

# LEGALFOXES LAW TIMES

## PASSING OFF: A STUDY OF LATEST TRENDS AND CONTROVERSIAL ISSUES

**By: Prachi Behl**

### **ABSTRACT**

This paper was the attempt to ascertain the current condition of the tort of passing off along with the recent advancement in it. It is necessary to know that the tort law is not a statutory remedy which is available to the plaintiff, though it is common law remedy. The tort of passing off has immense importance as it is a tort that provides protection against unauthorised use of a person's reputation or goodwill in the market. It also eradicates the confusion that arise amongst consumers due to the reason of similarity of the trademark.

Trademarks are considered as an invaluable asset or property of a person. Trademark is a brand or symbol, with which consumers associate products or services of the person who is proprietor of the mark. No one is allowed to copy or take undue advantage the trademark of any other person so as to cause a belief amongst public, of association of his goods or services with that of the goods, services or business of other person. Lord Halsbury observed that "no one has the right to represent his goods or services as that of somebody else", which became the base of law of passing off. In this paper we will study the changes in the notions of passing off from the time of its inception till the current scenario along with an attempt to identify the controversies that occur in context of the law of passing off.

**Keywords:** trademark, passing off, infringement, trends in passing off

### **INTRODUCTION**

The action of passing off is based on the principle of common law. The damages that could be claimed under an action for passing off are termed as un-liquidated damages. The action against

passing off is built on the basis of principle that “a man is not allowed to sell his own goods or provide services under the pretence that the goods or the services are of any other man.”

This view has also been taken in the case of *ICC Development (International) Ltd. v. Arvee Enterprises*<sup>1</sup> as well which stated that the action of passing off depends upon the simple principle that nobody has any right to represent his goods as that of someone else.”

In an action of passing off, the prior adoption as well as prior use of trade mark is given priority.

Though the term “passing off” is not defined under the Trademark Act, 1999, yet it is somehow referred under Section 27 (2), Section 134 (1) (c) as well as Section 135 of the Act.

Section 27 (2) states that the right to take action against a person for passing off the goods or the services belonging to another person or the remedies in that respect thereof will remain unaffected by the provision of the Act.

Section 134 (1) (c) states the jurisdiction of the courts to try suits for action against passing off arising out of the use of trademark belonging to someone else.

Section one 135 states the remedies that are available in an action of passing off arising from the use of trademark belonging to someone else.

Mostly, the cases of passing off cases are with respect to the misrepresentation that is deliberate and intentional, but it is a settled law that fraud is not considered as an essential element in the suit for passing off and the right of action as well as the absence of the intention to deceive the public could not be considered as a defence in the suit for passing off.

Although the proof with respect to the fraudulent intention of the defendant assists the plaintiff to establish the probability of deception.

The concept of passing off has gone through various changes during the course of time. Initially, it was restricted to the representation of goods of a person as those belonging to any other person. Afterwards, it was extended to cover business as well as the services.

Lastly, it was extended to cover non-trading activities as well as professions.

---

<sup>1</sup> (2003) 26 PTC 245(DEL)

Currently, it is applicable on unfair trading as well as on unfair competition where the acts of one person tends to cause damage or injury to the goodwill that is associated with any other person or a group of persons.

*Consumer Distributing Co. v. Seiko Time Canada Ltd*<sup>2</sup>

In this case it was held that the law of passing off does not only safeguards the interest of the proprietor of the trademark, it also protects the consumers from being misrepresented.

**HYPOTHESIS**

Indian laws are inadequate to cope with emerging trends of passing off.

**AIM**

This paper studies the concept of passing off in light of the emerging trends as well as controversial issues arising in trademarks and designs.

**OBJECTIVE**

- To study the concept of passing off.
- To ascertain the latest trends in passing off.
- To determine the controversial issues in passing off.
- To check the adequacy of law on passing off.

