# IN THE HIGH COURT OF JUDICATURE AT MADRAS

Reserved On	21.01.2020
Pronounced On	10.06.2020

## **CORAM**

# THE HON'BLE MR.JUSTICE C.SARAVANAN

C.S.No.231 of 2013

M/s. ITC Limited, ITC Centre, 4<sup>th</sup> Floor, No.760, Anna Salai, Chennai – 600 002. rep. by its Constituted

rep. by its Constituted Attorney

Mr.S.Satyanathan

... Plaintiff

Vs.

Nestle India Limited, No.769, Spencer Plaza, Phase-1, 6<sup>th</sup> Floor, Anna Salai, Mount Road, Chennai – 600 002.

... Defendant

<u>Prayer</u>:- This suit filed under Order IV Rule 1 of O.S. Rules and Order VII Rule 1 of C.P.C., read with Sections 27, 134 & 135 of the Trade Marks Act, 1999, for the following reliefs:-

सत्यमेव जयत

(a) a permanent injunction restraining the defendant by themselves, their Directors, principal officers, successors-inbusiness, assigns, servants, agents, distributors, retailers, stockiests, advertisers or any one claiming through them from in any manner passing off or enabling others to pass off their products i.e. noodles as and for the plaintiff's noodles by use of the offending mark MAGICAL MASALA or any mark similar to plaintiff's mark MAGIC MASALA or in any other manner whatsoever;

- (b) The defendant be ordered to surrender to plaintiff for the purpose of destruction all goods including containers, cartons packs labels, prints, blocks, dyes, plates, moulds and other material bearing the mark/name MAGICAL MASALA which is deceptively similar to the plaintiff's MAGIC MASALA;
- (c) a preliminary decree be passed in favour of the plaintiff directing the defendant to render account of profits made by use of offending mark MAGICAL MASALA and final decree be passed in favour of the plaintiff for the amount of profits thus found to have been made by the defendant, after latter have rendered accounts:
- (d) The defendant be directed to pay to the plaintiff as compensatory and punitive damages a sum of Rs.10,05,000/-for the acts of passing off committed by them; and
- (e) for costs of the suit.

For Plaintiff : Mr.P.S.Raman, Senior Counsel &

Mr.Manishankar, Senior Counsel

for Mr. Arun C. Mohan

For Defendant : Mr. Hemanth Singh, Senior Counsel &

M/s.Mamtha Jha for M/s.Gladys Daniel.

### <u>JUDGMENT</u>

The plaintiff has filed the present suit for the following reliefs:-

- i. a permanent injunction restraining the defendant by themselves, their Directors, principal officers, successors-inbusiness, assigns, servants, agents, distributors, retailers, stockiests, advertisers or any one claiming through them from in any manner passing off or enabling others to pass off their products i.e. noodles as and for the plaintiff's noodles by use of the offending mark "Magical Masala" or any mark similar to plaintiff's mark "Magic Masala" or in any other manner whatsoever;
- ii. The defendant be ordered to surrender to plaintiff for the purpose of destruction all goods including containers, cartons packs labels, prints, blocks, dyes, plates, moulds and other material bearing the mark/name "Magical Masala" which is deceptively similar to the plaintiff's "Magic Masala";
- iii. a preliminary decree be passed in favour of the plaintiff directing the defendant to render account of profits made by use of offending mark "Magical Masala" and final decree be passed in favour of the plaintiff for the amount of profits thus found to have been made by the defendant, after latter have rendered accounts;
- iv. The defendant be directed to pay to the plaintiff as compensatory and punitive damages a sum of Rs.10,05,000/- for the acts of passing off committed by them; and
- v. for costs of the suit.
- 2. The plaintiff was represented by Mr.P.S.Raman, the learned senior counsel and by Mr.C.Manishanker, the learned senior counsel. They made elaborate submissions on behalf of the plaintiff. They were

assisted by the Mr.Arun C.Mohan and Ms.Divya Bhatt of M/s. Arun C.Mohan & Brinda C.Mohan, Advocates, the counsel on record on behalf of the plaintiff.

- 3. On behalf of the defendant, Mr.Hemant Singh, learned counsel made elaborate submissions. He was assisted by Ms.Mamta Jha, and Ms.Gladys Daniel, Advocates, the counsel on record on behalf of the defenant.
- 4. Plaintiff a well-known company which was originally engaged in the tobacco business but had successfully diversified into Hospitality Industry, Paper & Paper Board Industry, Agri Based Business industry and later forayed into the Fast Moving Consumer Goods Sector (FMCG) in 2010.
- 5. The dispute between the plaintiff and the defendant in the present suit arises on account of adoption of the expression "Magical Masala" by the defendant for marketing its instant noodles viz."Maggixtra -delicious Magical Masala" in 2013. The plaintiff had

earlier introduced **Sunfeast Yippee! noodles** in two varieties, namely, "Classic Masala" and "**Magic Masala**" in 2010.

6. Screen shot of the respective wrappers of the plaintiff and the defendant which were marked as Exhibit Nos.P14 and P21 are reproduced below:-



7. It is the case of the plaintiff that it had successfully launched "Sunfeast Yippee! noodles" in two variants namely "Magic Masala" and "Classic Masala" in the year 2010 and that the adoption of the deceptively similar expression "Magical Masala" by the defendant in the

year 2013 for marketing their noodles with the aforesaid offending trademark albeit sub-brand "Magical Masala" amounted to passing-off by the defendant.

- 8. It is submitted that the expression "Magic Masala" forms the predominant feature of the plaintiff's composite trademark "Sunfeast Yippie! noodles Magic Masala".
- 9. It is submitted that the expression "Magic Masala" had become distinctive and was immediately identified by the trade and the public as that of the plaintiff. It is submitted that due to superior quality and affordability, instant noodle bearing the aforesaid expression "Magic Masala" enjoyed reputation and immense goodwill and translated into huge turnover and stupendous success.
- 10. It is stated that the defendant is a pioneer in the instant noodles in the country and had introduced "2-Minutes Maggi Noodles" in India in the early 80's and has practically enjoyed a monopoly. It has introduced several variants during the course of time and in 2013, it

introduced another variant, viz. "Maggi xtra -delicious Magical Masala" to trade on the goodwill of the plaintiff.

- 11. It is the case of the plaintiff that its product "Sunfeast Yippee!noodles Magic Masala" was well received and the distributors, traders and the consumers.
- 12. It is further submitted that general public associated "Sunfeast Yippee! noodles Magic Masala" with the expresson "Magic Masala". It is submitted that brand "Magic Masala" was a run-away success for the plaintiff and had cornered about 12.5% of the market share in the instant noodle segment within a short period of time.
- 13. Threatened by the plaintiff's stupendous success, defendant launched "Magical Masala" as a sub-brand. It is further submitted that the defendant copied the expression "Magic Masala" by slightly tweaking it by adding a syllable "al" to the word "Magic".
  - 14. It is the case of the plaintiff that the use of the expression

 $\begin{tabular}{ll} http://www.judis.nic.in \\ \hline Page~No~7~of~112 \\ \end{tabular}$ 

"Magical Masala" by the defendant was intended to pass-off defendant's "Maggi xtra -delicious Magical Masala" as that of plaintiff's "Sunfeast Yippee! noodles Magic Masala" which is recognised as "Magic Masala". This according to the plaintiff amounted to passing-off and therefore the plaintiff has prayed for the above reliefs.

- 15. The defendant has filed a detailed written statement. In the written statement, the defendant has stated that the plaintiff has used the expression "Magic Masala" as a flavour descriptor for the noodle and it was not used as a trademark.
- 16. It is further submitted that the two words "Magic" and "Masala" are common to the trade and are not distinctive and therefore cannot be appropriated. It is further submitted that there is no passing-off as plaintiff's brand "Maggi" was to large a brand to ride on a non-exisiting brand called "Magic Masala".
  - 17. The expression "Magical Masala" was a flavour descriptor

 $\begin{array}{c} \text{http://www.judis.nic.in} \\ \hline Page~No~8~of~II2 \end{array}$ 

and therefore the defendant was well within its right when it adopted "Magical Masala" in 2013.

