

amicus

An e-newsletter from
Lakshmikumaran & Sridharan, India

August 2019 / Issue-95

Contents

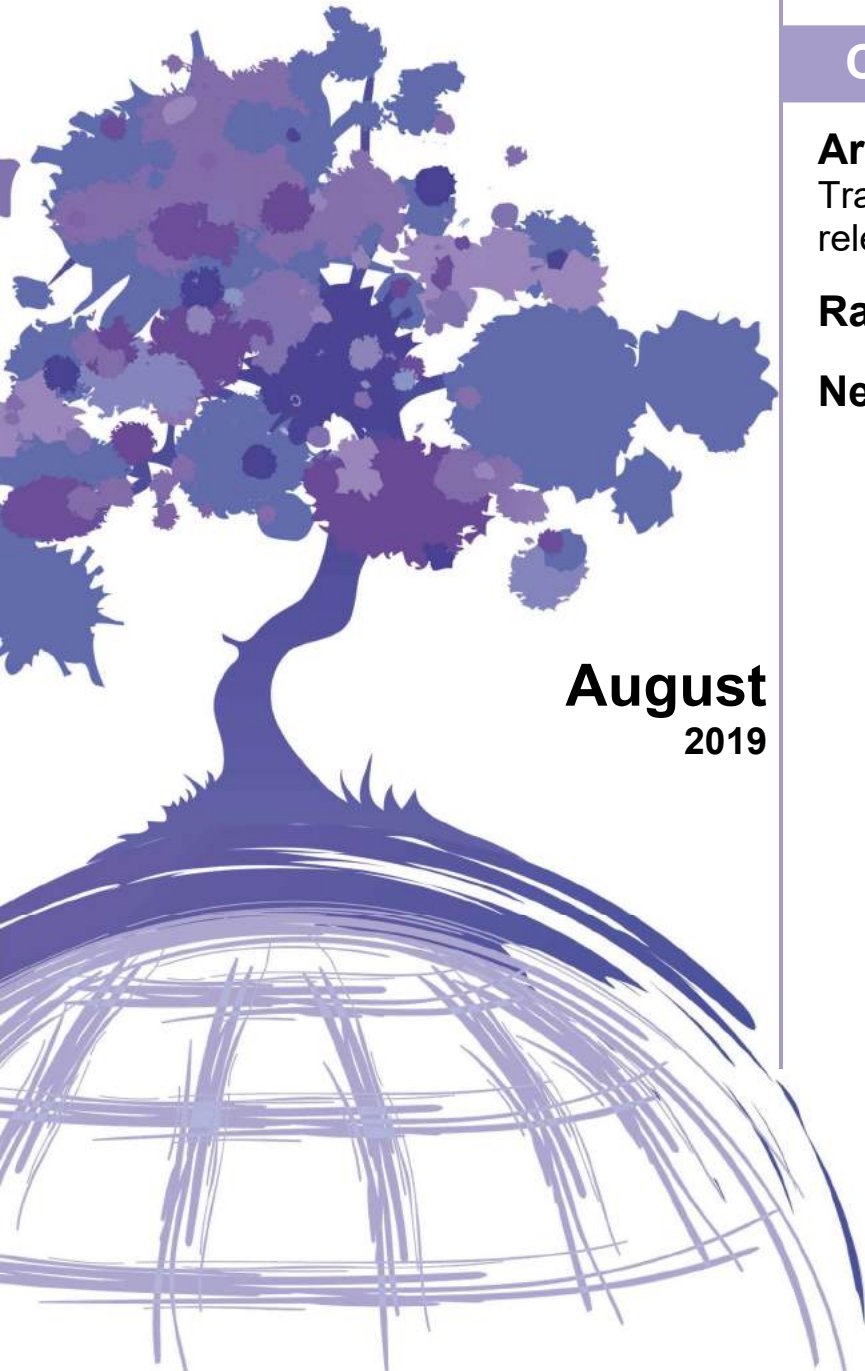
Article

Trademark passing-off against film
release2

Ratio Decidendi.....5

News Nuggets7

August
2019





Article

Trademark passing-off against film release

By **Sutapa Jana**

In the case of *Dr. Vijay Abbot v. Super Cassettes Industries Private Limited & Ors.*¹, a Single Judge of Delhi High Court while dealing with the issue of passing-off in respect of a title of the film, *vide* its Order dated July 29, 2019, laid down the principles governing the test to be applied to cases seeking prevention of a film release. Additionally, the Single Judge held that while a title by itself is not entitled Copyright protection the same can be protected under the trademarks and unfair competition law. Moreover, the titles of single literary works can be granted protection under trademarks law only if it acquires distinctiveness and a secondary meaning during the course of trade.