**ESSENTIALS OF PASSING OFF SUIT**

The law of passing off comes into the action when there is misrepresentation of goods or services belonging to someone else, goodwill of a person is harmed in the course of trade, by a person against whom the action is brought.

The characteristics of suit of passing off are discussed in a lot of cases, some of which are given below.

*Harrods v. Harrodian School*<sup>3</sup>

---

<sup>2</sup> [1984] 1 S.C.R. 583

In this case, three main elements of the tort of passing off, often referred to as “classical trinity” namely:

- i. Reputation;
- ii. Deception; and
- iii. Damage

were observed by the court to be considered as essential in a suit of passing off.

Once a person establishes misrepresentation, it can be inferred that the customers using those goods bought them under the misrepresentation of them belonging to the person having proprietary rights in them, unless evidence to the contrary is given.<sup>4</sup>

***Laxmikant V. Patel v. Chetanbhat Shah***<sup>5</sup>

In this case, the elements of passing off were considered to be:

- reputation associated with the goods,
- possibility of deception and
- likelihood of damage being caused to the goodwill of proprietor.

The tort of deceit (to deceive someone), is considered as the root of the action of passing off. It is a single common law that gives cause of action that is applicable to several factual situations.

The tort of passing off has undergone several changes during the course of time. The substantive law of passing off is immensely based on the common laws. The statute deals only with the rules of procedure and the available remedies.<sup>6</sup>

Passing off is considered as a common law tort, used in order to enforce the rights with respect to unregistered trademark.

---

<sup>3</sup> (1996) RPC 698.

<sup>4</sup> *Mirage Studio v. Counter Feat Clothings*, (1991) FSR 145

<sup>5</sup> AIR 2002 SC 275.

<sup>6</sup> P Narayanan- “Law of Trade Marks and Passing off” p.685 (2004, 6th Edition).

There is overlapping amongst the laws with respect to trademarks, designs and copyright, but passing off is tend to fill the gaps that may occur. There are end number of situations to which the tort of passing off is applicable.

The historical need to have a common field lead to the development of the tort of passing off. Initially, passing off actions were taken to protect the interest of the traders whose goods were substituted and sold by the goods of another without any authorisation.

The law of passing off was developed further in order meet the emerging requirements of the traders.

Although the basis for these developments are based upon the origins of tort of passing off, but recently the parameter of passing off is pushed beyond its origins by the courts.

*Cadila Health Care Ltd. v. Cadila Pharmaceuticals Ltd.*<sup>7</sup>,

The Hon'ble Supreme Court in this case, held that, in order to decide the question of deceptive similarity, the following are the necessary factors that are to be considered in an action for passing off of goods or services belonging to an unregistered trademark.

- i. Nature of the marks (word marks or label marks or composite marks)
- ii. Nature of goods for which the mark is used and action is taken
- iii. Extend of resemblance amongst the marks, (structural similarity, visual similarity, phonetic similarity)
- iv. Nature of goods of the rival traders.
- v. Type of class of customers purchasing goods or availing services which are being passed on.
- vi. Means via which orders for the goods or services are being placed.

## **REMEDIES UNDER PASSING OFF**

Section 135(1) consists of the reliefs that are available to the plaintiff in case of infringement and passing off.

---

<sup>7</sup> AIR 2001 SC 1952

The reliefs stated under this section are:

- An injunction which restrains the use of the alleged trade mark
- Damages or an account of profits.

Under the case of innocent infringement or passing off, if the criteria mentioned in Section 135 (3)<sup>8</sup> are satisfied, the court will only grant nominal damages, or an account of profits;

## **CHANGING TRENDS**

At first, passing off action protected trade names only, that are in connection to the source of the goods.

To cope with the emerging needs of the era, protection was extended beyond protection of a badge of origin.<sup>9</sup>

### ***Reckitt & Coleman Products Ltd v Borden Inc and Others***

In this case, it was held that in order to succeed in an action of passing off, it is necessary for the plaintiff to prove three elements.

