

Privy Council Appeal No. 18 of 1939

Allahabad Appeal No. 22 of 1935

Thomas Bear & Sons (India) Limited - - - - Appellants

v.

Prayag Narain and another - - - - Respondents

FROM

THE HIGH COURT OF JUDICATURE AT ALLAHABAD

JUDGMENT OF THE LORDS OF THE JUDICIAL COMMITTEE OF
THE PRIVY COUNCIL, DELIVERED THE 7TH MARCH, 1940

Present at the Hearing:

VISCOUNT MAUGHAM.

LORD PORTER.

SIR GEORGE RANKIN.

[DELIVERED BY VISCOUNT MAUGHAM]

This appeal is against a decree of a Division Bench of the High Court of Judicature at Allahabad dated the 13th March, 1935. That Court affirmed the decree of the Additional District Judge of Cawnpore in an action brought by the appellants to restrain infringement of trade mark rights and passing-off. At the hearing before their Lordships the respondents were not represented; but the case of the appellants was placed before the Board with equal ability and fairness by their counsel.

The appellants are manufacturers and sellers of cigarettes and of tobacco described as "Virginia Bird's Eye" smoked in pipes. These goods are marketed in a European style. Both the said cigarettes and the tobacco have from a date long before 1922 been sold in India (by the appellants and their predecessors) in packets and in tins bearing a mark the distinguishing feature of which is the representation of an elephant and the packets and tins of cigarettes have also borne the designation "Elephant Cigarettes". Upon the tobacco the representation of the elephant has appeared in red and upon the cigarettes the representation of the elephant has appeared on a red background. These goods were well known and asked for throughout India as "Elephant Mark", "Hathi Markha", "Lal Hathi" and the like.

The defendant has been manufacturing and selling chewing tobacco since 1926, that is, some three years before the action was brought. He sells in packets and in tins. The commodity in the packets is intended for use with *chunars* (lime), that in the tins for use as an addition to *pan* (betel)

Certain ingredients are added to give fragrance to the article. The tobacco is grown in India. Both the packets and the tins have the picture of an elephant on them, not unlike the elephant used by the plaintiffs though there are differences, particularly in colour, which is black or red as used by the appellants and white as used by the respondent. In other respects the packets and the tins are quite unlike the containers in which the appellants' goods are put upon the market, and the respondent's labels bear the firm name "Rama & Company", while the appellants' goods bear their own name.

The appellants, of course, did not contend that any persons would purchase the respondent's chewing tobacco in the belief that it was smoking tobacco manufactured by the appellants. Their contention was a very different one; they said that having regard to the reputation they had acquired in India in connexion with smoking tobacco and cigarettes sold under the elephant trade mark and frequently asked for as "elephant" tobacco or "elephant" cigarettes, the use of the elephant on the respondent's chewing tobacco was calculated to lead persons buying that article to believe that it was manufactured or put upon the market by the appellants.

There is no statutory law in British India relating to trade marks, and the law which is applied there on the subject is substantially the same as that applied in England before the Trade Marks Act, 1905. It is, however, plain that conditions peculiar to India must be borne in mind in applying any doctrine of English law, and that English decisions which turn or partly turn on questions of fact—as do most cases of common law trade marks and passing-off—can only be applied with care and circumspection. The general principle, founded as it is on justice and equity, is the same in both countries. "No man", as James L.J. said in the case of *Singer Manufacturing Co. v. Loog* (1880) 18 Ch. D. 395 at p. 412, "is entitled to represent his goods as being the goods of another man; and no man is permitted to use any mark, sign or symbol, device or means, whereby without making a direct false representation himself to a purchaser who purchases from him, he enables such purchaser to tell a lie or to make a false representation to somebody else who is the ultimate purchaser."

