

**IN THE HIGH COURT OF DELHI AT NEW DELHI**

Reserved on: 15<sup>th</sup> July, 2010

Decision on: 12<sup>th</sup> August, 2010

**W.P.(C) No. 3451 of 2007**

M/S. TAKKAR (INDIA) TEA COMPANY ..... Petitioner  
Through: Mr. S.K. Bansal, Advocate.

versus

SOONGACHI TEA INDUSTRIES PVT. LTD. .... Respondent  
Through: Mr. Hemant Singh with  
Mr. Sachin Gupta and  
Mr. Animesh Rastogi, Advocates.

**CORAM: JUSTICE S. MURALIDHAR**

1. Whether reporters of local paper may be allowed to see the judgment? No
2. To be referred to the reporter or not? Yes
3. Whether the judgment should be referred in the digest? Yes

**JUDGMENT**

**12.08.2010**

1. Aggrieved by an order dated 2<sup>nd</sup> February 2007 passed by the Intellectual Property Appellate Board ('IPAB') allowing the appeal filed by the Respondent Soongachi Tea Industries Pvt. Ltd. ('STIPL'), the Petitioner Takkar (India) Tea Company Co. ('TITC') has filed this writ petition.

***Brief facts***

2. The case of the Petitioner is that it is engaged in the business of manufacture and trade of tea and has been using the trade mark 'GOLD LEAF' since 1987. It is stated that TITC, through its predecessors made an application on 13<sup>th</sup> May 1991 under the Trade & Merchandise Marks Act, 1958 ('TM Act 1958') for registration of the mark 'GOLD LEAF' (word

mark) under Trade Mark Application No. 551031 in relation to tea falling in Class 30 with the Registrar of Trade Marks, New Delhi. The application which was initially filed in the names of Kasturi Lal and Bharat Bhushan was subsequently amended in the name of TITC by filing Form TM-16 on 4<sup>th</sup> December 1997. It is stated that the application was duly advertised in Trade Mark Journal No. 1168 dated 1<sup>st</sup> February 1998 at page 2051. The application was ordered to be advertised subject to a disclaimer, namely “registration of this trade mark shall give no right to the exclusive use of the word LEAF”.

3. To the above application, STIPL preferred a notice of opposition in Form TM-5, *inter alia*, on the ground that TITC’s trademark would be in violation of STIPL’s registered mark ‘SONA’.

4. The Assistant Registrar of Trade Marks, by an order dated 5<sup>th</sup> September 2000, accepted TITC’s application for registration and disallowed the notice of opposition filed by STIPL. The summary of the findings of the learned Assistant Registrar were:

(i) On comparing the two marks i.e. ‘GOLD LEAF’ and ‘SONA’ as a whole, it cannot be said that ‘SONA’ could mean ‘GOLD LEAF’. It is unlikely that a consumer would confuse one for the other.

(ii) The mark applied for cannot be split into ‘GOLD’ and ‘LEAF’ and the word ‘GOLD’ compared with the Defendant’s trade mark SONA. When ‘GOLD LEAF’ is

taken as a whole it is obviously totally different from 'SONA'.

(iii) The registration of the mark applied for was not barred under Section 11(a) of the TM Act 1958 as there was no likelihood of any confusion or deception in the minds of the consumers on seeing both the marks. Likewise, the prohibition under Section 12 (1) of the TM Act 1958 also did not apply.

(iv) Since affidavits had been filed to substantiate the user of the mark by TITC since 1<sup>st</sup> April 1987, the requirements of Section 18(1) of the TM Act 1958 also stood satisfied.

5. Aggrieved by the above order, STIPL filed an appeal before the IPAB. It was urged on behalf of STIPL that the trade mark 'SONA' in English means 'GOLD' and, therefore, there was every likelihood of confusion amongst the public at large regarding the trade origin of TITC's 'GOLD LEAF' tea. Secondly, it was argued that the mark 'LEAF' is a "non-distinguishing, generic and descriptive word, incapable of registration as a trade mark". Since TITC had disclaimed any trade mark right in 'LEAF', the competing marks had to be 'SONA' and 'GOLD' and, therefore, TITC's application was barred under Section 11(a) of the TM Act 1958. Thirdly, STIPL had a subsisting registration of the trade mark 'SONA' for tea in Class 30 and it had come to enjoy tremendous popularity amongst consumers. Such

consumers were, therefore, likely to associate the trade mark 'SONA' with only the goods of STIPL and none other. Since 'GOLD' was nothing but a mere translation of the Hindi word 'SONA' in the English language, the mark 'GOLD LEAF' was deceptively similar to the registered mark 'SONA' with regard to tea.

