

Delhi High Court

Biswaroop Roy Choudhary vs Karan Johar on 28 July, 2006

Equivalent citations: 131 (2006) DLT 458, 2006 (33) PTC 381 Del

Author: V Sen

Bench: V Sen

JUDGMENT Vikramajit Sen, J.

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1. These Orders shall dispose of the Plaintiff's application under Order XXXIX Rules 1 and 2 read with Section 151 of the Code of Civil Procedure seeking an interim injunction restraining the Defendants from using the trademark/title Kabhi Alvida Naa Kehna (hereinafter referred to as 'KANK') and from making any adverse statements against the Plaintiff. The application has been filed in this Suit for permanent injunction; for rendition of accounts of profits earned by the Defendants under the impugned trademark/title; and for a decree directing the Defendants to deliver-up all material pertaining to the impugned trademark/title for the purpose of destruction.

2. The Plaintiff asserts that he had applied for registration of the trademark/title KANK on 17.5.2005 under the Trade Marks Act in Class 41. The Registrar had ordered its advertising on 20th June, 2005, which occurred on the Journal dated February 15, 2006. Thereafter, on 23.6.2005 the Mahoorat of the film had taken place in the presence of Ms. Aruna Irani. It is submitted that the Plaintiff commenced Production. At the time of arguments it has been conceded by learned Counsel for the Plaintiff that only about 40 per cent of the shooting has been undertaken. Although some newspapers and trade magazines carried reports of the Defendants film under the same name KANK, the Plaintiff could not initiate Page 2756 legal action predicated on such reports. In September, 2005 the Defendants' Mahoorat took place and immediately thereafter the Plaintiff issued a legal notice dated 13.10.2005 to the Defendants. A communication was also addressed to the Registrar of Trademarks informing it of the disputed use of the film title.

3. The Defendants, however, have asseverated that on 13.1.2005 they had approached the Secretary, Association of Motion Pictures and TV Programme Producers for the title registration of KANK-Feature Film and TV. By letter dated 7.5.2005 a 3rd party, namely, Mr. Vinod Pande, had transferred this title, apparently registered by him, to the Defendants. Similarly, Ms. Aruna Irani as Director of A.K. Films Pvt. Ltd. had also transferred the title to the Defendants but restricting it to be used for a film only. The Defendants have also filed photocopies of the Notice circulated by the Association of Motion Pictures and T.V. Programme Producers dated 12.5.2005, thereby informing the public that the feature film KANK stood registered in favor of the Defendants. The Defendants have filed photocopy of the letter dated 14.6.2005 of the Film and Television Producers Guild of India (hereinafter referred to as Guild) recording registration of this title in their favor. Learned Counsel for the Defendants have not controverted the fact that although the Plaintiff's legal Notice had been received by the Defendant, no Reply thereto has been filed. In June 2005 the Defendants had addressed two letters to the Guild complaining of the competing use of the title KANK.

4. It is within this factual matrix that the rights of the parties fall to be determined.

5. Mr. Bansal, learned Counsel for the Plaintiff, contends that reliance on Press Reports of competing and conflicting use of the title KANK was not sound foundation for initiation of legal action, keeping in view the opinion of the Supreme Court in State of Haryana v. Ch. Bhajan Lal . Even if this is so, there is no plausible explanation for the Plaintiff's failure to initiate legal action immediately upon the Mahoorat performed by the Defendants in September 2005. This aspect of the case shall be reverted to later. Delay is always a determinative factor in debates relating to interim injunctions.

6. McCarthy on Trademarks contains the following exposition of the law which is topical to the present dispute:

The term 'literary title' is used here to encompass titles of books, periodicals, newspapers, plays, motion pictures, television series, songs, phonograph records, cartoon features and the like. In general, such titles are protected according to the fundamental tenets of trademark and unfair competition law. That is, such titles cannot be used by a junior user in such a way as to create a likelihood of confusion of source, affiliation, sponsorship or connection in the minds of potential buyers. For these purposes, titles of literary and entertainment creations and works are treated in much the same way as the trademarks of other commercial commodities.