Facts of the case

The plaintiff was an Ayurvedic Sexologist running Hakim Hari Kishan Lal Shafakhana Clinic in New Delhi. He is the son of Late Hari Kishan Lal Abbot, claimed to be a world-renowned sexologist who had contributed significantly by providing ayurvedic medical care for all kinds of sexual dysfunctions for over three generations. The plaintiff claimed proprietary rights in the logo/trademarks/ brands/ business names/ portraits as re-produced below:

“KHANDANI
SHAFAKHANA”



“खानदानी शफाखाना”



In June 2019, the plaintiff came to know about the defendants' feature film with the title “KHANDANI SHAFAKHANA”. The portrait being used by the defendants in their film was also claimed to be deceptively similar to that of the plaintiff's late father. Also, from the trailer of the movie, the plaintiff claimed that the movie is based on the real life and contributions of the plaintiff's father. Accordingly, the plaintiff contended that the defendants are passing off the proprietary materials which belong to the plaintiff and his family.

Thus, the plaintiff approached the Court on the ground of passing off, seeking permanent injunction to restrain the ten defendants being the producers, directors and others from releasing the film “KHANDANI SHAFAKHANA” and mandatory injunction directing the defendants to change and remove the title of the film to any other title not similar or deceptively similar to that of the plaintiff. Additionally, the plaintiff claimed damages to the tune of Rs. 2 crores from the defendants.

To assess whether the title of the film caused any damage to the reputation of the plaintiff, the Court ordered a special screening of the film, post which arguments were heard from both sides.

Contentions of the parties before the Single Bench

The plaintiff's primary contention was that his father had originally coined and invented the aforesaid marks, that have been in existence and use since 1925, and constituted the proprietary

¹ CS (Comm.) No. 364/2019

material of the plaintiff and his family members. Moreover, the plaintiff claimed that the Indian Registry of Trademarks has declared the plaintiff and his brother as subsequent proprietors of the trademark numbers 164663 and 213916 pertaining to above marks and consequently allowed the plaintiff and his brother to trade in the name of “KHANDANI SHAFakhANA”. The plaintiff argued that subsequent removal of the marks from the Registry was irrelevant as the marks can be restored belatedly.

Further, the plaintiff claimed that the portrait of their father is being still used as corporate identity of their profession, which has attained distinctiveness and have acquired secondary meaning for the treatment of all kinds of sexual dysfunctions in both genders, rendered by the plaintiff's father and thereafter by the plaintiff. The defendants by using a deceptively similar portrait were making financial gains without obtaining any permission from the plaintiff and his family leading to *passing off*. It was also argued that the film was defamatory and tarnished the reputation of the plaintiff's father and his family.

The defendants, on the other hand, argued that in a civil suit between the family members of the Plaintiff filed in the year 2001 before the District court, there was a compromise arrived at between the parties therein, whereby none of the parties was to use the mark “KHANDANI SHAFakhANA” and thus it was an admitted fact that the plaintiff had not been using the mark “KHANDANI SHAFakhANA” for the last 18 years, prior to the institution of the present suit. Further, the defendants contended that none of the documents filed by the plaintiff evidenced the Late father of the plaintiff or the plaintiff or any of his family members as proprietor of the above-mentioned trademarks. Moreover, there had been no sale or business in the name of “KHANDANI SHAFakhANA” since 2001, and the plaintiff had been carrying on the business with other trade names. Also, the trademark numbers

213916 and 164663 were only valid till February 19, 2005 and June 22, 2010, respectively. Thus, no injunction can be claimed for marks that have lapsed in the years 2005 and 2010 and which have been admittedly not in use since 2001.

