

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

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Date of decision: 1st July, 2014

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CS(OS) 2589/2013

M/S ALLIED BLENDERS & DISTILLERS PVT. LTD.....Plaintiff

Through: Mr. T.R. Andhyarujina and Mr.
Rajiv Nayar, Sr. Adv. with Mr.
Shrawan Chopra & Ms. T.
Saukshmya, Adv.

Versus

SHREE NATH HERITAGE LIQUOR PVT. LTD. Defendant

Through: Mr. Sanjay Jain, Sr. Adv. with Mr.
Sumit Rajput, Ms. Aastha Jain, Mr.
Sarfaraz Ahmad and Mr. Rajul Jain,
Adv.

CORAM :-

HON'BLE MR. JUSTICE RAJIV SAHAI ENDLAW

RAJIV SAHAI ENDLAW, J.

IA No.20759/2013 (of the plaintiff u/O XXXIX Rules 1&2 CPC)

1. The plaintiff has instituted this suit for permanent injunction restraining the defendant from selling, distributing, advertising or dealing in alcoholic beverages especially Indian made Foreign Liquor (IMFL) or goods of any description bearing the trade mark "Collector's Choice" or any other mark deceptively similar to the plaintiff's trade mark "Officer's Choice" and amounting to infringement of the plaintiff's registered trade mark and / or amounting to passing off the defendant's goods and

business as those of the plaintiff and from taking unfair advantage of or causing detriment to the reputation of the plaintiff's trade / label mark "Officer's Choice" and for the ancillary relief of delivery and destruction of infringing goods.

2. Summons of the suit were issued and vide *ex parte* ad-interim order dated 19.12.2013 which continues to be in force, the defendant was restrained from manufacturing, selling, exporting, importing, offering for sale, distributing, advertising or dealing in alcoholic beverages especially IMFL and goods of any description bearing the trade mark "Collector's Choice" or any other mark deceptively similar to the plaintiff's trade mark "Officer's Choice" and amounting to the infringement of the plaintiff's registered trade mark.

3. Pleadings have been completed and the counsels have been heard on the application for interim relief. Both counsels have also filed written synopsis of their submissions.

4. It is *inter alia* the case of the plaintiff;
- (i) that the plaintiff is engaged *inter alia* in the business of manufacturing and marketing of alcoholic beverages including IMFL;
 - (ii) that the predecessor in right, title and interest of the plaintiff had coined and adopted the trade mark “Officer’s Choice” in the year 1988;
 - (iii) that the plaintiff became the proprietor of the said trade mark “Officer’s Choice” on 23.02.2007;
 - (iv) “Officer’s Choice” is one of the most popular of the trade marks of the plaintiff and has acquired an enviable reputation and goodwill as a result of its excellent quality, distinctive packaging and characteristic viz. palatable taste, flavour, blending etc. and is one of the highest selling brands of the plaintiff and is considered as one of the largest selling whiskies in India;

- (v) that the plaintiff is the registered proprietor of the trade mark “Officer’s Choice” in various classes, list whereof is given in para 6 of the plaint and which registrations are valid;
- (vi) that the plaintiff has also acquired common law trade mark rights in the overall combination by virtue of exclusive and extensive use of the said trade mark since the year 1988;
- (vii) that the defendant also is engaged in the business of blending, manufacturing, producing, bottling and selling alcoholic beverages;
- (viii) that the plaintiff in November, 2013 became aware of the defendant having started selling whisky under the mark “Collector’s Choice” which is conceptually identical and deceptively similar to the plaintiff’s trade mark “Officer’s Choice”;
- (ix) that the plaintiff on making enquiry learnt that the defendant has sought to obtain registration of the impugned mark (label) and had filed an application dated 23.06.2011 under Class 33 on a proposed to be used basis; however the said application had been objected to by the Trade Mark Registry and the defendant while replying to the

said objection had made reference to the plaintiff's trade mark "Officer's Choice" and which clearly establishes that the defendant has adopted the impugned mark despite admittedly having knowledge of the plaintiff's trade mark;

- (x) that the adoption and use by the defendant of the impugned mark "Collector's Choice" is a blatant infringement of the plaintiff's rights and with an intent to usurp the plaintiff's statutory and common law rights in its "Officer's Choice" mark.

5. The defendant contested the suit by filing a written statement, on the grounds:

- (a) that the trade mark registrations claimed by the plaintiff do not give the plaintiff any exclusive right over the use of the word 'Choice'; the registrations granted to the plaintiff are conditional i.e. the registration is subject to the condition that the plaintiff shall not claim any rights on the words 'Choice' or 'Whisky';

- (b) that the plaintiff cannot claim monopoly rights over the common dictionary word 'Choice' and it is open to all traders to adopt such word and use the same in such a manner that their trade mark is distinguishable from the other trader's mark;
- (c) that the plaintiff concealed from the plaintiff, of having disclaimed the word 'Choice' in two of the registrations mentioned in para no.6 of the plaint;
- (d) that the marks containing the word 'Choice' are common to the Register and have been applied for / registered in the name of several traders and cannot be the proprietary right of any one trader;
- (e) that all the registrations claimed by the plaintiff are combination marks / label marks in which the word 'Choice' is used as a suffix with 'Officer'; since the plaintiff has no rights in the word 'Choice' per se, it cannot restrain the defendant from using it;