18. According to the defendant, even otherwise it adopted the word "Magic" for some of its products much prior to the plaintiff. It is further submitted that statutorily also the plaintiff cannot restrain the defendant from using the expression "Magical" in view of Section 35 of the Trade Marks Act, 1999. I shall refer in some depth to the content of the written statement in the course of the narration in this judgment.

- 19. Following elevan issues were framed by this Court on 28.04.2016:-
  - 1. Whether the plaintiff is entitled to protect its mark "Magic Masala" used in respect of instant noodles?
  - 2. Whether the action of the defendant in adopting "Magical Masala" for one of its instant noodles is bona fide?
  - 3. Whether the defendant has proved that "Magic Masala" is descriptive as claimed by it?
  - 4. Whether the defendant is estopped from contending that "Magic Masala" is descriptive?
  - 5. Whether the plaintiff enjoys Trademark Rights in the expression "Magic Masala"?

- 6. Whether the use of the expression "Magical Masala" for the defendant Maggi noodles results in passing-off?
- 7. Whether "Magic Masala", "Chinese Masala" and "Classic Masala" are merely flavour descriptors or variants and are non-proprietary in nature?
- 8. Whether the defendant is the prior user of the expression "**Magic**" in the flavour world in relation to food category?
- 9. Whether the expression Magic/Magical is common to the trade in relation to flavour variants in the food category?
- 10. Whether the plaintiff is guilty of material concealment and misrepresentation and if so to what effect?
- 11. Whether the plaintiff is estopped from claiming trademark rights in "Magic Masala" having admitted it to be a flavour descriptor in the annual reports?
- 20. For the recording of evidence, Mr.J.Krishnamoorty, District Judge (Retd.) was appointed as a Commissioner. The learned District Judge (Retd.) recorded the evidence painstakingly over a period of time.



21. At the time of filing of the suit, the plaintiff filed only nine documents. However, during the course of the trial, the plaintiff introduced other twelve documents apart from Exhibit P1 being authorisation given to the PW1 to depose evidence on behalf of the plaintiff.

- 22. Exhibits P1 to P22 were marked during chief-examination of plaintiff's witnesses. Exhibits P23 to P37 were marked during cross examination of DW1. In all, the plaintiff marked Exhibits P1 to P37 during the course of the trial.
- 23. On behalf of the plaintiff, six different persons deposed evidence as PW1 to PW6. Six proof affidavits were filed. These witnesses were subjected to cross-examination by the defendant. Exhibits D1 to D27 were marked during cross-examination of PW1.
- 24. On behalf of the defendant, Mrs.Dhawani Singh Rao was examined as DW1. A proof affidavit was filed by her. She was examined and later cross-examined by the defendant. Exhibits D1 to D44 were marked on behalf of the defendant. Exhibits D28 to D44 were marked during chief examination of the DW1 while Exhibits P23 to P37 were marked during cross-examination of the DW1.

25. The details of the witnesses and the Exhibits marked through the respective witnesses are as under:-

Plaintiff	Relationship with the Plaintiff	Exhi	bits.
Witness No.	- JUD	Chief Examination.	Cross Examination.
PW1	Mr. Angad Keith, the Regional Sale Manager of the Plaintiff	P-1 to P-16, 19- 22 *	D-1 to D-27#
PW2.	Mr.R.Balaji, the wholesale dealer of the plaintiff.	P-17	-
PW3	Mr.Raghavan V.C, S/o.V.P.Chokkalingam, residing at No.100A, L Block, 19th Street, Anna Nagar.  (In charge of his family proprietorship concern M/s.V.Palani Mudaliar Sons - wholesale dealer)		MADRAO
PW4	Mr K.Jayakumar, Proprietor of Sujai Departmental Stores, No.734, Anna Street, Poompozhil Nagar, Avadi, Chennai 600 062.  (retail dealer)	P-18	-
PW5	Mr.E.Subramani, S/o.Elumalai, residing at No, 10-C, Madavaram, Milk Cooperative Road, Chennai 600052.	OP	Y -
	An employee of M/s. Mariappan Wholesale Traders, No.79, Iyyappa Chetty Street,		

	Mannadi, Chennai 600 001 – Local Grocery Shop (retailer).		
PW6	Mr. Dileepan, S/o.Mohan Kumar, residing at No.19, Post office Street, Mannadi, Chennai 600 001.  A customer of above mentioned M/s. Mariappan Wholesale Traders.	-	-
DW1	The authorised Signatory of the	D-28 to D-44 #	P-23 to P-37 *
D 11 1	defendant.	D 20 to D-44 II	1 25 to 1 -57

# 26. During the Chief Examination of the PW1, Exhibits P1 to P22 were marked. They are as follows: -

_	<b>一般の理解をというがある</b>
Exhibits No.	Details of Exhibits
P1	Letter of Authorization
P2	Copies of articles published in Forbes September 2012 issue (internal page 64 to 66) regarding the achievements of the plaintiff.
P2 A series	Copies of articles published in Business Today November 2011 issue, July 2011 issue, November 2012 issue and March 2004, Articles published in Fortune magazines Dec. '2011 and Business World Oct' 2012 & Feb' 2011.
Р3	Certificate dated BIL given by Murali Ganesan, EVP-Finance, Procurement and IT, ITC Limited Foods Division.
P4	Copies of invoices (50 sheets)
P4A	Copies of invoices containing 41 sheets which are produced by the witness from his custody.
P5	Original certificates along with authenticated copies of the

	advertisement made by the plaintiff containing 26 sheets.
P6	Original certificates along with authenticated copies of newspaper reports containing 12 sheets.
P7	The original certificate dated 26.09.2016 issued by Mr.K.Ramakrishnan, Country Head, IMRB Kantar World panel.
P8	Photographs of the Defendants various range of Noodles containing 8 sheets.
P9	Print out copies of the Trademark Application dated 17.01.2013 and the Additional representation dated 21.01.2013 for the Trademark "Masala-AE-Magic".
P10	Print out copies of Trademark Application dated 14.11.2011 along Additional representation covering letter and TM-48 (4 sheets) for the Trademark "Multigrainz".
P11	Print out copies of Trademark Application dated 25.08.2006 along Additional representation containing two sheets for the Trademark "Hot & Sweet".
P12	Print out copies of Trademark Application dated 14.04.2006 and Additional representation containing three sheets for the Trademark "Hotheads".
P13	Print out copies of the judgment dated 04.11.2014 reported in 2005 (30) PTC 63 (Del.)
P14	Print out copies of notice of opposition dated 14.08.2013 filed by the Defendant before the Trademark authorities containing 9 sheets.
P15	Photocopies of the Application dated 14.08.2013 for amending the notice of opposition containing 8 sheets.
P16	Photograph of point of sale merchandising advertisement of the Defendant's "Magical Masala" Noodles containing 18 sheets (three sets).
P17	Affidavit of Raghavan and R.Balaji
P18	Affidavit of K.Jayakumar
P19	Original wrapper of Plaintiff's Magic Masala
P20	Wrapper of Plaintiff's Classic Masala

P21	Original wrapper Defendant's Magical Masala
P22	Photocopies of five invoices of the year 2013

