramel and Toffee" as follows:

> "Caramels depend on large amounts of milk for their typical texture. The other ingredients are sugar, corn syrup and fat which are cooked until the desired degrees of caramelization and texture have been attained. The most popular flavors are vanilla and chocolate. Toffee is highly cooked or hard caramel".

Webster's Third New International Dictionary Vol. II (page 2403) describes toffee as a candy of brittle but tender texture made by boiling sugar and butter together to approximately 310oF or the hard crack stage.

38. Shri Gulati has not been able to substantiate his contention that toffee is merely condensing already condensed milk without more. The ingredients of toffee could be as noticed above. His further contention that the buyers of the toffee of the defendants would because of the name "milk-made" being used with reference to them be led to think that these toffees are made out of the condensed milk prepared by Nestle's has not been prime facie established. The said view of the plaintiffs could not derive support merely from the fact that in the defendants' wrappers two bottles of milk are shown as being emptied in a glass tumbler : tills alone without more, cannot support the inference that the condensed milk of the plaintiff was being used by the defendants. The plaintiffs/appellants have also not been able to establish *prima facie* that there is such a trade connection between the defendants' goods and the plaintiffs' trade mark and the manufactured by them with the said trade mark as would constitute an infringement of the said trade mark.

39. Regarding passing off the plaintiffs face greater difficulty because they are unable to show how there could be an action for passing off of goods without the defendants even putting on the market goods of an identical or similar description or at least having such a close association with the goods of the plaintiffs as are likely to deceive or cause confusion.

40. The learned Single Judge has referred to the decision of the House of Lords in *Reddaway v. Banham* [25] and distinguished it on the ground that the impugned goods bore no marks or words, that the manufacturer could not be known there from and hence the respondents were held guilty of passing off. The wrappers used in the present case bear the words "Milkmade Corporation" which, are sufficient to show that the goods are the products of a different Corporation and not of the plaintiffs. The learned single Judge has also referred to Anglo Swiss Condensed Milk Co. v Metcalf,

In re; Metcalf's trade mark. (1886) 31 Ch. D 454. (Involving the present "Milkmaid mark) and distinguished it on the ground that the defendants in this case are not selling condensed milk in tins or cans having the same size. type and shape as are the tins used by the plaintiffs in packing their condensed milk; they are dealing with, biscuits and toffees which are not produced by the plaintiffs.

41. In the above view it is not necessary to go into the further contention raised as to whether the plaintiffs are entitled to use the word "Milkmaid" in English separately when the registered trade mark is "milkmaid Brand"

42. We have only to reiterate what we have already stated that the question whether apart from infringement of trade mark and passing off the plaintiffs are entitled to any relief on any other footing does not fall to be considered in the appeal in view of the submissions before the learned single Judge having been restricted to only two aspects, namely, infringement of trade mark and passing off.

43. In the result we hold that the plaintiffs have not made out any *prima facie* case for the grant of the injunction sought for by them or for any other allied relief pending disposal of the suit and that the learned single Judge with respect, rightly dismissed the plaintiffs' application for interim relief. In the result the appeal is dismissed but in the circumstances without costs. C. M. 454/72 is also dismissed.

Appeal dismissed.

Cases Referred.

1. AIR 1965 Supreme Court 980).

2. AIR 1970 Supreme Court 1649).

3. . (1962 R.P.C. 265 (274))

4. . (AIR 1970 Supreme Court 2062 at p. 2064).

5. ((1941) 58 R.P.C. 147 at p 163)

6. (1890) 7 RPC 93

7. (1885) 30 Ch D 454.

8. (1891) 8 RPC 237

9. ((1890) 7 RPC 311 at a 317)

10. (AIR 1960 Supreme Court 142)

11.(1945) 62 R.P.C. 65 (104)

12. ((1898) 15 R.P.C. 105)

13. (1910) 1 Ch. 248,

14. ((1899) 18 R.P.C. 12)

15.(1866) 35 LJ Ch. 352,

16. (AIR 1935 Allahabad 7)

17. (AIR 1940 PC 86).

18.. (1887) 12 AC 453: 56 LJPC 61 : 56 LT 454.

19. (AIR 1935 Bombay 101)

20. (AIR 1957 Calcutta 120)

21. (1931) 48 R.P.C. 565).

22. (1948) 65 R.P.C. 58.

23. (1848) 11 Beav 112)

24. ((1904) 21 RFC 569)

25. (1895) AC 199