- (f) that the marks containing the word 'Officer' are also common to the Register and have been applied for / registered in the name of several traders;
- (g) that the plaintiff had got registration of the mark "Officer's Choice" for tobacco products, substances for laundry use and toiletries, clothing and hosiery goods and qua which rectification had been filed as the plaintiff had obtained such registrations without sufficient cause and the plaintiff had concealed the said fact also from the plaintiff;
- (h) that the plaintiff, though in the business of marketing alcoholic beverages had also obtained the registration of the word "Officer's Choice" in Classes pertaining to glassware, coffee, tea, sugar and various other products and in which the plaintiff is not dealing and merely to harass others;
- (i) several of the applications of the plaintiff for registration were being opposed by other entities and registered users and the plaintiff had concealed the said fact also;

- (j) that the plaintiff had wrongly claimed that it is the prior adopter or user of the impugned trade mark as marks containing the word 'Choice' or its variants are registered since the year 1975;
- (k) that the registration of the plaintiff of "Officer's Choice" label in Class 33 is also liable to be removed having been wrongly obtained and being a wrong remaining in the Register;
- (l) that the plaintiff has also concealed having abandoned its application for registration of the mark "Officer's Choice" in Class 32;
- (m) that thus none of the registrations in favour of the plaintiff gives the plaintiff any exclusive right to the words 'Choice' or 'Officer';
- (n) that this Court does not have territorial jurisdiction to grant the relief against passing off as no product of the defendant is available within the territorial jurisdiction of this Court;

- (o) that the competing marks are not similar phonetically, structurally or visually and the only thing common to the two is the word 'Choice' and to which the plaintiff has no exclusive right;
- (p) that there is no possibility of confusion or deception being caused;
- (q) that the suit is an attempt of the plaintiff to monopolise the common dictionary word 'Choice' and which is not permissible; in para no.3 of the preliminary submission, the other entities in the same trade using the word 'Choice' as part of their trade mark are listed;
- (r) that the defendant has adopted the mark "Collector's Choice" honestly and in a *bona fide* manner; the adoption by the defendant of the non-conflicting mark like 'Collector' is an indication thereof;
- (s) otherwise denying the contents of the plaint.

6. Need at this stage is not felt to refer to the replication filed by the plaintiff.

7. The senior counsel for the plaintiff has argued:

(I) Collector is an Officer;

(II) the defendant in its reply to the objection (on the ground of the trade mark “Collector’s Choice” being devoid of any distinctive character i.e. not capable of distinguishing the goods of one from another) raised by the Registrar of Trade Marks to the application of the defendant for registration, submitted that “the name / marks like “Officer’s Choice” and Minister which have become customary in the current language have also been accepted by the learned Examiners in the past, so why not our mark be accepted and advertised” thereby admitting that the concept of Officer, Minister and Collector is the same i.e. genus of officials;

- (III) that the plaintiff has been in the market with the said mark for 25 years before the defendant; the trade mark of the defendant has not even been advertised till now;
- (IV) that this is a case of brazen infringement;
- (V) controverting that the plaintiff has indulged in any concealment; attention is invited to the portion of para 6 of the plaint where disclosure is made of disclaimer of the word 'Choice' qua two of the registrations;
- (VI) that the registrations where the disclaimer of the word 'Choice' has been made were under the old Act, Section 17 whereof permitted disclaimer; that there is no provision for disclaimer under the New Act;
- (VII) that there is no disclaimer qua the other registrations;
- (VIII) with respect to the list given in para no.3 of the preliminary submissions of the written statement, of other entities in the same trade using the word 'Choice' as part of their trade mark, it is informed that qua two,

rectification proceedings were initiated and are pending and the product of the others are not in the market and the applications for registrations were on the proposed-to-be-used basis; on the contrary a list of proceedings initiated by the plaintiff for protecting its said trade mark was handed over;

(IX) that though the Intellectual Property Appellate Board (IPAB) in *Allied Blenders & Distilleries Pvt. Ltd. Vs. John Distillers Ltd.* 2013 (56) PTC 78 (IPAB) has held that there is no deceptive similarity or confusion between the marks “Officer’s Choice” and “Original Choice” inspite of both having similar acronym of ‘OC’ and that both the marks are capable of standing independent of each other but the said judgment is not binding on this Court and the said judgment of the IPAB is in any case under challenge in the Court;

(X) reliance is placed on:

- (A) para 14-065 of Kerly's Law of Trade Marks and Trade Names, Fourteenth Edition, to contend that the fundamental basis for infringement of a trade mark is that the trade mark of the defendant should not be similar and there should be no likelihood of confusion which includes likelihood of association;
- (B) para 14-074 of Kerly's Law of Trade Marks and Trade Names, Fourteenth Edition, to contend that what is to be considered is that the average consumer only rarely has the chance to make a direct comparison between different marks;
- (C) *Corn Products Refining Co. Vs. Shangrila Food Products Ltd.* AIR 1960 SC 142, *Amritdhara Pharmacy Vs. Satya Deo Gupta* AIR 1963 SC 449 & *Durga Dutt Sharma Vs. Navaratna Pharmaceutical Laboratories* AIR 1965 SC 980 holding that there was deceptive similarity between marks of "Gluvita" and "Glucovita", "Lakshmandhara" and "Amritdhara" and

“Navaratna Pharmacy” and “Navaratna Pharmaceutical Laboratory” respectively;