- Plaintiff possesses goodwill associated with the goods or services,
- Misrepresentation must be made by the defendant which as a consequence, deceived the public,
- Due to misrepresentation, damage is caused to the plaintiff.<sup>10</sup>

### ***J Bollinger v. The Costa Brava Wine Co Ltd***<sup>11</sup>

This landmark case is based on the extended passing off. It permitted a specific class of traders to restrain their rivals from incorrectly applying descriptive terms.

It is settled beyond doubt that extended passing off required that the plaintiff must prove that the disputed term is associated by the customers with a particular location.

---

<sup>8</sup> Section 135(1) of TMA, 1999; section 106 of TMMA, 1958

<sup>9</sup> Stephen Todd- "The law of Torts in New Zealand" p.756 2nd Edition

<sup>10</sup> [1990] All ER 873,880 (HL)

<sup>11</sup> [1961] RPC 116

***ErwinWamick B V v. J Townend & Sons (Hull) Ltd(supra)***

In this case the House of Lords dispelled that, popular notion by restraining the incorrect application of the descriptive term 'Advocaat' that is associated with specific ingredients rather than a geographical location.

Thereby, extended the protection of passing off to the use of a descriptive term that is associated with a product that is distinctive and recognizable. i.e the geographical association will no longer be required.

Now, the traders have the right of protection against their rivals from imputing a connection amongst their products by use of a mark or a get up.

Traditionally the courts were not in the favour of extending the protection to geographical and descriptive terms, as the action of passing off tends to give to the plaintiff, monopoly rights with respect to the particular mark or get up if he succeeds in the action.

The Trademarks Act, 1999 provides rights and protection, not just to the registered marks but also to the unregistered trademarks in the form of remedies.

Even though statutory remedy is given to the registered trademark under section 28 of the Act, but section 27(2) of the Act also provides remedy in case of an unauthorized use of the unregistered trademark.

Tort of passing off is a common law which is most commonly used to protect goodwill that is attached to the unregistered trademarks. Passing off occurs, when one person is providing his goods or services as that belonging to any other person.

An action of passing off can be sought for both registered and unregistered trademarks, but the suit for infringement could be filed for only in the case of registered trademarks.

Though the concept amongst both differs, yet the objective behind both is essentially the same. Even Though the relief available for both infringement and passing off are injunction (permanent or interim), delivery of the infringing goods for the purpose of destruction, damages or account of profits and cost of the legal proceedings.

While in an infringement suit, it would be enough to prove the deceptive similarity in order to establish that liability of the infringer, but under the action for passing off, the plaintiff is liable to prove the deceptive similarity along with proving as to how the mark of the defendant is likely to create confusion amongst the public along with the likelihood of injury being caused to the goodwill of the plaintiff.

It is very necessary for the plaintiff to prove as to how his mark has attained the distinctive character with respect to his goods and that the people in general, associate the mark with his goods only.

The initial step towards proving passing off is to establish the prior use of a mark by the plaintiff.

***Consolidated Foods Corporation v. Brandon & Co. pvt Ltd***<sup>12</sup>.

*In this case, it was ascertained that the prior adoption and prior use of a trade mark supersedes the prior registration.*

***Satyam Infoway Ltd. vs. Siffynet Solutions***<sup>13</sup>

*Although ,Supreme Court has emphasised on prior use in this case while ascertaining that the action for passing off is available only to the owner of a distinctive trademark as well as to the person who has invented the mark or uses the mark (in case of invented names or marks).*

*In case of conflict between the two trades, each claiming to have invented the mark on its own, then the one capable of establishing prior user will supersede the other.*

*It is not necessary for the plaintiff to prove use since a long time for establishing his goodwill or reputation in the passing off action. Reputation and goodwill will be established on the basis of volume of sales as well as on the extent of advertisement.*

Misrepresentation is another crucial ingredient in the action for passing off action (It could be either intentional or unintentional or both). It has to be ascertained whether the sale of the

---

<sup>12</sup>AIR 1965 Bom 35

<sup>13</sup>(2004) 6 SCC 145

goods by the defendant would cause confusion amongst the man of common and ordinary prudence man.