The defendants further submitted that the protagonist of the film was not any man but a woman and all apprehensions of the plaintiff, of the film being based on his father, were misplaced. They also contended that the reference in the film to the man whose photograph appears on the posters, is only to show how the lady protagonist of the film got the clinic and the same was shown not more than five or six minutes in the film of over two hours.

The defendant also submitted that the film was socially relevant and raised the issues of the need for sex education for youth through the eyes of a lady and treatment of sexual disorders like any other disorder/diseases. Moreover, the look of the man in the image of the marks, with Peshawari looks, handlebar moustache and wearing a turban, is generic and there can be no rights over the same. Further, the defendants argued that the plaint does not disclose any cause of action for defamation and thus, no relief can be granted for the same.

Decision of the Single Judge

At the outset, the Single Judge observed that the plaintiff gave a false representation of the trademarks being alive, i.e. the plaintiff indulged in concealment by not disclosing that the registrations of the marks in the name of the Plaintiff already stood removed. In a suit seeking discretionary relief of injunction, such concealment not only disentitles the plaintiff from any interim relief but also entails dismissal of the suit.

On merits, as the Single Judge was privy to the screening of the film, the Court observed that the film deals with the subject of sex education

and the stigma attached to sexual dysfunctions and disorders and treatment thereof. It was also observed that the film gave an opportunity to the plaintiff and other medical practitioners in this field of medicine as it raises the issue of the need to impart sex education and lift the stigma attached to sexual diseases/disorder/dysfunction and its treatment. Despite the same, the plaintiff failed to see the potential that the film could offer him and the public at large.

Further, on the issue of prevention of a film release, relying on a series of judgments², the Single Judge *inter-alia* enlisted the governing principles which should be taken into account while issuing such a ban (i) any restrictions imposed on expression of artistic thought, affects the constitutional right of the film makers; (ii) the standards that we set for our censorship must make a substantial allowance in favour of freedom, thus leaving a vast area for creative art to interpret life and society, with some of its follies along with what is good; (iii) we must not look upon certain aspects, as banned *in toto* and forever from human thought and must give scope for talent to put them before the society; (iv) the requirements of art and literature include within themselves, a comprehensive view of social life, not only in its ideal form; the Constitution protects the rights of the artist to portray social reality in all its forms; some of that portrayal may take the form of questioning values and mores that are prevalent in the society; (v) right to communicate and receive ideas, facts, knowledge, information, beliefs, theories, creative and emotive impulses by speech or by written word, drama, theatre, dance, music, film etc. is an essential component of the protected right of freedom of speech and

expression; (vi) our commitment to freedom of expression demands that it cannot be suppressed unless the situations created by allowing that freedom are pressing and the community interest is in danger; anticipated danger should not be remote, conjectural or far-fetched – it should have proximate and direct nexus with the expression and the expression to which objection is taken should be equivalent of a spark in a powder keg; etc .

It was also observed by the Court that films are a legitimate and important medium for the treatment of issues of general concern and it is open to a producer to project his own message, even if others do not approve it. A film that illustrates the consequences of social evil necessarily must show that social evil. In the said films, the effect of the allegedly offending visuals/words are to be judged from the standards of a reasonable/strong-minded, firm and courageous man and not those of weak and vacillating minds nor of those who scent danger in every hostile point of view. Moreover, a film is to be judged in its entirety, from the point of view of its overall impact.

With respect to the intellectual property right in the titles of the films, the Court held that the protection of literary titles lies in the field of trademark and unfair competition. Further, the titles may relate to two types of works, i.e. titles of single literary works and titles of series of literary works, whereby the titles of series of books, periodicals or newspapers do function as a trade mark, however, the titles of single literary work as such, do not enjoy trademark protection and in order to be entitled for trademark protection, it is necessary to prove that the title of single literary work has acquired a secondary meaning, associating itself with a particular work or source. It was also observed by the Court that the evidence necessary to establish secondary meaning of literary work are the following:

² *Nandini Tewari v. Union of India* 2014 SCC OnLine Del 4662; *Dharmaprachar Sabha v. Union of India* 2014 SCC OnLine Del 6559, *Yahoo Inc. v. Firoz Nadiawala*, MANU/DE/0784/2014; *Prem Mardi v. Union of India*, 2015 SCC OnLine Del 12039, *Kanungo Media (P) Ltd. v. RGV Film Factory* MANU/DE/1592/2017, *Ajay Gautam v. Union of India* 2015 SCC OnLine Del 6479 (DB)

- presence of an educated audience capable of understanding that the title means the work of a particular artist;
- length and continuity of use;
- extent of advertising and promotion and amount of money spent;
- closeness of the geographical and product markets of the plaintiff and the defendants.