(D) ***Parle Products (P) Ltd. Vs. J.P. & Co., Mysore*** 1972

(1) SCC 618 approving the test of “the main idea left on the mind” by the mark and on ***Mohan Meakin Ltd. Vs. A.B. Sugars Ltd.*** 204 (2013) DLT 177 where this Court held that there was a deceptive similarity between the marks of “Old Monk” and “Told Mom” qua the alcoholic beverage of rum;

(E) The list of deceptively / conceptually similar names as given in McCarthy on Trademark (Vol. III), Section 23:29;

(F) ***Cadila Health Care Ltd. Vs. Cadila Pharmaceuticals Ltd.*** 2001 (5) SCC 73 on the concept of passing off;

(G) ***Pfizer Products, Inc. Vs. Rajesh Chopra*** 2006 (32) PTC 301 (Del.) and ***Mars Incorporated Vs. Kumar Krishna Mukerjee*** 2003 (26) PTC 60 (Del.) to

contend that apprehension that the defendant would pass off its goods within the jurisdiction of the Court is enough to give the Court jurisdiction;

(H) ***Registrar of Trademark Vs. Ashok Chandra*** AIR 1955 SC 558 to contend that despite disclaimer, the right of the proprietor is preserved;

(I) ***Pidilite Industries Ltd. Vs. S.M. Associates*** 2004 (28) PTC 193 (Bom.) holding that despite the disclaimer in respect of one word, regard must be had of the whole of plaintiff's mark including the disclaimed matter, while deciding the question of infringement.

(XI) disclaimer qua two of the registrations is only of the word 'Choice' but the plaintiff's trade mark is the combination of the words "Officer's Choice" which is different from the word 'Choice' *per se*; the defendant in its written statement has admitted that the plaintiff has registration of the combination / overall mark.

8. The senior counsel for the defendant has contended:

- (a) that all the nine cases of which list was handed over by the counsel for the plaintiff where restraint orders were obtained, were with respect to label mark and not with respect to word “Officer’s Choice” *per se*;
- (b) that the very fact that so many others are using the word ‘Choice’ shows that it is the preferred name for the subject product i.e. IMFL;
- (c) in any case all the nine orders cited are *ex parte* and have no precedential value;
- (d) that the plaintiff admits that the defendant is presently not in Delhi; that though a *quia timet* action is permissible but only when there is imminent danger, no case of such imminent danger is pleaded;
- (e) no trade in liquor can be carried on without obtaining license from the excise authorities and the Excise Commissioner invites objections against any application for license; the plaintiff would be entitled to file such objections upon the

defendant applying for license to trade under the trade mark “Collector’s Choice” in Delhi;

- (f) though it is clarified that the defendant is not questioning the territorial jurisdiction of this Court but the said argument is raised only to contest the bona fides of the plaintiff;
- (g) that thus this Court at this interim stage is not to be concerned with the action of passing off but only with the case qua infringement;
- (h) that while the product of the plaintiff under the trade mark “Officer’s Choice” sells for Rs.202/-, the product of the defendant under the trade mark “Collector’s Choice” sells for Rs.404/-;
- (i) while the product of the plaintiff is sold without box / carton, the product of the defendant is sold in a box / carton;
- (j) that the product of the defendant is superior and the meaning of the word ‘Collector’ is given on the box / carton itself;

- (k) that the words 'Collector' & 'Officer' are not phonetically similar;
- (l) that the "Collector's Choice" whisky of the defendant is described as chilled filtered whisky, five years of age; none of the blended whiskies including of the plaintiff specify the age thereof;
- (m) attention is invited to the labels / marks of the plaintiff and the defendant to show that they are entirely different;
- (n) attention is invited to the registration dated 19.04.2007 in the name of the predecessor in interest of the plaintiff in Class 33 to show that the same is of the label "Officer's Choice" and which is subject to the condition that the said registration will give no right to the exclusive use of the words 'Choice' and 'Prestige whisky' and it is contended that notwithstanding the same, the plaintiff is claiming infringement without saying that the labels are similar;

- (o) infringement would have been possible only if the plaintiff had not disclaimed the word 'Choice';
- (p) else, the case has to be decided on the principles of passing off only;
- (q) that similarly the word mark registration of the plaintiff also has disclaimer of the word 'Choice';
- (r) that the plaintiff is thus not entitled to claim infringement of word mark;
- (s) reliance is placed on *Registrar of Trade Marks Vs. Ashok Chandra* AIR 1955 SC 558 laying down that the disclaimer is only for the purpose of the Act and it does not affect the rights of the proprietor except such as arise out of registration;
- (t) reference is made to *Foodworld Vs. Foodworld Hospitality Pvt. Ltd.* 2010 (42) PTC 108 (Del.) laying down that while the Trade Marks Act, 1958 recognizes the concept of disclaimer in respect of the non distinctive part of the mark

while preserving the right of a proprietor of such mark to seek protection of such mark unaffected by such disclaimer, the Trade Marks Act, 1999 does not recognize any concept of disclaimer and merely provides that the proprietor of such mark shall have no exclusive right in respect of such mark notwithstanding that he may have a registration of such mark in his favour;