# 27. During the cross-examination of the P.W.1, Exhibits D1 to D27 were marked. They are as follows:-

Details of Exhibits
FROM ORG
Colour print out of the photographs of the produce
Sunfeast Yippee Chinese Masala Packet of the Plaintiff
Colour print out of the photographs of the products
Sunfeast Yippee Tri colour pasta-masala, Sunfeast Pasta
Treat-Tomato Cheese, Sunfeast Pasta Treat-Cheese,
Sunfeast Pasta Treat -Sour Cream Onion packets (4
photographs)
Colour print out of the photographs of the products Bingo!
Mad Angles Masala Madness, Bingo! Tangles Masala
Cheese, Bingo! Tangles Tomato Tangle, Bingo! Tangles
Masala Tangle, Bingo! Tangles Salted Tangle, Bingo!
Yumitos International Cream & Onion (6 photographs)
3 photographs of ITC Mangaldeep Puja Agarbattis SIN1,
Sandal, Bouquet, Jasmine, Amalu, Cleon; ITC Mangaleep
Puja Agarbattis Sandal' ITC Mangaldeen Puja Agarbattis
Fragrance of temple Silver Tradition Products.
Two photographs of the Lay's India's Magic Masala and
Lay's Classic Salted chips products.
Only the cover of the masala mix after removing the
masala.
Seven photographs of the packs of Smith & Jones Masala
Noodles, Top Raamen Atta Noodles Masala, Everyday

	instant masala noodles, Wai Wai X-press instant noodles Masala delight, Prima Stella instant noodles fun masala, Tasty Treat instant masala noodles, Mr.Noodles Magic Masala.
D8 series	Photographs of the packs of the above products.
D9 series	Colour photocopies of the relevant pages of annual reports 2011, 212 and 213 of the Plaintiff containing seven sheets
D10	Copies of page nos.455 and 497 of Oxford English-English Hindi Dictionary
D11	Colour print outs of photographs of Maggi Magic Cubes (4 sheets)
D12	Three sheets of print outs of photographs of Maggi Masala, Chilli, Smith and Jones Masala Chilli, Smith and Jones Chilli Garlic, Maggi Chilli Garlic, Smith and Jones Hot and Sweet and Maggi Hot and Sweet.
D13	Original 12 cash memos pasted on four sheets.
D14 series	Six CDs with story board of the television commercials
D15 series	Three sheet print outs of the plaintiff's website
D16 series	Two sheets of the print out of the plaintiff's web page under the heading "You ask we answer".
D17	Print out of the image from the face book page relating to Sunfeast Yippee! noodles
D18 series	Print outs from the ITC portal.com of the financial results of the Plaintiff relating to quarters ending 30.09.2010, 31.12.2010, 31.03.2011, 30.06.2011 along with press report, Business standard 17 Aug 2011 contained in the Plaintiff's portal (14 sheets)
D19 series	Colour print outs of the lays magic masala chips packet (2 sheets)
D20 series	Print outs of the trade mark registrations status and certificates taken from <a href="www.opindiaonline/gov/in">www.opindiaonline/gov/in</a> which is the official website of the Registrar of Trademarks (20 sheets)

D21 series	Colour print out of the photographs of those biscuits (four sheets)
D22	Print out from the websites <a href="https://www.rolinkitchen.com">www.rolinkitchen.com</a> (7 sheets)
D23	Print out from the websites 2 \www.recipeby sagarika.blogspot.in (9 sheets)
D24	The entire magazine in Hindi Crihlakshmi Magazine dated January 2013
D25 series	The original relevant pages of the annual reports (7 sheets)
D26 series	The Empty packets being Maggi Meri Masala 2 minute noodles, Maggi Meri Maala Hungrooo, Maggi Vegetable Multrigrain noodles (Spice remix) Maggi vegetable atta noodles masala tastemaker and Maggi Meri Masala Dumdaar instant noodles (5 sachets)
D27 series	The print outs of photographs of the reverse side of the packets referred in Ex.D7 series (8 sheets)

28. During the Chief Examination of the DW1, Exhibits D28 to D44 were marked. They are as follows:-

Exhibits No.	Details of Exhibits
D28 series	The Power of Attorney dated 22.06.2013 and original authorization letter dated 07.04.2017 in favour of Mr.T.S.Venkateswaran
D29 series	Print media advertisements dated 15.10.1986
D30	Certificate issued by the advertising Agency TLG India Private Limited giving statement as to total cost and spots aired on various channels pertaining to Maggi Magic Cubes for the years 2007-2009
D31 series	Photographs of the product Maggi Dal Magic used in the

	year 2003(5 pages)
D32 series	Sales Invoices pertaining to Maggi Magic Cubes for the period 2004-2012 (57pages)
D33 series	Television commercial telecast details along with promotional invoice pertaining to Maggi Magic Cubes for the period 2005 and 2009 (3 pages)
D34 series	Print Media Advertisements pertaining to Maggi Magic Cubes for the period 2009(29 pages)
D35 series	Publicity expense estimate in respect of Maggi Dal Magic for the year 2003 (3 pages)
D36 series	List along with depiction showing various Maggi product using internationally the word Magic Section 65B Affidavit dated 13.04.2017 is encl. as Document No.2 filed on 18.04.2017 before the Court (16 pages)
D37	Original certificate without dated issued by TLG India Limited (5 pages)
D38 series	Original annual reports of the Defendant for the years 2009-2011 (9 pages)
D39 series	Computer print out of the story boards of the Defendant's produce (Section 76(B) certificate as prescribed under the Evidence Act is already filed) (16 pages)
D40 series	Computer print out of the point of sale materials pertaining to the defendant's Masala-Ae-magic (Section 65(B) certificate as prescribed under the Evidence Act is already filed) (16 pages)
D41 series	Computer print out of the sale and promotional invoices (23 pages) (Section 65B certificate already filed)
D42 series	AC Nelson Report of 2012 showing various distributors for Maggi Masala-Ae-Magic in various states in India (1 page)
D43 series	Computer print out of the search report from the official website of the Trademark Registry with the search string containing the word Magic in Class 29 & 30 (109 pages)
D44 series	Computer print out of the depiction of the products showing use of the words Magic Masala in trade (21

pages)

29. During the cross -examination of the DW1, Exhibits P23 to P37 were marked. They are as follows:-

Exhibits	Details of Exhibits
No.	A Matthews
P23	Copy of the Notice to produce documents dated 12.04.2018 issued by Counsel for plaintiff to the Defendant.
P24	The reply dated 16.04.2013 given in response to Ex.P23
P25	Certified copy dated 31.10.2017 of Application No.2463851 [Masala-A-Magic (Label)]
P26	Certified copy dated 31.10.2017 of Application No.2233354 [multigrain]
P27	Certified copy dated 31.10.2017 of Application No.1481850 [Hot & Sweet]
P28	Certified copy dated 31.10.2017 of Application No.3233479 [Hotheads]
P29	Certified copy dated 31.10.2017 of Application No.2455786 [Insta-Filter (Device)]
P30	Certified copy dated 03.10.2017 concerning the Application No.1884590 of the Registered Trademark "Pazzta".
P31	Certified copy dated 29.09.2017 concerning the Application No.1056836 of the Registered Trademark "Maggi 2-Minute Noodles".
P32	Certified copy dated 03.10.2017 concerning the Application No.475981 of the Registered Trademark "Maggi 2-Minute Noodles".
P33	Story Board containing 4 sheets

P34	Story Board of the Nescafe Sunrise Insta Filter (3 sheets)
P35	Two Story Boards containing Maggi Pazta (9 sheets)
P36	Story Board containing the advertisement of the Maggi Magical Masala (4 sheets)
P37	Story Board containing the advertisement of Maggi 2 Minute Noodles (3 sheets).

- 30. According to the plaintiff, "Magic Masala" became instantaneously popular right from its inception so much so that the public and the consumer in general associate the expression "Magic Masala" in the instant noodle segment in the market with the plaintiff and plaintiff alone.
- 31. According to the plaintiff, the adoption of the aforesaid offending expression "Magical Masala" by the defendant was with a dishonest intention to cheat unwary and gullible customers including children and housewife's to buy the defendant's instant noodle with the aforesaid offending trademark as that of the plaintiff's instant noodle with the trademark "Magic Masala".

- 32. It was further alleged that the adoption of the offending expression "Magical Masala" by the defendant was intended to dilute the plaintiff's proprietary rights over "Magic Masala" and goodwill associated with it which has been in the market since 2010.
- 33. According to the plaintiff, it has vested right in the expression "Magic Masala" for their instant noodle as its adoption was prior in time and adoption of the offending expression "Magical Masala" by the defendant was later after copying it from the plaintiff. It was not only intended to enable the defendant to pass-off their product as that of the plaintiff's product but also to facilitate others to pass-off their goods as that of the plaintiff.
- 34. In the plaint, it has been averred that to distinguish its superior product from that of others, the plaintiff started using "Magic Masala" and therefore designed a distinct label comprising of several distinctive features. In order to protect the composite label comprising the aforesaid expression "Magic Masala", the plaintiff claims to have filed several trade marks applications under the law to protect the same and same were

stated to be pending as on the date of the suit and registered vide Exhibit D20 (series).