***Telemart Shopping Network Pvt Ltd vsTvc Life Sciences Ltd &Anr***<sup>14</sup>

*In this case, it was ascertained that the word misrepresentation does not indicate that the plaintiff is liable to prove that malafide intention was present on the part of the defendant of the case.*

*Plaintiff only needs to establish that there is a likelihood of confusion amongst the public that the goods or services that are offered by the defendant are that of the goods or the services belonging to the plaintiff.*

Under the action for passing off, establishment of the following is considered to be the essence.

- the goodwill associated with the mark
- harm caused to the goodwill or
- ascertainment of the harm that could be caused to the goodwill.

Although an unregistered trademark imbibes higher burden as compared to the registered trademark.

Under the suit for infringement, plaintiff already has a legal right but this right has not been granted to the user of an unregistered trademark.

## **DIFFERENCE BETWEEN PASSING OFF AND TRADEMARK INFRINGEMENT**

Before discussing in what terms, the trade Marks Act, 1999, defines infringement and passing off it is best to understand the meaning of these terms in simple language.

---

<sup>14</sup>Delhi High Court CS(COMM) 115/2016

In a simplified sense, infringement means breach, violation. As per the Cambridge dictionary, the term infringement is defined as an action that tends to break a law or a rule.

Whereas when it comes to passing off, then Cambridge dictionary, defines it as, the illegal act comprising of selling a product that is similar to the product of another company which is legally protected by a trade mark.

## **INFRINGEMENT**

Term infringement is defined under Section 29 of the Trade mark Act, 1999. This section talks about various aspects with respect to the infringement.

As given in S.29(1) A registered trade mark can be infringed by a person who is not a registered proprietor or a person authorised by the way of permitted use, and still uses during the course of trade, a mark, which is identical or deceptively similar with the trade mark of any other person with respect to goods or services for which that person has availed the trade mark registration.

Other subsections of this provision specified that during the course of the use of the trade mark, it can lead to infringing the rights of other party if someone uses identical or similar trade mark in order to market like goods and services or if he/she uses a mark which is deceptively similar or identical with respect to the goods and services.

Sub Section (9) of this provision further states that the infringement can also be done by the spoken use of the words as well as by the visuals.

## **PASSING OFF**

The Trade mark Act, 1999 does not have an explicit provision that could state what passing off is.

Though there are a lot of common law judgments that enables the courts to ascertain as to whether the trade mark infringement is done in such a way that the impugned mark is not only deceptively similar to that of the trade mark belonging to other company but is also leading to

the creation of confusion amongst customers, which causes damage to the goodwill of the business of prior user of the mark.

***Perry v Truefitt***<sup>15</sup>

The fundamental principle behind the tort of passing off is that a man cannot be allowed to sell his goods under the pretence that they belong to some other person.

***Cadbury India Limited and Ors. V. Neeraj Food Products***<sup>16</sup>,

In this case, the High Court of Delhi clarified the difference between an action for passing off and trade mark infringement suits as follows:

- Action for trade mark infringement is considered as a statutory remedy whereas an action for passing off is considered as a common law remedy.
- A case trademark infringement requires as an essential condition, the usage of the trade mark belonging to the plaintiff, on the part of the defendant, whereas an action for passing off, this condition is not necessary.
- In a suit for trademark infringement, it is immaterial whether or not the defendant has added material which could distinguish his goods from that of the plaintiff. Whereas in the case of action for passing off of the trade mark, the defendant can escape from the liability if can manage to show that he added material which is sufficient to distinguish his goods from that of the plaintiff.
- In the case for infringement of trademark, the Plaintiff being a proprietor of a registered trade mark has the privilege to claim an exclusive right to use the mark with respect to his goods. Whereas an action for passing off, is an action for fraudulence.