- (u) that there is no phonetic and visual similarity between the two;
- (v) that the customer segments of the product of the two are different owing to the price of the defendant being double the price of the product of the plaintiff;
- (w) that there is no likelihood of confusion;
- (x) that the price of “Original Choice” whisky qua which the plaintiff has been unsuccessful was the same as the price of the “Officer’s Choice” whisky of the plaintiff; that the plaintiff having been unsuccessful in the same price

segment, the question of it being successful qua product in a different price segment does not arise;

- (y) that the customers of such products have a brand loyalty;
- (z) reliance is placed on *Khoday Distilleries Ltd. Vs. Scotch Whisky Association* (2008) 10 SCC 723 to contend that surrounding circumstances play an important factor and where the class of buyers is quite educated, the test to be applied is different from the one where the product would be purchased by villagers, illiterate and the poor;
- (aa) attention is invited to the list downloaded from the website of the Trade Mark Registry showing the registrations with the word 'Choice' in Class 33 which is a laudatory expression and the plaintiff cannot appropriate the same; minus the word 'Choice', there is no similarity between the two trade marks;
- (bb) that if the intent of the defendant had been *mala fide* and / or to piggy ride success of the plaintiff's product, the defendant

which also has a product under the mark “DJ Special” in the Rs.200/- range would have used the mark “Collector’s Choice” qua the said price segment in which the plaintiff sells its product;

- (cc) that the IPAB in its judgment aforesaid has not only held that the word ‘Choice’ is common to the trade but has also found after recording evidence that there is no possibility of deception between the words ‘Original’ and ‘Officer’;
- (dd) that the application for interim injunction in the suit filed by the predecessor in interest of the plaintiff for restraining the use of the mark “Original Choice” qua the same product was dismissed vide judgment in *BDA Private Ltd. Vs. Paul P. John* 2008 (37) PTC 569 (Del.) and which judgment was upheld by the Division Bench and Special Leave Petition preferred where-against was also dismissed;
- (ee) reliance was placed on *S.M. Dyechem Ltd. Vs. Cadbury (India) Ltd.* (2000) 5 SCC 573 [however the senior counsel for the plaintiff objected on the ground that the same stands

overruled in *Cadila Healthcare* (supra), though the senior counsel for the defendant initially contended that only para 54 of the judgment had been overruled in *Cadila Healthcare* but subsequently conceded that para 35 of the said judgment also stands overruled in *Cadila Healthcare* but stated that the test of surrounding circumstances was upheld];

- (ff) reliance was placed on *Nestle India Ltd. Vs. Mood Hospitality Pvt. Ltd.* 2010 (42) PTC 514 (Del.) (DB) & *Rhizome Distilleries Pvt. Ltd. Vs. Pernod Ricard S.A. France* 166 (2010) DLT 12 (DB) where in view of the widespread use of the word 'Imperial' especially in the alcoholic business, the contention that the word 'Imperial' had attained a secondary meaning which would justify exclusivity, was rejected;
- (gg) a list of products of Andhra Pradesh Beverages Corporation Ltd. was handed over to show that there were several products with the name 'Choice';

- (hh) attention was invited to the Excise Policy for the year 2013-14 and 2014-15 to show that the same also recognizes the price segments and provides for inviting objections of rival traders;
- (ii) qua trade mark “Old Monk” in *Mohan Meakin Vs. A.B. Sugars Ltd.* (supra), it was argued that there, not only the trade dress was the same but there was phonetic similarity between the two marks and which does not exist in the facts of the present case;
- (jj) reference was made to *Newtech Estate & Industries Pvt. Ltd. Vs. Inder Singh Oberoi* 2004 (72) DRJ 420 on the aspect of territorial jurisdiction and laying down that for the *quia timet* action to be maintainable, there has to be imminent danger and proof of apprehended damage and both of which do not exist in the present case.

9. The senior counsel for the plaintiff in rejoinder has contended:
- (i) that it is the similarity of the idea in the two marks which has to be considered and the approach is from the point of view of man of average intelligence with imperfect recollection. Reliance in this regard is placed on paras 18 & 19 of *Corn Products Refining Co.* (supra);
 - (ii) that the differences in overall packaging are irrelevant if the marks are confusingly similar. Reliance in this regard is placed on para 28 of *Durga Dutt Sharma* (supra);
 - (iii) reliance is placed on para 47 of *Pidilite Industries Ltd.* (supra) in support of the proposition that notwithstanding the disclaimer, the trade mark is to be considered as well even where registration is for a label, the essential part or word within the label can be subject matter of protection; reliance in this regard is placed on Section 2(m) of the Act as well as on para 81 of *Ramdev Food Products (P) Ltd. Vs. Arvindbhai Rambhai Patel* (2006) 8 SCC 726 and paras 25 and 26 of *United Biotech Pvt. Ltd. Vs. Orchid Chemicals &*

Pharmaceuticals Ltd. 2012 (50) PTC 433 (Del.) (DB) and on *Dabur India Vs. Real Drinks Pvt. Ltd.* 2014 (57) PTC 213 (Del.);

- (iv) the argument that the word ‘Choice’ is common is not available to the defendant for the reason of the defendant itself having applied for registration of the mark “Collector’s Choice”. Reliance in this regard is placed on para 6 of *Automatic Electric Ltd. Vs. R.K. Dhawan* 1999 PTC (19) 81;
- (v) that a large number of marks cited by the defendant to contend that the word ‘Choice’ is common to the trade are not actually used but are proposed to be used; reliance is placed on *Century Traders Vs. Roshan Lal Duggar & Co.* AIR 1978 Delhi 250 (DB) laying down that actual user is relevant and the mere presence of the mark in the Register maintained by the Trade Mark Registrar does not prove its user by the person in whose name it is registered;
- (vi) price difference is not significant as to make any distinction;