- 35. It is further submitted that owing to its excellent quality and reputation, the plaintiff's "Magic Masala" had attained distinctiveness and a secondary meaning came to be associated with the plaintiff and none else. In this connection, reference was made Exhibits P2 and P2A (series).
- 36. It is further stated that the plaintiff had substantially invested by advertising and promoting the aforesaid brand in the print and electronic media and through hoardings etc. It was further stated that the advertising expense runs to several crores of rupees as is evident from Exhibit P3 and the name has become a household name in the country and is synonymous with the plaintiff.

WEB COPY

37. It is further stated that the plaintiff's aforesaid product was of superior quality manufactured in its sophisticated and state of art factories under supervision with strict adherence to quality control.

"Magic Masla" instant noodle was also affordable and enjoys a unique reputation and goodwill among the trade and the public.

38. According to the plaintiff, the turnover of "Sunfeast Yippee! noodles Magic Masala" in the year 2010 was Rs.23.09 Crores and increased to Rs.251.49 crores by 2013 and thus capturing 12.5% of the market share within a period of 3 years as per Exhibit P7. During the period between 2009-10 to 2012-13, the plaintiff spent Rs.118.84 Crores as per Exhibits P3, P4 and P4A (series).

39. It is submitted that being aware of the fact that the plaintiff had made inroads in the market with the aforesaid trademark "Magic Masala", the defendant adopted deviously "Magical Masala" for their instant noodle with a *malafide* intention to ride on the goodwill of the plaintiff and to cut into the market share enjoyed by the plaintiff. It is submitted that the defendant was resorting to unfair trade practice.

40. It is further submitted that the defendant who was a market leader was having a monopoly in the segment and had lost a sizeable share in the market with the launch of "Magic Masala" and "Classic Masala" in 2010 by the plaintiff and thus resorted to passing-off.

41. It is submitted that though the defendant was a market leader and was commanding 75% of the market share, felt threatened and thus adopted the expression "Magical Masala" to market their instant noodle in 2012, to destabilise the customer base and customer loyalty built by the plaintiff. The plaintiff has thus prayed for the above relief.

42. On behalf of the plaintiff, it was further submitted that there was nothing "Magical" about the flavour and therefore it was not open for the defendant to claim *bonafide* right over the use of the expression "Magical Masala" in the purported exercise of the rights conferred under Section 35 of the Trade Marks Act, 1999. It is further submitted that the defendant cannot have a big brother attitude towards the plaintiff merely because the plaintiff was a late entrant.

43. Elaborating the above submission, on behalf of the plaintiff the learned senior counsel for the plaintiff, Mr.P.S.Raman submitted that being the market leader in the instant noodle market, the defendant was aware of the reputation gained by the plaintiff within a short period and the sub-brand "Magic Masala" came to be associated with the plaintiff. It is submitted that with a view to break goodwill and reputation associated with the plaintiff, the defendant launched their noodle with the offending sub-brand "Magical Masala".

44. It is submitted that the expression "Magic Masala" was not used as a "flavour descriptor" as was contended by the defendant. It was further submitted that is no flavour called "Magic" and therefore it is not correct to state that the expression "Magic Masala" was adopted as "flavour descriptor" by the plaintiff.

45. It is submitted that the adoption of the expression "Magical Masala" by the defendant was dishonest with an intention to trade and ride on the goodwill associated with the plaintiff and its "Magic Masala" noodles. Therefore, the plaintiff was entitled for the relief aspect for.

46. It is further submitted that the expression "Magic Masala" was a sub-brand of the plaintiff and had gained immense popularity and therefore it was capable of being protected. In this connection, the plaintiff has relied on the deposition of PWs 2-6, to state that it was recognised in the market that the expression "Magic Masala" was a subbrand of the plaintiff.

47. It is further submitted that the defendant has also recognised the existence of sub-brand and therefore attention to the sub-brands of the defendant with the sub-brand "Multigrainz" vide TM.No.2222354 (vide Exhibit P10), "Hotheads" (vide Exhibit P27), "Insta-Filter" (vide Exhibit P29), "Pazzata" (vide Exhibit P30), Masala-Ae-Magic (vide Exhibit P25) etc., was invited.

सत्यमेव जयते

48. It was submitted that the defendant had also filed suits against 3<sup>rd</sup> party to restrain them from using their sub-brand such as "Hot & Sweet" (vide Exhibit P13), "Masala Chilli" (vide Exhibit P13) and "Chilli Garlic" (vide Exhibit P13) etc.

49. It was further submitted that defendant's other brands such as "2-Minutes Noodles" was also descriptive and yet the defendant has exercised proprietary rights over such descriptive trademarks/brands and therefore, the defendant cannot take a contrary stand when it came to "Magic Masala".

50. It is submitted that since the defendant has itself applied for registration of the trademark, "Masala-Ae-Magic" (vide Exhibit P25 and vide Exhibit P43) and therefore it is not open for the defendant to take a contrary stand. It is submitted that the defendant cannot take inconsistent stand. In this connection, reference was made to the decision of this Court in Blue Hill Logistics Vs. Ashok Leyland Ltd, 2011 (4) CTC 417; Ashok Leyland Limited Vs. Blue Hill Logistics, MIPR 2011 (1) 0249 and Automatic Electric Ltd Vs. R.K.Dhawan and others, MANU/DE/0461/1999.

51. It is further submitted that the defendant has not only applied for registration of the word such as "Maggi Masala-Ae-Magic (taste

enhancer), Magic, Mithai Magic etc., but has also initiated proceedings before the trademark registry against other proprietors to prevent them from a registering the word "Magic" vide Exhibit P14 against Radika Food for registration of the words "Magic Masti".

- 52. The fact that the defendant had also initiated opposition proceedings against the registration of the mark "Magic Masti" of another proprietor vide Exhibit P15, on the ground that it has been using the sub-brand "Magic" along with seasoning "Dal Magic" shows an inconsistent stand of the defendant.
- 53.It is submitted that defendant has itself admitted that the word "Magic" was capable of being protected in as much as the defendant has products brands such as "Maggi Real Magic", "Maggi Magic Cubes" (for flavour solutions) and "Maggi Masala-Ae-Magic" (taste enhancer) and "Dal Magic" (Seasoning).
- 54. It is submitted that since the plaintiff was the first to adopt the words/expression "Magic Masala" for noodles, it was not open to

defendant copy the expression "Magical Masala" for noodles which is both deceptively and phonetically similar to the expression "Magical Masala" by mere addition of an additional syllable "al" to the word "Magic" from the plaintiff's aforesaid sub-brand.

55. In any event, the defendant has not produced any evidence to show that the defendant has adopted "Magical Masala" for noodles prior in time or prior to the plaintiff. In this connection, reference was made to Exhibits P4, P4A (series), Exhibits P3, P5 and P6 to demonstrate that the plaintiff's adoption of the word "Magic Masala" for instant noodle was prior in time.

56. It is therefore submitted that the defendant was estopped from contending that the word "Magic" was incapable of being protected even if it was laudatory.

WEB COPY

57. It is further submitted that the plaintiff has not only proved the likelihood of confusion but also actual confusion on account of the use of the offending expression "Magical Masala". In this connection, reliance

was placed on the deposition of PW6 who stated that consumer was supplied "Magical Masala" though they were asking for plaintiff's "Magic Masala" and that a consumer thought that the plaintiff's wrapper /packaging had undergone a change. A reference was also made to the deposition of PW4 who stated that noodles were bought by the consumer by referring to their variant names like "Magic Masala", "2-Minute Masala Noodles", "Atta Noodles", "Chicken Noodles", Oat Noodles", etc.

58. He further stated that if a consumer asked for any of the variants, he would ask for the brand of noodles which they desired. He stated that consumers normally ask for "2-Minutes Masala Noodles", "Magic Masala Noodles", "Atta Masala Noodles", etc. He further stated that sometime when his consumer asked for "Magic Masala", by mistake he supplied "Magical Masala" to them and only when the customers pointed out the mistake, he realised that the confusion was on account of the similar name. He further stated that some of his customers were also upset because of the mix up in the delivery.