6. The IPAB gave its entire reasoning in one paragraph as under:

“38. Now after going through all documents and hearing the submission of both the parties, we are of the view that the public are not so ignorant that they may be unable to distinguish the meaning of GOLD and SONA. All are aware the SONA means GOLD and both are same thing. In Northern India, in Hindi speaking, all the people know that GOLD means SONA and SONA means GOLD. Learned Assistant Registrar has allowed the application by his order, based upon the judgment of *Amritdhara* case. On the basis of that judgement he dismissed the opposition. In this case we are of the view that case law is not applicable. In the present case, the trade channel is same, the goods are also same, it will cause confusion among the general buying public as the mark used by the respondent convey similar idea as the registered mark of the appellant. The registered owner of Trade Mark has a proprietary rights upon his trade mark and also have right to protect his proprietary right. No one can have right to encash his goodwill and reputation which acquired in course of trade in long run, by duplicating to another person's Trade Mark. The trade mark owner naturally not to allow his goodwill and reputation. In this case competing marks are identical and deceptively similar. The mark is deceptively similar and is likely to cause confusion amongst the consumers. So it is prohibited to

registration under Section 11 (a) of Trade Mark and Merchandise Mark Act, 1958. For the purity of register, this mark cannot be allowed to registration.”

7. What appears to have weighed the IPAB is that the trade channel and the goods being identical, the use of the mark ‘GOLD LEAF’ by TITC would “convey similar idea as the registered mark of STIPL.” The IPAB concluded that the competing marks are identical and deceptively similar and, therefore, prohibited to registration under Section 11(a) of the TM Act 1958.

#### ***Petitioner’s submissions***

8. Mr. S.K. Bansal, learned counsel appearing for the Petitioner submitted that there was a fundamental error in the approach adopted by the IPAB inasmuch as it split the mark ‘GOLD LEAF’, which was a composite mark, into ‘GOLD’ and ‘LEAF’ and compared one part of the mark with the competing mark of STIPL to determine if there was deceptive similarity. Moreover, the Respondent’s trade mark ‘SONA’ was used in an artistic manner with a cup and saucer, and as such, its meaning was highly restricted having regard to the artistic features involved. On the other hand, the mark ‘GOLD LEAF’ of TITC was a composite one, which in its ordinary significance could mean a ‘leaf made of gold’. According to him, no significance can be attached to the words ‘GOLD’ and ‘SONA’. He also pointed out that the rival trade marks were different phonetically, visually and even in their idea and otherwise taken as a whole. Reliance was placed on the judgments of the Supreme Court in *F. Hoffmann-La Roche v.*

*Geoffrey Manners AIR 1970 SC 2062, Amritdhara Pharmacy v. Satya Deo Gupta AIR 1963 SC 449, Kaviraj Pandit Durga Dutt Sharma v. Navaratna Pharmaceutical Laboratories AIR 1965 SC 980* and the judgment of the Bombay High Court in *Pidilite Industries Ltd. v. S.M. Associates 2004 (28) PTC 193 (Bom)*. Reliance was also placed on the judgment of this Court in *Murari Lal Harish Chander Jaiswal v. Raj Zarda Works 1995 PTC 209*.

### ***Respondent's submissions***

9. Appearing for the Respondents, Mr. Hemant Singh, learned counsel urged the Court to focus on 'basic idea' of the mark sought to be registered by TITC. He urged that if the meaning was the same, the idea conveyed would be the same and that would result in deception and confusion. He pointed out that the tests adopted for comparing marks in a passing-off action were not identical to the tests to be adopted while considering a mark for registration. STIPL's was already a registered mark and in that context it had to be seen whether the mark sought to be registered by TITC nearly resembled the mark of STIPL. This was the requirement in terms of Section 12 (1) read with Section 2(d) of the TM Act 1958. He urged that although the IPAB had not adverted to the opposition raised by the STIPL that the registration of the mark 'GOLD LEAF' was impermissible in terms of Section 9 (1) of the TM Act 1958 this was a further ground on the basis of which the registration had to be refused. He pointed out that TITC had not challenged the disclaimer with regard to 'LEAF', which was obviously a generic mark in respect of tea. The word 'LEAF' was indicative of the grades of tea and by itself was incapable of describing the origin of tea. He urged that the comparison had to be of the claimed distinctive features of the

mark in order to ascertain the idea conveyed by the mark.