***S. Syed Mohideen v. P. Sulochana Bai***<sup>17</sup>,

---

<sup>15</sup> 6 Beav 66, 49 E.R. 749

<sup>16</sup> 142 (2007) DLT 724

<sup>17</sup>2015 (2) RCR (Civil) 810

In this case, the Apex Court ascertained that the right of passing off is a much wider remedy than that of infringement.

This is because the operation of the doctrine of passing off is based on the general principle that no person is allowed to represent their business as that of any other person.

The said action of deceit is maintainable for a wide range of reasons whereas the privilege with respect to the registered marks only provides the rights which are allocated under the Act.

There is another drawback that is faced by those filing for an action of passing off. While as per the provisions of section 134 of the Act, a suit for trademark infringement can be filed under District Court or High Court.

Whereas the registered proprietor has the privilege to file suit in the local limits of the court where he resides or carries on his business or where he works for gain, when he instituted the suit. Whereas the suit for passing off has to follow the jurisdiction rules that are stated under section 20 of Code of Civil procedure i.e. suit for passing off can only be filed in a District Court.

Therefore, it is evident that suit for infringement avails more benefits over a suit for passing off. Although the procedure with respect to the suit of passing off is same for the marks despite of them being registered or an unregistered mark, but the burden of proof becomes higher when it is in terms of an unregistered mark as in this case, it becomes a little difficult to establish the goodwill and reputation.

A registered proprietor often prefers to file a suit for infringement instead of filing a suit for passing off. Despite of all of this, allowance of a certain extent of protection to the unregistered trademarks, under this act is such a relief to a lot of users who would have been deprived of any sort of legal remedy against the violation of their marks.

Registration of a trademark is a pre-requisite in the suit for trademark infringement WHEREAS this requirement is not a pre-requisite in action for passing off.

Under the suit for trademark infringement, there is a presumption with respect to the confusion amongst public and the plaintiff only has to show that there is deceptive similarity of the said marks.

Whereas under the action for passing off, plaintiff has to prove deceptive similarity of the marks along with creation of confusion amongst public as well as the threat of injury being caused to the goodwill of the plaintiff.

## **CONTROVERSIAL ISSUES**

In India, the owners of Intellectual property continue to face the problems with respect to the counterfeiting as well as infringements of their trademarks, the emerging trend includes, within its ambit, the adoption of well-known marks as an essential part of their trading style or their corporate name by the infringers.

Although, the intention behind these acts is to select a name that easily gives an impression of having an association with a well-known mark belonging to someone else so that the infringer can avail the benefits of the goodwill earned by the proprietor of the trademark.

It is often seen that, in order to prove honest adoption on the part of the infringer, they are likely to adopt the marks in relation to a business that differs from that of the business of trademark holder.

Also, the misusers have the tendency to twist the name a bit or add a suffix or prefix to the well-known mark in order to claim that they have coined the mark.

With the constant development in the sector of Information Technology, the well-known marks such as INTEL, GOOGLE, INFOSIS, HP, DELL etc become the easy victims of trademark infringements. In these circumstances, since the marks are being misused via using them as a part of the trade names, a case against the infringement of trademark is least likely to be formed here.

This situation creates the pressure is upon the owners of the brand to provide adequate evidence with respect to their goodwill as well as reputation vested in their corporate to show that it is likely to create confusion amongst the public.

The concept of passing off has gone through several changes during a very short span of time. As initially, it was based only upon the representation that the goods of a person are marketed as that of any other person.

***Bata India Limited v. M/S Pyare Lal & Co.*<sup>18</sup>,**

In this case, a new concept has now developed to include profession and non-trading activities and at present it is applicable to various forms of unfair trading where such activities caused damage or injury to the goodwill that is associated with the activities of some other person.

***Erven Warnink B.V. v. J. Townend & Sons (Hull) Ltd*<sup>19</sup>**

In this case, Lord Dipock had stated the essential characteristics of a passing off action in the following words:

- i. misrepresentation,
- ii. that is made by a person during the course of trade,
- iii. in front of the ultimate or prospective customers of his goods or services that are supplied by him
- iv. which is thereby calculated in order to cause injury to the goodwill or business of another trader and
- v. which tends to cause actual or potential damage to the goodwill or business of the trader by whom the action for passing off is brought.