It is clear that the right of property that may be acquired in such a trade mark is based on the proved association in the market of the device, name, sign, symbol or other means in question with the goods of the plaintiff, so that the use by the defendant on such goods of the trade mark will amount—whether the defendant intends it or knows it or not—to the false representation that the goods are manufactured or put on the market by the plaintiff. There can obviously be no monopoly in the use of the trade mark. A manufacturer of cigarettes under an undoubted trade mark such as an animal, or any other device, cannot legally 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*, L.R. 12 A.C. 453). 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. This may depend on a number of matters as well as the question of similarity of the marks or of the get-up. Witnesses can be called to prove the circumstances and the places in which the articles are sold, the classes of persons who buy them, and whether they include persons who are illiterate or ignorant or the reverse, the manner in which the public are accustomed to ask for the articles, and any other matters which will assist the Court to decide whether deception is probable. Evidence of actual deception may be available and if available may be very valuable. There is no such person as an expert in human nature, and it is now well settled that a witness cannot be called to say that it is likely that purchasers of the goods will be deceived. This can only be a matter of opinion formed after the dispute has arisen and too often without any judicial consideration of the opposing contentions. On the other hand a person who is accustomed to buy the articles in question may be called to say that he would himself be deceived, and cross-examination will often show what weight should be attached to such a statement.

It seems desirable to state the views of their Lordships on some of the topics of criticism of the views of the learned Judges which were urged on behalf of the appellants. Their Lordships think that the test of comparison of the marks side by side is not a sound one, since a purchaser will seldom have the two marks actually before him when he makes his purchase; and marks with many differences may yet have an element of similarity which will cause deception, more especially if the goods are in practice asked for by a name which denotes the mark or the device on it. This has been settled in England since the case of *Seixo v. Provezende* ([1865] L.R. 1 Ch. App. 192), where there will be found some remarks by Lord Cranworth L.C. very relevant to this matter. He also pointed out (at p. 197) that the adoption by a rival trader of a mark which would cause his goods to bear the same name in the market, may be as much a violation of the rights of the first owner as the actual copy

of his device. This same view was taken in the case of *Johnston v. Orr Ewing* [1882] L.R. 7 A.C. 219, a case relating to the use of two elephants on tickets placed upon goods for sale in India. (See as to the effect of the differences between the tickets the remarks of Selborne L.C. at pp. 224 *et seq.*) Further, it is not an answer to the claim of a trader who has established, as the appellants have done in the present case, the right to a trade mark (e.g., a device or a fancy word) to say that, apart from the device or the word, the labels or containers of the rival trade are very different from those of the trade mark owner. It may be observed that, if it were so, such a trade mark would be of little value, for its use by several traders would soon result in its becoming common to the trade. (See *Wotherspoon v. Currie*, L.R. 5 H.L. 508 and *Johnstone v. Orr Ewing*, 7 A.C. at pp. 225 and 226.) In the present case there may well have been persons who knew of the reputation of the appellants' "elephant mark" goods, but were illiterate or did not know or did not remember the particular get-up of their goods; and again the differences of labels and get-up might have been supposed to have been made by the appellants themselves in putting a different or cheaper article upon the market. Their Lordships, however, are not to be understood as saying that the differences in get-up are immaterial; for they must inevitably form an element in considering the question of probability of deception by the use of the mark.

It is a remarkable feature of the present case that there was neither evidence of actual deception, nor any evidence from members of the public that they themselves would be deceived. It is to be observed that the important issue was, not whether the use of the elephant on smoking tobacco or on cigarettes would be likely to cause deception; but whether its use on chewing tobacco in the circumstances in which that article is sold by the respondent would be likely to cause deception, that is, to cause ordinary purchasers to purchase the chewing tobacco of the respondent in the belief that it was manufactured by or put upon the market by the appellants. The difficulty of answering this question in the affirmative in the absence of evidence as to the probability of deception is apparent from the fact that, apart from the trial Judge, who was not satisfied that there was any point of resemblance between the trade mark used by the appellants and that used by the respondent, King J. in the High Court alone thought that the probability of deception would exist whilst Iqbal Ahmad J. took the other view and Niamat Ullah J. (to whom the matter was referred under clause 27 of the Letters Patent of the High Court having regard to the difference of opinion between the two Judges in the High Court) came to the conclusion in his careful judgment that whilst some ignorant and indiscriminating persons might be deceived, persons exercising ordinary caution would not be likely to assume that the chewing tobacco sold by the respondent was manufactured by the appellants.