After applying these principles, the Court observed that in the present case the plaintiff did not disclose any right or cause of action for the plaintiff to sue as no proprietary rights of the plaintiff had been violated, nor is there a *prima facie* case of defamation. Apart from noting that the mark had admittedly not been in use for the last 18 years, the Court also observed that the words “KHANDANI SHAFAKHANA” singly as well as when used in conjunction with each other were generic Hindi and Urdu words. It was also observed that the registration was never for the word mark “KHANDANI SHAFAKHANA” but of the device mark comprising the said word “KHANDANI SHAFAKHANA” and of the portrait of the father of the plaintiff. Further, it was held that film is based on a social issue and the artist cannot be prevented from depicting the same. The Court also concluded that the viewer of the film was more likely to walk away after "*being*

more open than earlier to the acceptability of the profession as a sexologist". For the above reasons, the Court held that there was no merit in the suit and dismissed it without imposing any costs.

Conclusion

In the instant case, the Court reiterated the well-established principle that a plaintiff who approaches the Court for discretionary relief of injunction by concealing and suppressing material facts should not be entitled for any relief. Secondly, words which are generic in nature cannot be monopolized by any person. Thirdly, the standards set for censorship must make a substantial allowance in favor of freedom and the Court should generally refrain itself from granting an injunction against release of a movie when the Central Board of Certification has already granted the certificate. Further, films are important way to highlight the social issues and an artist and the producer has the right to portray the life in all its hues, including social vices and curbing the same would be against the Constitutional right, as freedom of expression is sacrosanct.

[The author is a Senior Associate, IPR practice, in Lakshmikumaran & Sridharan, New Delhi]



Ratio decidendi

Pharmaceutical patent – No interim injunction unless opinion formed on three elements and some additional feature

The Delhi High Court has held that it is not possible to apply an across the board approach to all cases of alleged infringement of patent, particularly pharmaceutical patent, where as a

matter of routine at first hearing there would be grant of injunction. The Court was of the view that the law concerning patent infringement under the Patents Act 1970 and other related legislation has peculiar elements that would have to be kept in view by the Court. It reiterated that reading of the interim order should indicate forming of

opinion by the Court based on strong *prima facie* case, balance of convenience and irreparable hardship and the additional features if the case involves a pharmaceutical patent. It held that it is not the length of the order or its precise wording that matters, but that the factors must be discernible from the order which concludes one way or the other on grant of an interim injunction.

Observing that the impugned order of the Single Judge which restrained the Defendant from infringing the suit patent did not lend itself to sufficient clarity, the Division Bench of the High Court remanded the case for a fresh order uninfluenced by the judgement in *Sterlite Technologies v. ZTT India*. It observed that no opinion was formed by the Single Judge in its impugned order, of the Plaintiff having made out a *prima facie* case in its favour for grant of an interim injunction. [*Natco Pharma Ltd. v. Baer Healthcare LLC* – Order dated 11-7-2019 in FAO(OS) (COMM) 158/2019, Delhi High Court]

Use of same word in name of company – Remedies available under both Companies Act and Trademarks Act

In a case involving use of word 'Aglow' in the corporate name also by the defendant, the Bombay High Court has granted permanent injunction against the defendant. It observed that the defendant had no apparent reason for adopting a mark (with modification) belonging to the plaintiff and did not lead evidence as to how he decided to use the word 'Aglow'. The High Court was of the view that drugs are poisons and not sweets and that confusion between medicinal products of manufacturers may lead to threat of life. It also noted that since the defendant came on the scene at a later stage, use of the name cannot be said to be a *bonafide* one.

The Court also rejected the defense that plaintiff having lodged a complaint under Section 22 of the Companies Act, 1956, the present suit for

infringement of trademark was not maintainable. It held that plaintiff can have two independent rights of action against the defendant, first under Sections 20 and 22 of the Companies Act and second a suit for infringement of trademark under the Trademarks Act. The Court observed that both the remedies operated in different fields and that under Section 22 of the Companies Act, the Central Government has no jurisdiction to grant any injunction.