- (vii) the judgment in *Khoday Distilleries Ltd.* (supra) was concerned with IMFL and scotch whisky and would not be applicable to the present case;
- (viii) apprehension expressed by the plaintiff of the defendant introducing the product in Delhi is enough to invoke jurisdiction of this Court; reliance in this regard is placed on *Pfizer Products, Inc.* (supra) and paras 27 and 28 of *Mars Incorporated* (supra) and paras 20 and 23 of *Bristol Myers Squibb Company Vs. V.C. Bhutada* 2013 (56) PTC 268 (Del);
- (ix) a list distinguishing the facts of the present case from the judgments *Pfizer Products, Inc.*, *Pidilite Industries Ltd.*, *Corn Products Refining Co.*, *Amritdhara Pharmacy*, *Mohan Meakin Ltd. & Parle Products Pvt. Ltd.* (supra) was handed over.

10. I have considered the rival contentions. At the outset, I may record that the defendant, during arguments spread over several dates raised conflicting arguments with respect to the territorial jurisdiction of this

Court for entertaining the suit qua the relief of injunction against passing off. On the one hand, it was expressly stated that the territorial jurisdiction is not opposed except for the purpose of showing the *mala fides* of the plaintiff in invoking the territorial jurisdiction of this Court; on the other hand, the judgments were cited to contend that this Court does not have the territorial jurisdiction. However in the face of the categorical stand, I am, at this interim stage, not considering the objection to the territorial jurisdiction of this Court for the relief claimed of injunction against passing off.

11. Having recently dealt with in *Mohan Meakin Ltd.* (supra) in the context of principles applicable to the question of infringement / passing off in the trade of alcoholic beverages, rather than dealing afresh with the subject, it is deemed appropriate to reproduce what was observed therein.

It was held:

“the test of similarity / dissimilarity is to be applied in the light of the product / goods or services in consideration and may be different for different category of products, goods or services, depending not only upon the nature and character of the product, its use by

consumers but also the trade channels. The products of both the plaintiff and the defendant in the present case are alcoholic beverages. Though the Supreme Court in **Khoday Distilleries Limited** supra was concerned with the same product but the alcoholic beverages with which this judgment is concerned, as distinct from the high end alcoholic beverages with which the Supreme Court was concerned, are on the contrary at the lower if not lowest rung of price range, the purchasers whereof are often described as tipplers and who often purchase the same not in the highest form of awareness, as distinct from connoisseurs in whose context the observations relied upon by the defendant were made by the Supreme Court.

The use by the defendant of the trademark "TOLD MOM" if found to be similar or deceptively similar to the trademark "OLD MONK" of the plaintiff is likely to affect the goodwill attached to the trademark of the plaintiff. A trademark which distinguishes the goods of one person from those of the other is infringed not only when a average consumer thereof is led into buying the goods of the latter presuming the same to be of the former but also when such consumer by consuming the goods of the latter, under the impression that they are of the former forms an impression/opinion of the quality of the said

goods and which impression/opinion guides the further purchases by the customer of the said goods and the reputation which the customs propagates of the goods.

15. In the present case, since the product of both, the plaintiff and the defendant bears the description rum and both are alcoholic beverages, considering the nature and class of the consumers thereof, the factum of the product of the defendant being country liquor in contradistinction to the product of the plaintiff being IMFL is unlikely to distinguish the two qua the consumers thereof. Such consumers are not educated and technical persons like medical practitioners or chemists dealing with the pharmaceutical product in 'LOPRIN' -- 'LOPARIN' case above. If the possibility of confusion between the two products exists, it would matter not even if the shops/vends in which the two are sold are different.

17. The consumption of alcoholic beverages is always by a far larger number of persons than those who may actually go to the shops/vends to buy the same. Alcohol is traditionally consumed in groups/companies, of which only one member may have gone to do the purchase. The person consuming the same is thus unlikely to be informed of the shop/vend from which the product has

been sourced. Often, purchases are made by persons other than those who consume. Consumption of alcoholic beverages is also generally at places other than where the same are sold and which places may be common to country liquor and IMFL.

19. According to the defendant, the sale price of the products of the plaintiff and defendant is Rs.260/- and Rs.110/- respectively. Though the difference is of slightly more than double but hardly any, if one were to go by the price range of the said products. It is not as if the defendant's product is selling for tens of rupees as compared to the plaintiff's product of hundreds of rupees.

A difference of a hundred odd rupees is not found to be such which will distinguish the two products. Moreover, in alcoholic beverages, different products in different price range under the same trademark are not unknown. Ready example of Johnnie Walker ranging from the Red to the Blue including Black and Double Black Label, though a high end product, and of beers of varying strength and quality and different prices can be given.