In case of companies seeking registration with the Registrar of companies (ROC), although only such company names are approved that are not identical with companies already registered. However, the search system is not full proof.

---

<sup>18</sup>AIR 1985 All. 242

<sup>19</sup>1980 RPC 31

Hence, a misuser can easily overcome the objection by merely adding a prefix or a suffix or by the way of adopting a name or mark as opposed to the mark which is identical. Also, the Companies Act has no provision to protect trademarks.

Therefore, amongst infringers, it is commonly observed that they need to obtain clearance for a company name that consists of a trademark that is well-known.

Therefore, the misusers cleverly adopt famous trade names and get them approved from the Registrar. Consequently, in a dispute with respect to trade name, the primary argument made by the infringers is that they had sought Registrar of company's prior approval in order to make use of the name who did not find it conflicting with the name of any of the prior existing companies.

Thus, an infringer is can surely take the advantage of the fact of, there being, no provision to check if the desired company name is a registered mark or a well-known trade mark, and there would be no need to obtain clearance from the Trade Mark office.

Interestingly, as per the provisions of new Trade Marks Act, 1999 along with the amendments that are made to the Section 20 of the Companies Act, 1956, a company name that is identical to a registered trade mark or a trade mark which is subject of an application for registration may not be registered.

The Registrar of Trade Marks needs to be consulted in order to confirm this.

The amendments made in the Companies Act as well as the new Trade Marks Act have also made certain provisions for the owners of the registered trademarks, who now have the right to move an application to the Central government, thereby informing them regarding the existence of a name of a company which is identical or similar with respect to their registered marks.

If satisfied with respect to the similarity of names, the Central Government, can direct the company to change its name within a tenure of three months. The time limit under which an

objection could be filed by the Intellectual Property holder has been fixed to five years from the date of registration of the company.

The amendments that are made to the Companies Act are duly respected and accepted by the trade mark owners who certainly had no option other than to initiate civil action for passing-off in case a third party tries to copy their registered mark as its trade name.

As the above stated provisions came into force, the owners of the trademark would be able to resort to the administrative remedy under the Companies Act so that they can remove the infringing name from the Register.

Although, it would be challenging to witness the extent and time frame during which the Central government would be able to make available, the relief to the trademark owners.

*Chocosuisse Union des Fabricants Suisses de Chocolat Case*<sup>20</sup>,

In this case, it was held that the boundaries of passing off have been pushed much beyond their traditional limits. This judgment further tends to extend the tort of extended passing off. Action for passing off is specifically an action in tort.

The objective of this tort is to ensure protection to the commercial goodwill as well as to ensure that the business reputations of the people are not exploited.

Since goodwill of a business is an asset, Therefore, a species of property, protected by the law is completely against its encroachment.

*Ellora Industries v. Banarsi Pass*<sup>21</sup>

---

<sup>20</sup> (1998) 41 IPR 1 (HC)

<sup>21</sup> AIR 1980 Del 254

In this case, it was ascertained by the court that what can be protected is considered as an economic asset. Economic policy along with the necessity to provide encouragement to the enterprise and also to ensure the commercial stability is considered as the basis of this tort.

The tort of passing off is no longer anchored, to the trade name or trademark of a business or a product, as it was in its early nineteenth century when it was formulated.

It is considered to be wide enough to encompass within its ambit, other descriptive material, including slogans or visual images, whether in newspaper or television or radio, advertising campaigns that can lead the association of the mark with that of the plaintiff's products, provided that the descriptive material has become essential part of the product's goodwill.<sup>22</sup>

## **PASSING OFF TRENDS UNDER DESIGN ACT**

It is ascertained that the remedy of Passing off was once considered as a common law remedy which was available for the trademarks only.