- 59. The learned senior counsel for the plaintiff further submitted that the noodles are purchased by persons from different background and age group. They could be semi-literate to literate consumers and includes ordinary home maker, children, young adults, adults and old person. He submits that the test to be applied is that of a person of average intelligence and imperfect recollection. He submits that the customers are prone to confusion if the impugned sub-brand is allowed.
- 60. He submits that consumers are not expected to check the details in a road side grocery shop. The retailers themselves may confuse and substitute one product for another when orders are placed for "Magic Masala".
- 61. He therefore submits that use of the offending expression "Magical Masala" by the plaintiff was clearly intended to cause confusion in the minds of the consumers and the retailers and to faciliate passing-off. He submits that difference between the two sub-brands. viz "Magic Masala" and the "Magical Masala" was only in the syllable "al". Both the sub-brands for noodles were phonetically similar.

62. In this connection, he drew my attention to the depositions of PW2 & 3 wholesale dealers of the plaintiff and that of PW4 & 5 retailers of provision and that of PW6, a consumer, namely, Mr.Dileepan, who used to buy noodles and other household consumer goods from PW5. To establish goodwill and reputation, he also drew my attention to the report of Indian Market Research Board (IMRB) [Exhibit P7], a private company engaged in market survey.

63. Learned senior counsel also drew my attention to certain other documents to show that the defendant has itself trademarks which were descriptive words and had used them as sub-brands for their noodles and sauce and had successfully thwarted its competitors from using them. Therefore, the defendant cannot adopt a different standard.

64. A specific reference was also made to the deposition of PW6, a customer of plaintiff's "SunfeastYippee! noodles Magic Masala", who in his deposition stated that the retailer sold defendant's "Magical Masala" and charged Rs.15/- when indeed he had asked for plaintiff's

"Magic Masala" costing only Rs.10/-.

65. It is therefore submitted that in the instant noodles market, the references to the sub-brand of the product as everybrand has multiple sub-brands. In this case, the plaintiff's "Sunfeast Yippee! Noodles" has three sub-brands, namely, "Magic Masala", "Classic Masala" and "Chinese Masala". Likewise according to the learned senior counsel for the plaintiff, the defendant has different sub-brands like "Meri Masala", "Multigrains", "Thrillin Curry", "Tricky Tomato", "Hotheads".

66. The learned senior counsel for the plaintiff Mr.P.S.Raman further submitted that both the plaintiff and defendant are in the same business of sale of instant noodles and considering the fact that both the products had similar sub-brands there were confusion and chances of the customers getting misled as was demonstrated.

WEB COPY

67. Learned senior counsel for the plaintiff also submitted that the court can take judicial notice of the fact that bulk of the products are sold in small retail shops where the seller himself would hand over the

product to the customer and therefore there is the likelihood of passingoff.

- 68. Finally, learned senior counsel also submitted that merely because others in the industry have used "Magic" is of no significance as the dispute the present case is confined to instant noodles. He further submits that the sub-brand "Magic Masala" adopted by the defendant was invented/coined by the plaintiff and that no other manufacturer has used the aforesaid sub-brand for their instant noodles.
- 69. With reference to Exhibits D19, 43 and 44, it is submitted that none of them use a combination of the word "Magic" and "Masala". He, therefore, submits that they are of no significance. He further submits that instant noodle is a separate class of product different from other product as the method of preparation is very simple as compared to other products.
- 70. These Exhibits have been relied on by the defendant are irrelevant to the issue and are therefore liable to be ignored. He submits

that use of the expression "Magic Masala" by others in other products is of no significance. He submits that Exhibit D43 containing a list of both registered and pending applications in several classes in respect of several other goods for registration of the word marks containing the word "Magic" also goes to prove that the mark "Magic" is capable of protection under the Act.

- 71. He further submits that use of the word "Magic" by others is of no significance and it is not defence known in the law. In this connection, he relied on the decision of the Court in Novartis AG Vs. Crest Pharma Private Limited, 2009 (41) PTC 57 and the decision in Indian Shaving Products Ltd Vs. Gift Pack and Another, 2000 CLC 183.
- 72. It is further submitted that the expression "Magical Masala" is not found in Exhibit D29. It is further submitted that reliance placed on Exhibit D8 (series) is totally irrelevant as it deals with products other than instant noodles of the plaintiff. He therefore submits that Exhibit

D8 (series ) is liable to be eschewed.

- 73.Mr. P.S.Raman, the learned senior counsel for the plaintiff referred to the following case laws:
  - i. Future Logitic Pvt. Ltd. Vs. Future Logistics Solutions Pvt. Ltd., MIPR 2009 (3) 0170;
  - ii. Satyam Infoways Ltd. Vs. Siffnet Solutions (P) Ltd., 2004 (6) SCC 145;
  - iii. Dhariwal Industries Ltd. Vs. MSS Food Products, (2005) 3 SCC 63;
  - iv. SNJ Distilleries Ltd. Vs. Imperial Spirits P. Ltd., 2010(4) LW 304;
  - v. Innovation Ventures, LLC Vs. N.V.E. Inc., No.10-2353 (6th Cir.2012), 763 F. 3d 524 (2014)
  - vi. Societe des Products NESTLE S.A. Vs. Gopal Agencies, 2005(30) PTC 63 (DEL)
  - vii.Carter & Parker Ltd. Vs. Scotia wools Ltd., 1960 RPC 206;
  - viii.**JC Eno Lyd.** Vs. **Vishnu Chemical Co**, AIR 1941 BOM 3;
  - ix. **Ishi Khosla** Vs. **Anil Agarwal and anr.,** 2007(34) PTC 370 (Del);
  - x. Hem Corporation Pvt. Ltd. and Ors. Vs. ITC Limited, MIPR 2012 (2) 314;

- xi. **Ashok Leyland Limited** Vs. **Blue Hill Logistics,** MIPR 2011 (1) 0249;
- xii.Blue Hill Logistics Vs. Ashok Leyland Limited, 2011 (4) CTC 417;
- xiii. Automatic Electric Limited Vs. R.K. Dhawan and Ors., (06.01.1999 DELHC) 1999 (19) PTC 81;
- xiv.Toyota Jidosha Kabushiki Kaisha Vs. M/s.Prius Auto Industries Ltd. & Ors., 2018 (2) SCC 1;
- xv. Cadila Health Care Ltd. Vs. Cadila Pharmaceuticals
  Ltd., (2001) 5 SCC 63;
- xvi.Sir Shadi Lal Enterprises Ltd. Vs. Kesar Enterprises Limited, 1998 PTC (18) 309;
- xvii.Novartis AG Vs. Cret Pharma P. Ltd., 2009(41) PTC 57 (Del);
- xviii.Indian Shavings Products Ltd. Vs. Gift Pack and anr., 2000 CLC 183;
- xix.Pidilite Industries Ltd. Vs. Jubilant Agri Consumer Products Ltd., MANU/MH/0019/2014;
- xx. Kailash and others Vs. State of Rajasthan and another Unreported judgment Food Safety Appellate Tribunal Appeal No.FA/0090/2018
- xxi.**JK Oil Industries** Vs. **Adani Wilmar Ltd.,** MANU/DE/0332/2010.
- xxii.Premier Synthetic Processors Ltd. and Ors. Vs. Roshan F.Chinoy, MANU/MH/0424/1986.