*21. The Supreme Court in **Cadila Health Care Ltd.** supra has held that while applying the test of dissimilarity of the marks or the customer knowing about the*

*distinguishing characteristics of the plaintiff's goods, the ground reality in India, of there being no single common language, a large percentage of population being illiterate and a small fraction of people knowing English cannot be lost sight of. It was further held that while examining such cases in India, what has to be kept in mind is that the purchaser of such goods in India who may have absolutely no knowledge of English language or of the language in which the trademark is written and to whom different words with slight difference in spellings may sound phonetically the same has to be kept in mind. The test, the Supreme Court held which has to be applied is, whether the misrepresentation made by the defendant is of such a nature as is likely to cause an ordinary consumer to confuse one product for another due to similarity of marks and other surrounding factors. The Supreme Court in **Cadila Health Care Ltd.** supra cited with approval the earlier judgment in **Corn Products Refining Co. Vs. Shangrila Food Products Ltd.** AIR 1960 SC 142 laying down that English cases proceeding on the English way of pronouncing an English word by English men, which is not always the same, may not be of much assistance in our country in deciding questions of phonetic similarity. It was*

emphasized that English to the mass of Indian people is a foreign language.”

Applying the aforesaid test, I am at this interim stage, inclined to agree with the plaintiff.

12. As per Section 29 of the Act, the registered trade mark is infringed:
- (a) by use of identical mark;
 - (b) by use of a deceptively similar mark;
 - (c) by similarity to the registered trade mark;
 - (d) by its identity with the registered trade mark;
 - (e) by likelihood of causing confusion on the part of the public which is likely to have an association with the registered trade mark;
 - (f) by taking unfair advantage of the distinctive character or repute of the registered trade mark;

13. Section 2(h) of the Act defines “deceptively similar as such near resemblance as is likely to deceive or cause confusion.

14. In my view, the test prescribed of ‘infringement’, of deceptive similarity with, identity with and association with registered trade mark and of likelihood of confusion, simply put, is a test of possibility of the goods under the impugned trade mark being purchased by the intending consumers thereof, owing to the trade mark they bear, as the goods earlier consumed by them and which they intend to repeat or as originating from the same manufacturer / supplier whose goods were consumed and intended to be repeated or as goods recommended to them for purchase or consumption. A trade mark, in the absence of anything else, is the ‘face’ of the goods by which the consumer / customer thereof identifies or recognizes or remembers the goods. Such identification / recognition / remembrance is dependent on the memory of the customers / consumer of such goods.

15. It is well settled in the several dicta that the test is not of photogenic or perfect memory but of imperfect memory / recollection. The question which thus arises is, whether in such memory the whisky “Officer’s Choice” of the plaintiff is likely to be remembered as the “Collector’s Choice” whisky of the defendant.

16. Though on first blush the possibility of “Officer’s Choice” being confused / mixed up with “Collector’s Choice” appears remote but having recently read the book “Thinking, Fast and Slow” by Daniel Kahneman, a Professor of Psychology and a Nobel Laureate, on the subject of how the human mind thinks and how we make choices and in Chapter-4 titled “The Associative Machine” of which the learned author has dealt with ‘the association of ideas’ and on the basis of research conducted found that most of the work of associative thinking is silent, hidden from any conscious selves, I felt the need to foray into how memory works or is formed, particularly in relation to trade marks.

17. I may record that the plaintiff has proceeded on the premise that the word “Collector” in the defendant’s trade mark means and refers to the chief administrative and revenue officer of an Indian district and seen in which light the trade mark of the defendant conveys that the whisky of the defendant is the choice of such officer, even though the meaning of the word “Collector” in English language is “a person who collects things of a specified type” and who may or may not be a officer and seen in which light, the trade mark of the defendant can also be understood as conveying that the whisky of the defendant is the choice of a Collector of

whiskies. The defendant has not only not controverted the said position. It is not the case of the defendant that the meaning or impression conveyed by its trade mark is of the product being a 'Collector's item' or worth 'collection'. Rather, the defendant, before the Registrar of Trade Marks, by citing examples of "Officer's Choice" of the plaintiff as well as of "Minister" and in written statement, of "Masters Choice", "Mayors Choice", "Brigadiers Choice", "Editors Choice", "Doctors Choice" and "Queen's Choice" etc. has reaffirmed that the reference in its trade mark to "Collector" is to the office of 'District Collector'.

18. My research has revealed:

A. The International Journal of Research in Marketing 22 (2005) 27–44 in an article titled "Distinctive Brand Cues and Memory for Product Consumption Experiences" researching on consumer experiential learning from a memory perspective, referring to "brand image" as the role of brand names as cues that retrieve or signal product attributes, benefits, effect, or overall quality, reports (i) that the brand itself is not a memory target but a cue that might facilitate recall or inference of previously learned brand

associations; (ii) although in most choice environments the brand cues, (name, logo, packaging, design etc.) are available and easy to discriminate perceptually, consumers still have to rely on memory to associate these brand cues with the results of prior learning of product quality; (iii) prior learning could have resulted in episodic memory traces of specific consumption experiences, but more likely in abstractions or summary evaluations, which are generally easier to remember than specific information; (iv) consumers need to recall exactly which prior experience went with each brand; (v) the consumers typically buy and consume products in a category sequentially, not simultaneously; (vi) memory for brand quality may be impeded by significant delays between consumption experiences and subsequent purchase occasions when retrieval is attempted; (vii) the result may be considerable confusion in memory between various brand experiences; (viii) it is likely that a brand name is not represented in memory by a single conceptual node but by multiple nodes, i.e., brand elements have distributed representations; (ix) the presence of any one of two similar