With the development in the scope of passing off along with addition of its applicability to the designs laws as well, thereby leads to accrual of further interesting questions and discussions in the realm of Intellectual Property, which is currently under discussion amongst the Indian Courts.

*As it is a Common law remedy of passing off which is also available with respect to the Design Act, 2000, there comes a question with respect to the filing of Composite suit for the Design Infringement and for the action of passing off of a Design.*

The remedy available for the passing off under the Designs Act, 2000 is the common law remedy.

It is clear, beyond any doubt that the action for passing off is a common law remedy which can be enforced for the unregistered trademark rights as well.

---

<sup>22</sup> K S Shavaksha- "The Trade and Merchandise Marks Act 1958" p.129 (1999, 3rd Edition)

But historically, common law remedy with respect to passing off was available only for the trademarks.

***Smithkline Beecham Plc. and Others versus Hindustan Lever Limited and Others***<sup>23</sup>

In this case, it was reported by the Hon'ble Delhi High court that the action for Passing off of a design is explicitly available under the Designs Act, 2000.

While ascertaining this, the Hon'ble Court rejected the plea made by the Defendant therein that the action for passing off is not applicable to a case of design, and also observed that the concept of registered designs is clearly set out in the Designs Act itself, although the law with respect to passing off is given under the Common Law Rights.

Thus, both of the rights are distinct as well as different thereby arising from two different sort of situations.

***Micolube India Limited and Others versus Rakesh Kumar and Others***<sup>24</sup>

*In this case* the High Court of Delhi considered the proposition that Whether the remedy of passing off can be availed in absence of express saving or preservation of common law with respect to the Designs Act, 2000 and specifically when the rights as well as the remedies that are available under the Act are statutory in nature.

It was ascertained that remedy of passing off with respect to the claim of protection for shape of articles cannot be availed for the purpose of rights enforcement as well as the remedies that are available under the Design Act and this sort of remedy is not present anywhere under the Designs Act considering the narrowed objective behind this Act i.e. to ensure limited protection without any sort of unnecessary extension.

However, If the action of passing off is allowed to subsist despite of whether the design is registered or expired, it would ensure that the Design Act is rendered purposeless.

---

<sup>23</sup> 2000 (52) DRJ 55

<sup>24</sup> 199 (2013) DLT 740

Therefore, it was held that the remedy of the passing off would be available in case in which, the competitor not only copies the shape of the article that is already existing in the public domain but copies the trade dress and get up as well as any other feature in which case, the proprietor has the right to take action to the extent that there is confusion as to source as indicated on the packaging of the article.

### **COMPOSITE SUIT OF DESIGN INFRINGEMENT AND PASSING OFF**

The legal position upon this facet of law has gone through a tremendous change in light of the judgments passed by the Delhi High Court. It was previously observed by a three Judge bench of Hon'ble High Court in

#### ***Mohan Lal and Other versus Sona Paint & Hardwares and Others***<sup>25</sup>

*In this case, it was held that a composite suit for infringement with respect to a registered design and an action for Passing off would not lie. The Court further ascertained that it is completely upon the discretion of the Courts to however, try both of the suits altogether, if both of the suits are filed in very close propinquity, court it is of the view that there is presence of certain aspects which are common for both of the suits. The ultimate discretion of the court would necessarily be preponderant, in this matter. It is noteworthy, that while ascertaining this, the Hon'ble Court paid no attention towards the Order II, Rule 3 of the Code of Civil Procedure, 1908 which allows for the joinder of the cause of actions.*

However, in the recent judgement of *Carlsberg Breweries A/S. vs. Som Distilleries and Breweries Ltd*, delivered by five Judges bench by High Court of Delhi, the position of law is completely altered.