- xxiii.Nestle SA and another Vs. Basant Alal Kokcha & others, MANU/DE/3050/2009;
- xxiv. Nestle's Products Ltd. and others Vs. Milkmade Coporation and others, MANU/DE/0199/1972.
- xxv.Extracts from Hallsbury's Laws of India Vol 20(1)
- xxvi.Hindustan Lever Ltd. Vs. Reckitt Benckiser India Ltd. and others, MANU/DE/3643/2006;
- xxvii.Heinz India Pvt. Ltd. Vs. Glaxo Smithkline Consumer Healthcare Ltd and others, MANU/WB/1101/2009;
- xxviii.Emami Ltd Vs. Nikhil Jain, MANU/Q1/0012/2017;
- xxix.Indian Shaving Products Ltd. and others Vs. Gift Pack and others, MANU/DE/0209/1999;
- xxx.Hindustan Unilever Ltd. Vs. Three-N-Products (P)
  Ltd., MANU/IC/0061/2012;
- xxxi.Reckitt Benckiser (India) Ltd. Vs. Hindustan Unilever Ltd., MANU/DE/0967/2008;
- xxxii.Hindustan Unilever Ltd Vs. Reckitt Benckiser India Ltd., MANU/DE/033/2014;
- xxxiii.Super Cassette Industries Ltd. Vs. Entertainment Network (India) Ltd., MANU/DE/0530/2004;
- xxxiv.Sony Kabushiki Kaisha Vs. Aashish Electronic and others, MANU/MH/1114/2005;
- xxxv.Reckitt & Colman of India Ltd. Vs. Jyothi Laboratories Ltd. and others, MANU/WB/0110/1999;

- 74. Learned Senior Counsel Mr.C.Manishankar appearing on behalf of the plaintiff submitted that several documents produced by the defendant during cross examination of the PW1 were inadmissible and therefore, this Court ought to ignore them.
- 75. Elaborating the submission, learned Senior Counsel Mr.C.Manishankar submitted that print outs from website of third parties cannot be relied upon. Similarly, it was stated that the Annual Report of the defendants are not relevant to establish that the defendant was prior adopter of the word "Magic".
- 76. He further submitted that Exhibit D29 news paper clipping advertising a food festival called "Maggi Magical Mealtimes" in Hotel Ashok, New Delhi, between October 15<sup>th</sup> to 30<sup>th</sup>, 1986, was an event not connected with noodles or instant noodles and therefore, it also cannot be relied upon. It is submitted that Exhibits P30 and 37 (series) are copy of certificates by an advertising company regarding the total cost and details of advertisement aired in various channel.
  - 77. Elaborating the above submission, the learned senior counsel

submits that Exhibit D30 (series) was an incomplete document, undated and irrelevant document and hence inadmissible. It is further submitted that DW1 has herself admitted that the document was found in the Accounts Department of the defendant and that she had no personal knowledge of the same and therefore DW1 was incompetent to introduce Exhibit D30 (series).

78. Similarly, it is submitted that Exhibit D31 (series) and Exhibit D36 (series) are nothing, but photographs of the Maggi advertisement of the year 2003. He submits that they are inadmissible as it has not been translated. It is submitted that as per Order 9 Rule 1 of the Madras High Court Original Side Rules, the defendant ought to have produced a translated copy of the same.

79. It was also submitted that some of the photocopies submitted ought to have been produced with the leave of the Court. It is submitted that these are inadmissible. It is further submitted that the defendant had produced sample and documents of products which had been admittedly expired in 2003 and had been incinerated even as per the deposition of

सत्यमेव जयते

DW1. Therefore, these documents are inadmissible. As far as Exhibit D32 (series) is concerned, it is submitted that the invoices pertaining to "Maggi Magic Cubes" for the period between 2004 to 2012, are inadmissible as they are photocopies for a totally different product.

80. It is submitted that in any event, "Maggi Magic Cube" is merely a seasoning and not variety of instant noodle by the plaintiff. As far as Exhibit D33 (series) is concerned, it is submitted that they are television commercial details along with promotional invoices pertaining to "Maggi Magic Cubes" for the period between 2005 and 2009. It is submitted these documents are inadmissible in as much as they are photocopies of the purported advertisement and the affidavit filed under Section 65B of the Indian Evidence Act on behalf of the defendant was not accordance with the law.

81. Similarly, the learned senior counsel also submitted Exhibit D34 (series), Exhibit D35 (series), Exhibit D40 (series), Exhibit D41 and Exhibit D42 (series) were inadmissible as they were not accordance with Section 65B of the Indian Evidence Act, 1872.

- 82. As far as Annual Reports for the year 2009-2011 of the defendant, which was marked as Exhibit D38 (series), is concerned, it was submitted that same is irrelevant as there is no reference to instant noodles in the I.D image of "Masala-Ae-Magic".
- 83. Learned Senior Counsel Mr.C.Manishankar referred to the following case laws:
  - i. Life Insurance Corporation of India Vs. Ram Pal Singh Bisen, (2010) 4 SCC 491;
  - ii. TVS Motor Company Ltd. Vs. Bajaj Auto Limited, order dated 18.07.2016 passed in A.Nos.2119 and 2120 of 2016 passed by Hon'ble Mrs. Justice Pushpa Sathyanarayana Unreported
  - iii. **Anvar P.V.** Vs. **P.K.Basheer & Ors.,** 2014 (10) SCC 473;
  - iv. Ishwar Dass Jain Vs. Sohan Lal, (2000) 1 SCC 434;
  - v. RakeshMohindra Vs. Anita Beri, (2016) 16 SCC 483;
  - vi. H.Siddiqul Vs. A.Ramalingam, (2011) 4 SCC 240;
  - vii.**P.Rama Srinivasa Rao** Vs. **Dr.N.Raghavan**, 2006(2) CTC 43;
  - viii.Rejitha Vs.Vikram V. Rajkumar, 2017 SCC OnLine

Mad 1065;

- ix. **Syed and Co.** Vs. **State of J & K**, 1995 Supp(4) SCC 422;
- x. Madras Cements Vs. TMT Kannammal, 2015(1) LW 312;
- xi. S.Babu Vs. J.K.Industries Ltd, 2008(3) L.W.609;
- xii.Shalimar Chemical Works Vs. Surendra Oil and Dal Mills; (2010) 8 SCDC 423.
- visweshwaraswami, (2003) 8 SCC 752;
- xiv.Essel Packaging Vs. Sridhar Narra, (2002) 98 DLT 565;
- xv. Indian Shaving Products Ltd. Vs. Gift Pack Co., (1999) 77 DLT 137;
- xvi. Vishnudas Trading as Vishnuda Kishandas Vs. Vazir Sultan Tobacco Co. & Anr., 1007)4) SCC 201;
- xvii.**K.Gopala Pillai V**s. **N.Gopala Pillai**, MANU/KE/0096/1955.
- 84. The defendant in its written statement has denied having copied the expression "Magical Masala". It is stated that it is not inspired from the "Magic Masala" used by the Plaintiff. The defendant had relied on several documents which were marked as Exhibits to show

that they were prior adopter of the word "Magic" in the food industry and therefore, the plaintiff cannot have an exclusive right of the same.

85. The defendant further disputed the claim for monopoly over the expression "Magic Masala" by the plaintiff on the ground that same was used as a "flavour descriptor" and "product descriptor" by the plaintiff and therefore the assertation of rights was contrary to the provisions of the Trademark Act, 1999. It is therefore submitted that the plaintiff was not entitled to the relief.

86. Further, defence of the defendants that the expression "Magic" was laudatory and therefore incapable of any protection under the provisions of the Trade Mark Act, 1999 and no common law rights of passing-off recognised under the aforesaid Act inures to the plaintiff.

## WEB COPY

87. It is also submitted that the word "Magic" means as "marvellous" and "exciting" as per 10<sup>th</sup> edition of the Chambers Dictionary. As per the New Shorter Oxford English Dictionary, it means

"superlatively good", "excellent", "fantastic". The word "Masala" is the mix of spice for food preparation known to the Indian culinary.

88. It is therefore submitted that the two words i.e. one which is laudatory (Magic) and the other (Masala) which is the word used for collectively describing the mix of Indian spice cannot attain distinctiveness so to exclude others from using them.

89. According to the defendant, the expression "Magic" has been used to qualify the quality of the masala in the packet as "Magic Masala". It describes the masala in the sachet used for flavouring and for bringing taste to the bland noodles in the pack as wonderful / extraordinary / excellent / fantastic etc. It was used in a laudatory sense. It is therefore submitted that no action for passing-off was maintainable against the defendant based on the averments in the plaint.

WEB COPY

90. It is further submitted that the plaintiffs' trademark is "ITC, Sunfeast Yippee!" and the instant noodle is sold in a combined pack

consisting of bland noodles with a masala sachet in it.