brand cues in the choice environment will activate the common nodes – thus the presence of more common nodes will lead to more activation of consumption experiences that really belong to other brands causing confusion about memory targets even when there is no confusion or misidentification of the brands in question; (x) consumers’ memory representations of a brand typically include many associations such as semantic associations suggested by the brand name; (xi) example is given of consumption of one brand activating a particular meaning which becomes associated with that brand’s consumption experience and it is reported that if another brand activates overlapping semantic association, that will also become associated with the second brand’s experience leading to a consumer, though not confused about the identities of the two brands at the time of purchase being still confusing the specific consumption experiences that occurred with the two brands; (xii) similarity (versus distinctiveness) of brand cues might increase confusion in the recall of experiential targets, similarity in brand names and cues leads to overlapping associations and memory interference when

consumers attempt to learn and remember quality differences; (xiii) that when products are purchased and consumed sequentially over an extended period of time, it becomes very difficult for consumers to learn and remember quality differences between well- established brands and lower-priced copycats; (xiv) similarity in brand name leads consumers to mistakenly think that they have had a satisfactory prior consumption experience with a copycat brand, when that particular experience may have actually occurred with the other brand which has been copied; and, (xv) consumer confusion may originate not at the level of misidentification of the brand per se, but at the level of confusing the experiences or benefits provided by each brand.

- B. Another article titled “ The Influence of Brand Name’s Association Set Size and Word Frequency on Brand Memory” published in the Journal of Consumer Research Vol.-16, Issue-2, September 1989 reports (i) brand name memorability might be inhibited if the brand name is associated with a broad network of pre-existing concepts because the target name becomes lost in a

sea of associated concepts that inhibit or interfere with its retrieval; (ii) due to the close semantic association between the concept “American” and “United States” , consumers exposed to an advertisement for American Airlines might attribute the advertisement to United Airlines; (iii) mounting theoretical and empirical evidence suggests that the probability of retrieving any particular concept diminishes as the association set size of the concept increases; and, (iv) high frequency words can be processed readily with little effort and therefore receive limited processing time, suggesting relatively nondistinctive processing during encoding i.e. little effort is made to integrate, specify or restrict the brand information; upon exposure to such words, a broad spectrum of the heterogeneous concepts comprising the association set will be activated and unselectively encoded in memory together with the brand word; in turn these diverse concepts of the association set, which later may be used as retrieval cues, are likely to cue retrieval of concepts unrelated to the brand name, interfering with brand name retrieval – thus when brand names consist of high frequency words, memory for brand

information may be poorer for those brands with a large rather than a small association set.

- C. Yet another article titled “The Relation between Positive Brand Emotions and Recall” published in Online Journal of Communication and Media Technologies (Volume: 4 – Issue: 1 – January 2014) dealing with advertisement memory and emotions to brands describes (i) brand memory and advertisement memory is a kind of mental storage that consumers apply to while making decisions about brands and buying; (ii) ‘recall’ is physiological factor that plays key role in human life related to every thing and is a human internal process and reports that the historical knowledge and experiences have significant impacts on current thinking; (iii) recall has start up function for customer behavior and decision process; (iv) newly learnt thing is integrated with old knowledge and thus recall of a newly learnt thing is always associated with old knowledge; and (v) the advertisement and other communication applications create recall networks.

D. Another article titled “Conceptualizing and Measuring Brand Salience” published in 2004 in Volume 4(4): 327–342 of Marketing Theory Journal reports (i) that since the 1980’s, theories of how humans encode, store and retrieve information have permeated marketing thought and theory development; (ii) one of the theories most widely adopted into marketing is that of the Associative Network Theories of memory; (iii) under this theory memory consists of nodes that hold information/concepts; if two pieces of information are ‘associated’, connections are conceptualized as existing between them, making up a network of associated information; (iv) when a customer is exposed to the brand in a specific context, links in memory between the brand name and specific concepts can be created or reinforced; this network of information linked to the brand name constitutes what has been referred to as the brand’s image or as brand knowledge; these linked concepts can be retrieved when the brand name is used as the retrieval cue and /or cues to retrieve the brand name when stimulated in a buying condition; (v) just because the brand is known or recognized as a member of the category does not

mean it will come to mind in buying situations, as retrieval is dependent on the cue and the accessibility of the linked information; (vi) any brand name association can potentially act as a cue for accessing the brand name; (vii) the impact of cues on retrieval is largely subconscious and often unnoticed by buyers; (viii) the importance buyers place on brand choice is typically low and therefore there is little motivation to go beyond the easily accessible on any one occasion; (ix) these factors combine with the influence of other brands to influence retrieval of any specific item and this makes retrieval from memory a highly variable and unpredictable outcome at any one occasion.

- E. Yet another article titled “Branding the Brain: A Critical Review and Outlook” published in the Journal of Consumer Psychology (2012) also under the head of “Remembered Value and Learning” opines (i) Remembered Value Refers to how different brand associations are encoded, consolidated, and retrieved in the consumer's memory - parts of these processes happen on an

unconscious level; (ii) remembered value consists of explicit memory and implicit memory of prior consumption experience; and, (iii) the retrieval stage is an active and dynamic relearning process rather than the mere replay of previously acquired information.