The plaintiff was also held not guilty of delay. The Court observed that infringement of trademark carried from time to time would give a recurring course of action to the trade mark holder. It was of the view that whether the earlier infringement continued, or a new infringement took place, cause of action for filing a fresh suit would obviously arise in favour of the plaintiff who is aggrieved by such fresh infringements of trade mark or fresh passing off actions alleged against the defendant. [*Aglowmed Ltd. v. Aglow Pharmaceuticals (P) Ltd.* – Judgement dated 30-7-2019 in Commercial IP Suit No.15 of 2005, Bombay High Court]

Trademarks – Merchandise with names of airlines also poses serious threat

Observing that the mark 'VISTARA' deserves to be declared as a 'well-known mark', the Delhi High Court has held that use of the mark, even in respect of unrelated services, would create confusion and deception. The Court noted that the mark in question is quite popular in India, has acquired a unique status and is a distinctive mark enjoying goodwill and reputation in the airline, travel and tourism industry. The Defendants in the case was offering various badges, name tags and other accessories including mugs, baggage tags, etc., bearing the mark 'VISTARA' with an identical device mark/logo form.

Granting permanent injunction and imposing costs, the High Court also observed that sale of

merchandise with the names of various airlines is not only violative of the trademark rights of the respective parties, but also poses a serious threat owing to the fact that some unauthorised persons may try to seek entry into airports, etc., on the basis of the counterfeit badges, labels, uniforms and other merchandise illegally bearing the trademarks of these airlines. [*Tata SIA Airlines Ltd. v. Pilot18 Aviation Book Store* – Decision dated 5-8-2019 in CS (COMM) 156/2019, Delhi High Court]

Trademark in name of company – Use in a hologram not amounts to use any differently

The Delhi High Court has held that usage of a word mark in the hologram by the defendant would not amount to use of the word any differently from that of plaintiff. The Court also noted that registration of word 'TOASHA' by the defendant was of the word mark in capital letters and not of hologram which would not constitute use of the registered trade mark of the defendants. Granting interim injunction in a case

of passing-off against the defendant, it also observed that the goodwill of the business squarely rested in the trade name 'TOASHA' and which, as not disputed, was identical in the names of the firms of the plaintiff and the defendant.

The Court also held that even if the defendant was able to secure registration and the plaintiff did not have it, once it is established that the plaintiff is the prior user of the trademark, Section 27(1) of the Trademarks Act cannot be pleaded. The High Court, for this purpose, observed that Section 27(2) of the Trademarks Act states that nothing in the Trademarks Act shall affect rights of action against a person for passing-off.

The Court also held that once the reason for which permission to use trademark comes to an end, owner of trademark can restrain the person, to whom permission was given, from using the trademark. [*Toasha Agencies v. Siddhant Choudhary* – Decision dated 24-7-2019 in CS(COMM) 1441/2016, Delhi High Court]



News Nuggets

Trade marks 'Panderm' and 'Polyderm' are not deceptively similar

The Bombay High Court has held that rival marks 'Panderm' and 'Polyderm' are not similar. It observed that prefixes 'Pan' and 'Poly' are different, whereas suffix 'derm' from dermatology can be used in general. The Court in the case of *Macleods Pharmaceuticals Ltd. v. Swisskem Healthcare*

observed that 'Panderm' has two syllables whereas 'Polyderm' has three syllables. Relying on the case of *Hiralal Prabhudas v. Ganesh Trading Co.*, the Court did not find any overall similarity between the two marks. It, however, refused to compare the trade dress of rival marks noting that plaintiffs did not plead of having proprietary rights in the same.

Copyrights – Use of protected work for reporting current event when correct

The Court of Justice of the European Union has held that use of a protected work for purposes of reporting the current events does not, in principle, require a prior request for authorization. The Court in the case of *Spiegel Online v. Volker Beck* also observed that it is not necessary that the quoted work be inextricably integrated, by way of insertions or reproductions in footnotes, and that such quotations may also be made by including a hyperlink to it. It was however held that exception for quotations applies only if the quotation in question relates to a work which has already been lawfully made available to public.