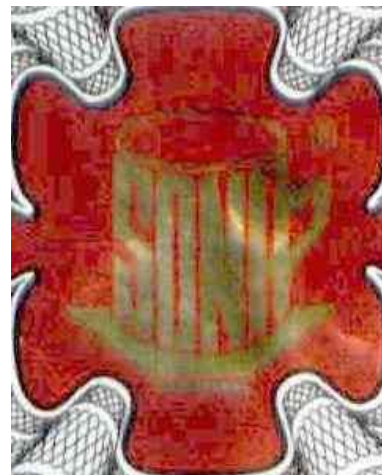
10. Mr. Hemant Singh, placed reliance upon the judgments *In Re: Hudnut 121 USPQ 636*, *Rosenblum v. George Willsher 161 USPQ 492*, *Madan Lal Arora v. Soni Udyog 1997 PTC (17) 651 (Del)*, *Bhatia Plastics v. Peacock Industries Ltd. 1995 PTC 150 (Del)*, *J.C. Eno Ltd. v. Vishnu Chemical Company AIR 1941 Bombay 3*, *Hindustan Lever Limited v. Pioneer Soap Factory 24 (1983) DLT 237*, *In Re: R.T. Engineering & Electronics Co. AIR 1972 Bombay 157* and *T.G. Balaji Chettiar v. Hindustan Lever Ltd. AIR 1967 Mad 148*.

#### *Comparison of the two marks*

11. At the outset, this Court would first like to set out the two competing marks. The Petitioner TITC's mark, as depicted on the packet in which its tea is sold, and the registered mark of the Respondent STIPL, depicted as a device of a cup and saucer, appearing on its packet, are as under:



**Petitioner's mark GOLD LEAF, as appearing on the packaging**



**STIPL's trademark SONA, as appearing on the packaging**

12. The Petitioner TITC has accepted the disclaimer in respect of the word 'LEAF'. However, it is urged that this does not imply that the mark has then to be split and then the disclaimed portion excluded for the comparison of the two marks. The basis for this argument can be explained with reference to the following passage in *Granada Trade Mark, (1979) 13 RPC 303* where at page 308 it was observed:

“I do not think, therefore, that a disclaimer per se effects the question of whether or not confusion of the public is likely when that question is for determination under section 12(1), a context other than one that is concerned solely with the exclusive rights of a proprietor. As Lloyd-Jacob, J. put it in *Ford-Works Application (1955) 72 R.P.C. 191* lines 30 to 38, a disclaimer does not affect the significance which a mark conveys to others when used in the course of trade. **Disclaimers do not go into the market place, and the public generally has no notice of them. In my opinion matter which is disclaimed is not necessarily disregarded when question of possible confusion or deception of the public, as distinct from the extent of a proprietors exclusive rights, are to be determined.** In making the comparison under section 12(1) therefore I consider that **I must have regard to the whole of the opponents mark, including the disclaimed matter, and must assume use of it in a normal and fair manner for, inter alia, the applicants goods.** The applicants are very well known as manufacturers of motor cars. The opponents are registered as merchants of their goods. Although the opponents are not manufacturers of motor cars I do not think that this difference in the parties activities should lead me to make the required comparison on any basis other than that, so far as identical goods are concerned,



the normal and fair manner of use of the marks would also be identical." (emphasis supplied)

13. The essential test was laid down in *F. Hoffmann-La-Roche* where the Supreme Court was considering whether the Respondent was entitled to registration of its mark 'DROPOVIT' which the Appellant was claiming as being deceptively similar to its trade mark 'PROTOVIT'. It was held that while it was clear that the word 'DROPOVIT' was coined out of words commonly used by and known to ordinary persons knowing English, the resultant combination produces a newly coined word which would not remind an ordinary person knowing English of the original words from which it was coined. It was held that 'DROPOVIT' being an invented word was entitled to be registered. In the course of the judgment, it was explained in para 11 as under:

"It is also important that the marks must be compared as wholes. It is not right to take a portion of the word and say that because that portion of the word differs from the corresponding portion of the word in the other case there is no sufficient similarity to cause confusion. The true test is whether the totality of the proposed trade mark is such that it is likely to cause deception or confusion or mistake in the minds of persons accustomed to the existing trade mark. Thus in *Layroma* case, *Tokalon Ltd. v. Davidson & Co.* 32 R.P.C.133 Lord Johnston said:

"...we are not bound to scan the words as we would in a question of *comparation literarum*. It is not a matter for microscopic inspection, but to be taken from the general and even casual point of view of a customer walking into a shop."

14. In *Amritdhara Pharmacy*, the Supreme Court elaborated on the words 'likely to deceive or cause confusion' occurring in Sections 8 and 10 of the Trade Marks Act, 1940 corresponding to Sections 11 and 12 of the TM Act 1958. In para 7, it was observed as under:

“7. It will be noticed that the words used in the sections and relevant for our purpose are "likely to deceive or cause confusion." The Act does not lay down any criteria for determining what is likely to deceive or cause confusion. Therefore, every case must depend on its own particular facts, and the value of authorities lies not so much in the actual decision as in the tests applied for determining what is likely to deceive or cause confusion. On an application to register, the Registrar or an opponent may object that the trade mark is not registerable by reason of clause (a) of s. 8, or sub-s. (1) of s. 10, as in this case. In such a case the onus is on the applicant to satisfy the Registrar that the trade mark applied for is not likely to deceive or cause confusion. In cases in which the tribunal considers that there is doubt as to whether deception is likely, the application should be refused. A trade mark is likely to deceive or cause confusion by the resemblance to another already on the Register if it is likely to do so in the course of its legitimate use in a market where the two marks are assumed to be in use by traders in that market. In considering the matter, all the circumstances of the case must be considered. As was observed by Parker, J. in *Re Pianotist Co.'s Application (1906) 23 R.P.C. 774* which was also a case of the comparison of two words -

“You must take the two words. You must Judge them, both by their look and by their

sound. You must consider the goods to which they are to be applied. You must consider the nature and kind of customer who would be likely to buy those goods. In fact you must consider all the surrounding circumstances and you must further consider what is likely to happen if each of those trademarks is used in a normal way as a trade mark for the goods of the respective owners of the marks.

For deceptive resemblance two important questions are: (1) who are the persons whom the resemblance must be likely to deceive or confuse, and (2) what rules of comparison are to be adopted in judging whether such resemblance exists. As to confusion, it is perhaps an appropriate description of the state of mind of a customer who, on seeing a mark thinks that it differs from the mark on goods which he has previously bought, but is doubtful whether that impression is not due to imperfect recollection. (See *Kerly on Trade Marks*, 8<sup>th</sup> edition, p. 400.)”

***No deceptive similarity between the two marks***

15. Keeping the above tests in mind, when one views the two marks and compares them as a whole, it is not possible to concur with the IPAB’s view that they are deceptively similar and likely to cause confusion. One feature that is noticeable is the visual dissimilarity where the registered mark of STIPL is depicted as a cup and saucer and, therefore, is really a device whereas the TITC’s mark ‘GOLD LEAF’ is written in words and again in a different lettering. Even if one did not go into the minute details, the

customer looking at both the packets is not likely to notice immediately the two marks as 'GOLD LEAF' and 'SONA' and automatically start translating the word 'SONA' into 'GOLD' by keeping aside the disclaimed portion 'LEAF'. From the point of view of the consumer, it is but natural that both marks will be viewed as they are.

16. It is unlikely that even a discerning consumer will immediately enter begin to dissect the Petitioner's mark into its generic/descriptive and distinctive parts. It is unlikely that a consumer will know that a part of the mark is disclaimed and therefore has to be kept out of comparison. Even more unlikely is the possibility of a consumer beginning to reflexively translate the English word Gold into its Hindi equivalent Sona, and then conclude that they convey the same 'idea' and consequently get deceived or confused about the source of both goods being the same. This Court is unable to be persuaded to hold that a consumer of tea when going to buy tea and on noticing the packets of tea on offer by the Petitioner and the Respondent is going to mistake GOLD LEAF tea and SONA to be originating from the same source.