19. The aforesaid research leads me to *prima facie* conclude that the customer's / consumer's memory is likely to mix "Officer" with "Collector", the possibility of trademark "Officer's Choice" of the plaintiff being remembered / recalled as "Collector's Choice" cannot be ruled out. A Collector is the highest point of officialdom / authority in a district and with whom nearly every citizen of that district comes in contact with or knows of. The Collector is often referred to as '*Bada Afsar*' of the district. For a resident of a district who may not in his entire life time be stepping out of that district (and of which there is a large number), the Collector is the only officer and to them the other authorities in the country hold no meaning. I am reminded of the often quoted anecdote of the foster mother in village of the first President of India Babu Rajendra Prasad, upon being informed of his becoming a high

Government official, blessing him to be promoted as the Collector, which as aforesaid is the highest post of authority in a village.

20. I am therefore of the view that the possibility of a customer / consumer of the alcoholic product of the plaintiff remembering the product of the plaintiff as Collector's Choice cannot be ruled out. Not only so, even if the customer remembers the mark "Officer's Choice", he can be easily fooled into buying a superior product of the same manufacturer or another product of the same manufacturer and is likely to again be fooled by the association between 'Officer' and 'Collector'. It is perhaps for this reason only that similarity has been found between 'AQUA-CARE' and 'WATER-CARE', 'ARISE' and 'AWAKE', 'BEAUTY-REST' and 'BEAUTY SLEEP', 'BLUE THUNDER' and 'BLUE LIGHTNING', 'CITY GIRL' and 'CITY WOMAN', 'BLUE CROSS/BLUE SHIELD' and 'THE CURE FOR THE BLUES' as listed in para 23:29 of Volume 3 of McCarthy on Trademarks & Unfair Competition, Fourth Edition relied upon by the senior counsel for the plaintiff.

21. The aforesaid has to be viewed in the light of two other factors. The 29.05.2014 issue of “The Spirits Business” publication available on the internet reports that as per figures revealed in The Spirits Business’ Annual Brand Champions Report – a compilation of the world’s spirit brands selling over one million nine-litre cases a year, “the Indian whisky Officer’s Choice has overtaken Diageo’s Johnnie Walker Scotch to become the largest whisky brand in the world”. It further reports that “Officer’s Choice sold 23.8 million cases in 2013 eclipsing Johnnie Walker by 3.7m cases”.....“Not only has Officer’s Choice become the largest whisky brand in the world but is also the third largest spirit brand on the planet behind HiteJinro’s Korean Soju Jinro, and Diageo’s Smirnoff vodka”. It further reports that “until 2013 the largest Indian whisky brand was McDowell’s No.1 Reserve”. The matter has to be considered in this light.

22. The other relevant factor is that advertising in all forms, of alcoholic products in this county is banned. There is thus no occasion for the manufacturers / suppliers of alcoholic products to by bombarding the public / consumers with advertising, make them remember their brands or to assist in recall thereof. Similarly alcoholic products of the kind with

which we are concerned in this case are not to be seen and are not on display when the potential consumers thereof may go to shop for other articles / goods. They can be seen only when the consumer enters the earmarked specific vends exclusively for alcoholic products. The said factum, in my view will have relevance in judging the memory and recall value of brands of alcoholic products. The public at large and / or the potential consumers of alcoholic products are not exposed to brands thereof at all times as may be true about other products / goods. Another factor to be taken note of with reference to the alcoholic products with which this case is concerned is that today there are vends of alcoholic products selling products of a particular manufacturer / supplier only. It is thus not necessary that a consumer / customer of such products even if personally going to make the purchase may be exposed to both the brands so as to be in a position to distinguish between the two or to recall or remember that he intends to buy Officer's Choice or Collector's Choice.

23. As far as the emphasis of the senior counsel for the defendant on the other differences is concerned, in the context of purchase of a whisky, the bottle or the carton whereof is not stored / retained and is generally immediately thrown away, the same become inconsequential.

24. I also agree with the contention of the senior counsel for the plaintiff that the defendant having itself applied for registration of the trade mark “Collector’s Choice”, it is not open to the defendant to contend that the trade mark of the plaintiff should be seen *de-hors* the word ‘Choice’. In any case, in view of what I have held above, the recall value being on the basis of ‘Officer’ and ‘Collector’, in conjunction with the same suffix ‘Choice’, causes a potential for confusion.

25. Thus I find a *prima facie* case in favour of the plaintiff. As far as the ingredients of irreparable injury and balance of convenience are concerned, the use by the defendant of the trade mark is not for a long time and for a large sale figures, while the loss to the plaintiff by allowing the defendant to use the mark during the pendency of the suit would be irreparable. I fail to see the loss if any to the defendant who is a new entrant to the market and who has hardly used the mark and who has not as yet built any goodwill or reputation thereof. The defendant has in fact shied away from giving any sale figures under its mark “Collector’s Choice” and the opposition of the defendant to interim protection sought by the plaintiff appears to be only to, by making use of the mark

“Collector’s Choice”, take unfair advantage of the registered trade mark of the plaintiff.

26. The application is accordingly allowed. The *ex parte* order dated 19.12.2013 is made absolute till the decision of the suit. In addition, the defendant is also restrained during the pendency of the suit from selling, distributing, advertising or otherwise dealing in goods bearing any mark / label similar or deceptively similar to the plaintiff’s mark / label “Officer’s Choice” or from doing anything leading to passing off their goods as the goods and business of the plaintiff.

27. Needless to say, nothing contained herein will affect the final decision in the suit.

RAJIV SAHAI ENDLAW, J.

JULY 01, 2014

‘gsr’/pp