Whilst this treatise makes a distinction between titles and trade-marks, it recommends protection even in respect of the former. There is good Page 2757 reason for treating a Title akin to property, the wrongful exploitation of which can be interdicted by the Court.

7. British Broadcasting Corporation v. Tablot Motor Company Ltd., Fleet Street Reports [1981] 288 related to the use of the system CARFAX, a name which had been conceived by the BBC. Before it was actually put into use or exploited, the Defendants filched on to the name and started using it, with full knowledge that the BBC was first in the field so far as the name was concerned. The Court opined that although the scheme had not yet been launched, it did not prevent the BBC from having built-up a goodwill in it which justified protection. Reference was made to W.H. Allen v. Brown Watson Ltd. [1965] R.P.C. 191 in which protection was extended to the title of an unpublished book against all publication of a rival book under the identical name. A reading of that Judgment leads to the conclusion that it could militate against either party, depending entirely on which of them was the junior or subsequent user of the title. In the present case neither party has conceived or authored the words Kabhi Alvida Naa Kehna since admittedly they are part of the lyrics of an extremely popular film song of a vintage spanning over a quarter century. This would marginally distinguish the ratio in the BBC case. Learned Counsel for the Plaintiff has also relied on Lego System Aktieselskab v. Lego M. Lemelstrich Ltd., Fleet Street Reports [1983] 155. In Lego System the Court referred extensively to the disputes pertaining to the name `Harrods' as well as the decisions in the `Advocaat' and the `Champagne' cases. A distinction was drawn between the classic case of tort of passing off where `A' attempted, by deception and/or clever copying, to deceive a customer into buying his goods mistaking them to be that of 'B'. It observed that this complaint was essentially against a misrepresentation by the Defendants. In this genre of cases the Defendant's efforts are to illegally and dishonestly exploit the goodwill enjoyed by the Plaintiff. It seems to me that the grievance of the Plaintiff in such cases would not only relate to loss of profits, in the sense of

one of its dedicated customers being induced to buy products of Defendants thinking them to be that of the Plaintiff, but also the ever present danger of the Defendants' product being of such substandard or inferior quality as to inexorably lower or endanger the Plaintiff's goodwill in the market. There is yet a third aspect which will outweigh the others, namely, the customers' right to purchase only those products/goods which he actually intends to buy. Such a person cannot be expected to be extra vigilant and alert against all and every misleading devices and dissimulations of dishonest traders and manufacturers. In the Lego System the parties' right to exclusive use of a trademark even where goods were not being passed off in the typical or classical sense was upheld.

8. In *Mars Incorporated v. Kumar Krishna Mukerjee* 2003(6) PTC 60 (Del) a quia time injunction was issued for 'Mars'. Justice D.K. Jain, as his Lordship then was, found in *Radhika Agro Industries Pvt. Ltd. v. Paawan Agro Foods Ltd.* 1998 PTC (18) that the Plaintiff had actually used the trademark Jeevan Dhara prior to the Defendants adoption Pawan Dhara. Learned Counsel for the Plaintiff has also relied on the decision of another Single Bench of this Court in *Hindustan Pencils (P) Ltd. v. India Stationery Page 2758 Products Co.* where it has been opined that inordinate delay would not defeat an action for the grant of a temporary injunction especially where the use by the Defendant of the mark was fraudulent. Reliance has also been placed in *Gujarat Bottling Co. Ltd. v. Coca Cola Company* where the principle of approaching the Court with clean hands was found to be equally applicable to the Plaintiff as well as the party seeking the removal of an injunction.