#### ***Carlsberg Breweries A/S. vs. Som Distilleries and Breweries Ltd***<sup>26</sup>

In this case, the court observed that one composite suit has to be filed by the Plaintiff against the Defendant by the way of adjoining two causes of action, out of which one is for the infringement

---

<sup>25</sup>200 (2013) DLT 322

<sup>26</sup>256 (2019) DLT 1

of the registered design belonging to the Plaintiff and the second one is against the Defendant which is an action for passing off his goods as that of the goods of the Plaintiff, on the basis of the goods passed off by the Defendant, being fraudulent or sheer imitation i.e. the goods that are identical or are deceptively similar, to the goods belonging to the Plaintiff. Thus, this pronouncement made by the High Court has led to the overruling of its earlier judgement given in the case of *Mohan Lal and Ors (supra)*.

### **PASSING OFF SUIT AGAINST A DESIGN REGISTRANT**

#### ***Whirlpool of India Ltd. versus Videocon Industries Ltd.*<sup>27</sup>**

In this case, the High Court of Bombay has upheld the scheme stated as under Section 22 of the Designs Act that specifies the actions against any person under this section. A design which is registered can be cancelled and the registration can be set aside or the registered proprietor can be restrained by the way of an injunction order from making use of such design either by the Controller under the provisions of Section 19 of Act or under the provisions of Section 22 of Act by High Court as per the facts and circumstances of the given case.

If a registered proprietor does not make use of his design to an article intended for sale or with respect to any connection with such sale, then another registered proprietor cannot have recourse to the provisions of section 22 of Act.

Therefore, remedy given under the Section 22 of Act can only be availed where the impugned design is in use. While giving a simple reading of Section 22 of Act and sub-sections (1) to (3) in particular, it can be easily ascertained that, suit with respect to the infringement of a registered design can be made out against any person which includes even a registered proprietor.

Thus, registered proprietor of a design can file a suit for infringement of design, against the registered proprietor that design as per Section 22 of Act.

#### ***Cello Household Products and Others versus Modware India and Others*<sup>28</sup>**

---

<sup>27</sup>2014(60)PTC155(Bom)

*In this case*, the Hon'ble High Court of Bombay has laid down the grounds that could be applied in order to test whether an action for Passing off constitutes or not. It was observed by the Court that under the action for Passing off, the Plaintiff needs to satisfy all three conditions which are termed as Classical Trinity:

- i. reputation as well as the goodwill associated with the goods
- ii. misrepresentation made by the Defendants
- iii. damage caused to the plaintiff

Under the case of infringement or passing off with respect to a design, it is not required that every single aspect must be concocted which is unknown in generality.

It is a general rule that combining of the selected features under different publications of prior art, is not allowed, while ascertaining the newness of an invention.

Thus, an action against the Passing off with respect to a Design needs to be construed while considering the pronouncements of the court stated above.

## **CONCLUSION**

In the mid-income country like India where the significant population live in the rural area, it becomes very easy to pass off the goods belonging to someone else. Passing off is very significant economic tort. Moreover, it is a pre-requisite for providing protection to the interest of the trade as well as business. In this paper, an attempt has been made to understand the tort with respect to off passing.

Ironically, a legitimate arrangement has been observed amongst vast majority of these cases. From the Trademarks Act, 1999 providing insurance against the act of passing off, circumstance has been changed drastically, as it is apparent from the Indian cases which mainly concerns passing off in the current as well as in the past scenario. There has been some applaudable

progress by the way of framework of customary law and now has characterized certain standards for it as well.

## REFERENCES

1. P Narayanan- "Law of Trade Marks and Passing off" p.685 (2004, 6th Edition)
2. Stephen Todd- "The law of Torts in New Zealand" p.756 2nd Edition
3. K S Shavaksha- "The Trade and Merchandise Marks Act 1958" p.129 (1999, 3rd Edition)
4. [www.lexology.com](http://www.lexology.com)
5. [www.ipindia.nic.in](http://www.ipindia.nic.in)
6. [www.legalserviceindia.com](http://www.legalserviceindia.com)
7. [www.ip-watch.org](http://www.ip-watch.org)
8. [www.wipo.int](http://www.wipo.int)