91. In the written statement, it is further stated that the plaintiff has admitted instant noodles manufactured and sold by the plaintiff under the aforesaid three trademark in three different variants, i.e. flavours, namely "Classic Masala", "Magic Masala" and "Chinese masala" and that these expressions were used on the packaging of the instant noodles by the plaintiff with the aforesaid expression as a "flavour descriptor" of the masala inside the noodle pack.

92. It is therefore submitted that for the aforesaid reason also the plaintiff cannot claim any Trademark usage over the three "flavour descriptors" in terms of Section 2(zb) of the Trademarks Act, 1999.



93. It is further submitted that in the Annual Reports for the years 2011, 2012 and 2013 [Exhibit D9 (series)], the plaintiff has itself stated that the plaintiff had introduced "Sunfeast Yippee! noodles" in three different flavours, namely, "Classic Masala", "Magic Masala" and Chinese masala".

94. It is therefore submitted that the claim in the suit was contrary to the plaintiff's own admission that "Sunfeast Yippee! noodles" was made available in three different flavours, namely, "Classic Masala", "Magic Masala" and "Chinese Masala".

95. The defendant further claimed superiority and supremacy of its Trademark "Maggi" which was introduced in India in the year 1983 and that sales of "Maggi" instant noodle as of 2012 was pegged at Rs.2,377 crores and that the defendant had adopted the words "Magic" and "Masala" from defendant's allied food products, namely, "Maggi Dal Magic" (Dal Taste Maker), "Maggi Masala Magic Cubes" and "Masala-Ae-Magic" (flavour solutions) etc.

सत्यमेव जयते

96. It is further submitted that the food industry market was flooded with various products where both the words "Magic" and "Masala" are very common. They are in use by several other persons in the food industry and therefore neither the plaintiff nor any other person can claim the monopoly over them as they are words and expressions

which are common to the trade in the food industry. Unless their use has been continuous and distinguished over a period of time, no distinctiveness can be associated with it.

- 97. It is submitted that there is no trade connection established with the expression "Magic Masala" so as to qualify it as a trademark for the plaintiff to claim any proprietary rights over the expression "Magic Masala" to the exclusion of the others.
- 98. Similarly, it was stated that in the newspaper advertisements and TV commercials, the plaintiff has referred to its trademark as "Sunfeast Yippee!" and not as "Classic Masala", "Magic Masala" and "Chinese Masala".



99. It is submitted that the expression "Classic Masala", "Magic Masala" and "Chinese Masala" were used as flavour/product descriptor by the plaintiff describing the quality of the masala sold along with the bland noodles in the package.

printout from the plaintiff's website, namely, <a href="http://www.itcportal.com/media-centre">http://www.itcportal.com/media-centre</a>, wherein, the plaintiff has the brand in the wrapper as "Yippee! noodles" and that "Sunfeast Yippee! continues to wow consumers across the country. Its unique round block and long, slurpy and non-sticky noodles have created consumer delight. The range is available in three flavours of Magic, Classic and newly launched Chinese Masala. Sunfeast Pasta Treat continues to offer a delicious and nutritious range of Pasta products in 4 different flavours.

101. The defendant has also compared both the wrappers of the plaintiff and the defendant side by side to state that there is no case made out for passing-off as there is no similarity between the two and therefore the suit was misconceived.

WEB COPY

102. It is further submitted that the suit has been filed to merely prevent *bonafide* and fair competition by claiming an unfair monopoly over the descriptive epithet, laudatory words or phrase or tagline which

essentially constitutes a "flavour descriptor" for conveying the flavour, taste, characteristics or quality to the consumer enabling the consumer to choose the variant.

103. It is further submitted that the defendant has used the expression "Magical Masala" as a "flavour descriptor" in the same manner as the plaintiff has adopted "Magic Masala" as a "flavour descriptor" for its "Sunfeast Yippi! noodles".

104. It is further submitted that the use of the expression "Magical Masala" is statutorily protected and cannot be interfered with in view of the principle of law envisaged under Section 13(2)(a) of the Trade Marks Act, 1999.



105. It is further submitted that under Section 35 of the Trade Marks Act, 1999, a proprietor or a registered user of the trademark cannot interfere with any *bonafide* use by a person any *bonafide* description of the character of the quality of his goods or service.

106. It is therefore submitted that as far as the defendant was concerned, the use of the expression "Magical Masala" was in the exercise of its *bonafide* right conferred under the statute to describe the character or quality of the goods, namely, instant noodle sold by the defendant.

a variantor taste of masala of Maggi noodles and the masala or the tastemaker has a garnish of assorted dehydrated vegetable like carrot, cabbage, onion and spinach along with the spices and that these spices magically change the taste, making it extraordinary, wonderful, excellent, fantastic quality. It makes something special and exciting. This meaning is the meaning of the word "Magical" in Cambridge and Chamber's dictionary.

108. According to the defendant, the variant "Magical Masala" encapsulates additional properties such as:-

- i. great spicy taste;
- ii. vegetables; and
- iii. great visual appeal.

109. It is further submitted that Maggi noodles of the defendant are sold in various variants such as "Maggi 2-Minute Masala", "Maggi Meri Masala", "Maggi Vegetable Atta Noodles Masala", "Maggi Cuppa Mania Masala Yo!", "Me & Meri Tricky Tomato Maggi", "Me & Meri Thrillin' Curry Maggi" and "Maggi Dal Atta Noodles Sambhar" and "Magical Masala" was another variant.

110. It is further submitted that the flavour "Magical Masala" was decided after a long study by their in-house team responsible for creation of flavours and when the taste was finalised and approved, appropriate flavour descriptor name was researched through consumers and traction and it is only thereafter the aforesaid flavour descriptor was adopted by the defendant.

111. It is submitted that the expression "Magic Masala" or "Magical Masala" or "Classic Masala" or "Meri Masala" or "Masala" Yo" are nothing, but flavour descriptors which are a common expression in the food industry and cannot be subjected to any proprietary right by

any member of the trade to the exclusion of others.

adopter of the expression/words such as "Magic" and "Masala" for atleast 9 or more of their products referred to *supra* for the taste enhancers in the year 2009 "Maggi Masala-Ae-Magic" vide Exhibit D40 (series), "Maggi Magic Cube" vide Exhibit D34 (series) as a flavour solutions in the year 2003 with the tagline "pinch of magic" and in Hindi "Chutkibhar Jadoo" and "Maggi Dal Magic" vide Exhibit D31 (series).

113. It is submitted that the defendant also ran a jingle for "Maggi Magic Cubes". Similarly, in the year 2003, the defendant had launched a taste maker for Dal called "Maggi Dal Magic". Thus, according to the defendant, the use of the expression "Magic" and "Masala" by the defendant was prior to adoption of the flavour descriptor "Magic Masala" by the plaintiff for their "Sunfeat Yippi! noodles".

114. Apart from the above, the defendant is also gave examples of the following products of the defendant's where the word "Magic" was

used by the defendant for various food products:-

- i. MAGGI Magic Sinigang
- ii. MAGGI **Magic**Sarap
- iii. MAGGI Magic Chef
- iv. MAGGI **Magic** Meals
- v. MAGGI **Magic**Sabaw
- vi. MAGGI MagicLezat
- vii.MAGGI Magic Asia
- viii.MAGGI Magic Curry mix
- ix. MAGGI Magic Chicken
- 115. It is further submitted that in the year 1986, the defendant also had a food festival called "Maggi Magical Meal (noodles)" in a restaurant called "Samovar" in Ashok Hotel, New Delhi [Exhibit D2 (series)]. It is therefore submitted that the word "Magical" was used by the defendant much earlier.
- 116. The defendant also referred to several other products in the food industry where the word "Magic" was used and therefore submits that apart from the fact that the word "Magic" being laudatory and incapable of any unfair appropriation and protection was in use in the trade even before the plaintiff entered the FMCG sector in the year 2010 when it launched "Sunfeast Yippee! noodle" in two different flavours, namely, "Classic Masala" and "Magic Masala". In this connection, the

defendant referred to the following products with their labels on the wrappers which were marked as Exhibits D5 & D7(series):-