Absence of expression ‘Original’ in Section 13(1)(b) of Copyright Act is not material

The Delhi High Court has reiterated that though the expression ‘Original’ is missing in Section 13(1)(b) of the Copyright Act 1957, yet, the requirement of originality or intellectual creation is brought in through Sections 13(3) and 2(d). The High Court in the case of *Yash Raj Films v. Sai Ganesh Productions* observed that defendants, in its film *Jabardasth* copied essential and distinctive features as well as forms and expression of plaintiff’s film on purpose and consequently infringed copyright in film *Band Baja Baarat*. The Court also upheld its jurisdiction to decide present case as defendant film was also released in Delhi.

NEW DELHI

5 Link Road, Jangpura Extension,
Opp. Jangpura Metro Station,
New Delhi 110014
Phone : +91-11-4129 9811

B-6/10, Safdarjung Enclave
New Delhi -110 029
Phone : +91-11-4129 9900
E-mail : lsdel@lakshmisri.com

MUMBAI

2nd floor, B&C Wing,
Cnergy IT Park, Appa Saheb Marathe Marg,
(Near Century Bazar)Prabhadevi,
Mumbai - 400025
Phone : +91-22-24392500
E-mail : lsbom@lakshmisri.com

CHENNAI

2, Wallace Garden, 2nd Street
Chennai - 600 006
Phone : +91-44-2833 4700
E-mail : lsmds@lakshmisri.com

BENGALURU

4th floor, World Trade Center
Brigade Gateway Campus
26/1, Dr. Rajkumar Road,
Malleswaram West, Bangalore-560 055.
Ph: +91(80) 49331800
Fax: +91(80) 49331899
E-mail : lsblr@lakshmisri.com

HYDERABAD

'Hastigiri', 5-9-163, Chapel Road
Opp. Methodist Church,
Nampally
Hyderabad - 500 001
Phone : +91-40-2323 4924
E-mail : lshyd@lakshmisri.com

AHMEDABAD

B-334, SAKAR-VII,
Nehru Bridge Corner, Ashram Road,
Ahmedabad - 380 009
Phone : +91-79-4001 4500
E-mail : lsahd@lakshmisri.com

PUNE

607-609, Nucleus, 1 Church Road,
Camp, Pune-411 001.
Phone : +91-20-6680 1900
E-mail : ls pune@lakshmisri.com

KOLKATA

2nd Floor, Kanak Building
41, Chowringhee Road,
Kolkatta-700071
Phone : +91-33-4005 5570
E-mail : lskolkata@lakshmisri.com

CHANDIGARH

1st Floor, SCO No. 59,
Sector 26,
Chandigarh -160026
Phone : +91-172-4921700
E-mail : lschd@lakshmisri.com

GURGAON

OS2 & OS3, 5th floor,
Corporate Office Tower,
Ambience Island,
Sector 25-A,
Gurgaon-122001
phone: +91-0124 - 477 1300
Email: ls gurgaon@lakshmisri.com

ALLAHABAD

3/1A/3, (opposite Auto Sales),
Colvin Road, (Lohia Marg),
Allahabad -211001 (U.R)
phone . +91-0532 - 2421037, 2420359
Email: lsallahabad@lakshmisri.com

Disclaimer: *IPR Amicus* is meant for informational purpose only and does not purport to be advice or opinion, legal or otherwise, whatsoever. The information provided is not intended to create an attorney-client relationship and not for advertising or soliciting. Lakshmikumaran & Sridharan does not intend to advertise its services or solicit work through this newsletter. Lakshmikumaran & Sridharan or its associates are not responsible for any error or omission in this newsletter or for any action taken based on its contents. The views expressed in the article(s) in this newsletter are personal views of the author(s). Unsolicited mails or information sent to Lakshmikumaran & Sridharan will not be treated as confidential and do not create attorney-client relationship with Lakshmikumaran & Sridharan. This issue covers news and developments till 16th August, 2019. To unsubscribe, e-mail Knowledge Management Team at newsletter.ipr@lakshmisri.com

www.lakshmisri.com

www.gst.lakshmisri.com

www.addb.lakshmisri.com

www.lakshmisri.cn