9. On behalf of the Defendant an Affidavit has been filed deposing that the production costs of the film incurred by the Defendants are approximately Rs. 45 crores; that the music rights have been sold by the Defendant to Sony BMG Music Entertainment (India) Pvt. Ltd. for Rs. 5 crores and one million copies of cassettes have already been sold; and that the motion picture KANK is ready for commercial release. *Uniply Industries Ltd. v. Unicorn Plywood Pvt. Ltd.* has been cited for the proposition that where it is clear that there is common field of activity between the two parties in respect of goods and trademark sought to be used, an injunction can be declined. Reliance has also been placed on *Prina Chemical Works v. Sukhdayal* 2nd (1974) I Delhi 545 where the Division Bench held that 'any party seeking relief against the infringement of trademark or in passing off action and against unfair competition' must approach the Court with clean hands.

10. After careful consideration I am of the opinion that the Plaintiff is not entitled to an injunction. As has already been recorded above neither of the parties has authored or conceived of the catchy phrase/title KANK, which has been on the lips of any number of persons on any given day, throughout India. Where words or phrases in common parlance are sought to be used with exclusivity, the Court should take care to determine which of the parties has ended its journey or traversed appreciably longer way in the use of such words as a trademark or as a title. Normally, proprietary or exclusive use of a common word should not be given jural imprimatur. The folly of doing so has been manifested in the case of neem, haldi, basmati, etc. In the present case, it has not been denied by learned Counsel for the Plaintiff that the Defendants are in a position to immediately release the film KANK for commercial exploitation. In fact, an expeditious and early hearing was prayed for by him because of the anticipated immediate release. It has also been admitted that the Plaintiff so far as his production is concerned has journeyed less than half the distance, and proof even to this effect is not forthcoming. The Plaintiff has tendered as evidence a compact disc (CD) of

the music under the title KANK. However, learned Counsel for the Defendant has rightly pointed out that the CD is being distributed free of charge. In these circumstances the race for the use of words KANK has been won by the Defendant. In these circumstances it would not be proper to injunct the Defendants.

11. The next aspect of the case is that prima facie the Defendants appear to have selected/adopted the title KANK prior to the Plaintiff. It is true that the Defendant had pursued his cause before the Trade Association and the Trade Guild rather than before the Registrar of Trademarks. Even Page 2759 if the Defendants' actions are to be considered as futile, keeping in view the Plaintiff's application before the Registrar of Trademark, actual user of the trademark is always relevant. Therefore, the fact that the Defendant has completed the Production of the film, and is ready to release it for commercial exploitation, is a factor which would always deter the Court from granting injunctory relief. The Plaintiff appears to be, at the present stage, a person who hopes to profit from the controversy, in contradistinction to one who may suffer damages.

12. Delay in approaching the Court, so far as grant of equitable relief is concerned, is always fatal. If the Plaintiff is a serious producer of film, he ought not to have ignored gossip within his trade, whether it was in the form of press reports or exchange of communication to the Guild or Association claiming the same title. At this present moment I am unable to find any plausible reason for not filing the present case at least upon the Defendants performing its Mahoorat. The Plaintiff has waited for the Defendants to expend large sums of money and energy in the completion of the film with the same title, thereby shifting the balance of convenience in favor of the Defendant. The situation that is arrived at is that the likelihood of passing off is almost wholly eradicated. The subsisting claim may, at the highest, be the use of a title which the Plaintiff has itself failed to use. The right as well as the loss can only be determined after the Trial.

13. It is legally loathsome to protect 'squatter', in the sense that if a trademark or title is not effectively exploited the Plaintiff cannot be assisted in blackmailing or coercing another user into settling the Plaintiff's claim for money by filing litigation. At this stage of the proceedings I cannot but view this Suit as malafide.

14. In these circumstances I do not find any merit in the application, which is dismissed. Ordinarily, I would have imposed realistic costs in favor of the Defendants but desist from doing so for the reason that they have failed to respond and put forward their case on receipt of the legal notice. The Defendant could also have initiated legal action against the Plaintiff since they were fully aware of the competing claims.

CS(OS) No. 467/2006

15. Renotify on 10.10.2006.