Their Lordships see no reason to doubt the finding of the trial Judge that the appellants had acquired a proprietary right in respect of their elephant trade mark with reference to their cigarettes and Virginia Bird's Eye tobacco. Nor are they of opinion that the appellants' right is confined only to the sale of the same kind of cigarettes and of Virginia Bird's Eye tobacco; for, in the absence of strong evidence to the contrary, such a mark would ordinarily extend to protect goods so similar in kind to the goods actually put upon the market by the trader in connexion with the trade mark that it is an almost inevitable inference that such goods would be manufactured or marketed by the trader. In other words the probability of deception in the case of goods of a closely similar kind to those actually marketed by the plaintiff would be proved in the course of establishing the trade mark. No such inference could be made in the present case as regards the respondent's goods, since the chewing tobacco he sells differs widely in appearance and in use from the goods sold by the appellants.

Some of the learned Judges in India seem to have taken the view that it was for the Court to decide as to the area of trade protected by the appellants' trade mark, that is, to answer the question whether the use of the trade mark on goods not closely similar in character to the appellants' goods would be likely to deceive. A number of well-known authorities were cited which it was thought would throw light on the correct answer to this question. Their Lordships must repeat that this question is one of fact on which evidence is essential. The question differs from the question whether a particular mark or name is an imitation or a colourable imitation of a mark or name used by the plaintiff. There the Judge has before his eyes the materials for a decision; and in some cases it cannot be doubted that the Judge can himself decide on the degree of resemblance or on the materiality of alleged differences of the marks or words (*North Cheshire and Manchester Brewery Co. v. Manchester Brewery Co.* [1899] A.C. 83; *Payton & Co., Ltd. v. Snelling, Lampard & Co., Ltd.*, 17 R.P.C. 628, per Lord Macnaghten at p. 635). If the decision of the Court of Appeal in *London General Omnibus Co. v. Lavell* ([1901] 1 Ch. 135), or some of the dicta in that case are contrary to these decisions, it cannot be relied upon. On the other hand there are many trade mark and passing-off cases which cannot be decided by a visual comparison of the rival marks or names and must depend on the evidence of witnesses. That indeed is nearly always the case when there are factors involved other than the mere resemblance of the marks or words. In the present case a Judge may be entitled to form his own view as to the resemblance of the elephants in shape and colour or on the differences between them; but their Lordships are of opinion that a Judge cannot properly decide except upon evidence as to the classes or kinds of goods which are protected by the appellants' mark, or, to be more precise, on the question whether purchasers of chewing tobacco from the respondent in the packets and tins above described are

likely to be misled into thinking that that article is manufactured or put upon the market by the appellants. This question is one which does not depend on a matter of resemblance. As already pointed out, the appellants have no monopoly in the elephant as a trade mark. The English cases may be instructive as showing the way in which such a question should be approached, but the actual decisions depending as they do on what purchasers would be likely to think in England are not a guide in India.

Their Lordships are not disposed to attach much importance to the fact that the appellants were unable to call evidence of actual deception, and they are well aware of the fact that the procuring of evidence of probability of deception is often a difficult and troublesome task. On the other hand the appellants had to establish their case, and in the complete absence of evidence on the point to which attention has been above directed, their Lordships must come to the conclusion that they failed to do so.

Their Lordships will therefore humbly advise His Majesty that this appeal ought to be dismissed.

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In the Privy Council.

THOMAS BEAR AND SONS (INDIA)
LIMITED

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PRAYAG NARAIN AND ANOTHER

DELIVERED BY VISCOUNT MAUGHAM

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