17. Considerable reliance was placed by Mr. Hemant Singh on the decisions concerning regional (or non-English) language equivalent of marks containing English words might cause deception and confusion. In *Hudnut*, an application was made for registration of the mark 'DERNIERE TOUCHE', for 'perfumes and rouges'. The mark comprised French words which when translated into English literally meant 'The Final Touch'. There

was already a registered mark “Final Touch” for the cologne produced by the Respondent. Registration was refused on the ground that the mark sought to be registered was deceptively similar to the mark already registered. Likewise in *Rosenblum v. George Willsher & Company*, it was held that English words ‘Red Bull’ used as a mark for scotch whisky “so resembles ‘Toro Rojo’ (Spanish for Red Bull) that confusion is likely.” In *J.C. Eno Ltd.*, the question was whether the Defendants could be restrained from using the word ‘falaxar’ which was a Marathi translation of ‘fruit salt’ in respect of similar class of goods. The said decision was delivered in the pre-independence era by Blackwell J., who in any event would have required translation of the regional language into English to understand its meaning. This Court finds the above decisions to be distinguishable on facts for the simple reason that whether there is likelihood of deception or confusion will depend on the facts of each case. It cannot be stated to be a uniform rule that irrespective of the region, the languages prevalent, the manner of speaking them and the profile of the consumers, marks that when translated into regional language or English have an identical meaning with the competing mark in the other language will cause deception and confusion.

18. It appears that some of the High Courts have been persuaded to deny registration of marks which were the English equivalents of a regional word. For instance, in *Bhatia Plastics* this Court held that the Plaintiff had been using the trade mark ‘MAYUR’ for a long time and, therefore, the adoption by the Defendant for its mark the English equivalent of that word i.e. ‘PEACOCK’ was likely to cause deception and confusion. The Court relied on *Surya Roshni Limited v. Electronic Sound Components Company*

where the two competing marks were Sanskrit words i.e. 'BHASKAR' and 'SURYA' both of which meant the 'Sun'. It was held that one of them was likely to cause deception and confusion in the minds of the average consumer. Likewise, in *Hindustan Lever Ltd.*, this Court viewed the mark 'SURAJ' as being equivalent to the English word 'SUN' and since Hindustan Lever Limited had a registration for its mark Sunlight for soap, the Defendant should be restrained from using the mark 'SURAJ' in relation to washing soap. In *T.G. Balaji Chettiar* the application for registration of the trade mark 'Surian' was denied as it was a Tamil word which when translated into English meant 'SUN' which was the prominent part of an already registered mark. However, each of the above decisions are distinguishable in their application to the instant case where the two marks do not have the same number of words and when Gold Leaf is translated into Hindi it should read 'Sona (ka) patta' and not just 'Sona'.

***Marks need to be compared as a whole***

19. For ascertaining if the mark sought to be registered is deceptively similar to the registered mark of the Respondent the comparison ought not to be only between 'SONA' and 'GOLD'. It is not permissible to split the words 'GOLD LEAF' into two separate parts i.e. 'GOLD' and 'LEAF' for the purposes of comparison. The marks when compared as a whole are not likely to cause deception or confusion in the minds of the consumers. The second important distinguishing feature is the manner of depiction of the marks. The mark 'SONA' has been depicted as a device of a cup and saucer whereas the words 'GOLD LEAF' are written in an artistic style and font as a word mark. This Court is unable to agree with the conclusion arrived at by

the IPAB that the registration of the Petitioner TITC's mark 'GOLD LEAF' is hit by Section 9(1) of the TM Act 1958 on the ground of deceptive similarity.

***Conclusion***

20. For the above reasons, the impugned order dated 2<sup>nd</sup> February 2007 of the IPAB is hereby set aside and the order dated 5<sup>th</sup> September 2000 of the Assistant Registrar is restored. The writ petition is allowed with costs of Rs. 20,000/- which will be paid by the Respondent to the Petitioner within four weeks.

**S. MURALIDHAR, J**

**AUGUST 12, 2010**

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