- i. Lay's Magic Masala
- ii. Balaji Magic Masala
- iii. Hello Just 2 Good! Magic Masala
- iv. Samrudhi Kitchen Magic Masala
- v. SDS Magic Masala
- vi. Bindaas Masala Magic
- vii. Janak Magic <mark>Noodles Masala</mark>
- viii. Shreya Magic Mazaa Mix
- ix. Chatpati Mag<mark>ic Zeera Masala</mark>
- x. Food Glory Kitchen Magic Masala
- xi. Soya Masala Chow You & Me Magic
- xii. MasalaChowmein You & Me Magic
- xiii.FoodyMacroni Magical Masala
- xiv. Magic Chow
- xv. Soya Masala Chow You & Me Magic
- xvi.MasalaChowmein You & Me Magic
- xvii.FoodyMicroni Magical Masala
- xviii.Magic Chow
- xix.Knorr Soupy Noodles Mast Masala
- xx. Nissin Cup Noodles Mast Masala
- xxi.Mug Noodles Mast Masala
- xxii. Walmart's Instant noodles Mast Masala
- xxiii.NESTLE Slim Milk
- xxiv.Danone Slim Milk
- xxv.Good life Slim Milk
- xxvi.Tropicana Slim Milk
- xxvii.Alaska Slim Milk
- xxviii.Good Milk Slim

117. It is further submitted that the products with the brand name Maggi has a tremendous market presence since 1974 in India starting

with a turnover of Rs.0.02 Crore in the year 1972 to a staggering amount of Rs.2377/- crores in the year 2012.

whopping amount of Rs.112.9 crores in the year 2012 towards promotional expenditure which was pegged at Rs.0.89 crore in the year 1978. It is submitted that the trademark Maggi has attained the status of the well-known trademark and that the defendant has about 80% of the market share in the instant noodle segment and therefore it is improper to accuse the defendant of unfairly adopting a so-called trademark of the plaintiff to pass-off their Maggi noodles as that of the defendant.

- 119. The learned counsel appearing for the defendants relied on the following case laws:
  - i. Laxmikant V. Patel Vs. Chetanbhai Shah @ anr., AIR 2002 SC 275.
  - ii. **Britannia Industries Ltd.** Vs. **ITC Limited,** 2017(70) PTC 66 (Del) (DB).
  - iii. IntexTechnologies (India) Ltd. and Anr. Vs. AZ Tech (India) and Ant., 2017(70) PTC 118 (Del) (DB).

- iv. British Sugar PLC Vs. James Robertson & Sons Ltd., (Descriptive sub-brand), (1996) R.P.C. 281.
- v. McCain International Ltd. Vs. Country Fair Foods Limited and another, (1981) R.P.C. 69.
- vi. Horlick's Malted Milk Company Vs. Summarskill (Descriptive sub-brand), 34 R.P.C. 63.
- vii.**Sant Kumar Mehra Vs. Ram L**akhan, (1999) PTC (19) 307
- viii.Kalyan Kumar Gogoi Vs. Asuthosh Agnihotri and Ors., (2011) 2 SCC 532.
- ix. Corn Products Refining Co. Vs. Shangrila Good Products Ltd., AIR 1960 SC 142.
- x. Kaira District Co-Operative Milk Producers Union Ltd., Vs. Bharat Confectionary Works.
- xi. Kamal Trading Company Bombay and Others Vs. Gillete U.K. Ltd. Middle Sex, England, 1988 PTC 1.
- xii.Kaviraj Pandit Durga Dutt Sharma Vs. Navaratna Pharmeutical Laboratories, AIR 1965 SC 980.
- xiii.**Ruston and Hornby Ltd.** Vs. amindara Engineering Co., AIR 1970 SC 1649.
- xiv.**J.R.Kapoor** Vs. **Micronix India**, (1994) Suppl. 3 SCC 215.
- xv.F.Hoffmann-La Roche & Co. Ltd. Vs. Geoffrey

- Manner & Co. Pvt. Ltd.
- xvi.M/s.Johnson and Johnson and Anr. Vs. Christine Hoden India (P) Ltd. and Anr., AIR 1988 Delhi 249.
- xvii.Nestle India Ltd. Vs. Mood Hospitality Pvt. Ltd, 2010(42) PTC 514 (Del) (DB).
- xviii. The Rajasthan State Industrial Development and Investment Corporation Vs. Subhash Sindhi Cop. Housing Society Jaipur & Ors., 2013(2) SCALE 434.
- xix.**M.Ambrose** Vs. **S.Jeyaraj** and **Ors.**, MANU/TN/4125/2011.
- xx. Harish Mansukhani Vs. Ashok Jain, MANU/DE/1742/2008.
- xxi.Societe des Products Nestle S.A. & Anr. Vs. Shiny Electricals Pvt. Ltd., &Ors. (Order dated 27.08.2018 in suit CS (COMM) 1175 of 2016) (MAGGI A well-known trademark).
- xxii.Mount Mettur Pharmaceutical (P) Ltd. Vs. Dr.A.Wander & Another PTC, (Suppl) (2) 714 (Mad) (DB).
- xxiii.**Mahendra & Mahendra Paper Mills Ltd.** Vs. **Mahindra & Mahindra Limited,** AIR 2002 SC 117.
- xxiv.Ramesh Khatanmal Lulla Vs. Mohammad Yusuf Abdul Gaffar, AIR 2018 Bom 244.
- xxv.Amritdhara Pharmacy Vs. Satyadeo Gupta, AIR

1963 SC 449.

- xxvi.**Hem Coporation Pvt. Ltd. & Ors.** Vs. **ITC Limited,** 2012 (52) PTC 600 (Bom).
- xxvii.Honda Motor Enrope Ltd. Vs. Office for Harmonisation in the Internal Market.
- xxviii.C & T Holding Aps Vs. Haribo Lakrids A/S, Denmark (EUIPO).
- xxix.I.T.C.Limited Company Vs. GTC Industries Ltd. & Another, 2002 (25) PTC 465 (Bom).
- xxx.Indchemie Health Specialities Pyt. Ltd. Vs. Intas Pharmaceuticals Ltd. & Ors.
- (Descriptive sub-brand), 2010 (44) PTC 736 (Del.) (DB).
- 120. He also referred to the following:
  - i. Oxford English Reference Dictionary Second Edition Meaning of MAGIC
  - ii. Webster's New World Dictionary Meaning of MAGIC
  - iii. Christopher Wadlow on Passing off
  - iv. Mc Carthy
  - v. Halsbury's Laws of England
- 121. It was further submitted that the defendant has also used "Maggi Magic" food products in other markets as "Maggi Magic

Sinigang", "Maggi Magic Sarap", "Maggi Magic Chef", "Maggi Magic Meals", "Maggi Magic Sabaw", "Maggi Magic Lezat", "Maggi Magic Asia", "Maggi Magic Curry Mix", "Maggi Magic Chicken" etc. prior to 2010 as evident from documents forming part of Exhibit D36 (series).

122. Reliance was placed on the affidavit of DW1 in para 2A, it was stated that "I say that Nestlé is bonafide adopter and prior user of the word MAGIC and its various derivatives either singularly or in combination with other terms such as Magic Cubes, Masala-Ae-Magic, Magical etc. Nestlé has used the mark MAGICAL in relation to advertisement of MAGGI noodles in the year 1986 and has used MAGIC for cubes in relation to flavour solutions in the year 2003 for two flavours-chicken and vegetarian. I further say that in the year 2009, the Defendant adopted unique mark being combination of English, Hindi and Urdu language namely "Masala- Ae-Magic" for aromatic roasted spices acting as taste enhancer.

123. For the ready reference, the products of the plaintiff as well as of the defendant along with the masala were compared as below:-



124. It is further submitted that the trade has been using "Magic" as product descriptor and therefore it is not associated with any particular manufacturer or trader and no one can claim exclusive or proprietary right therein. Under such circumstances, no proprietary right of exclusive use can be claimed by the plaintiff in the word "Magic".

125. It is also submitted that in order to succeed in a passing-off claim, it is essential for the plaintiff to establish that on account of prior adoption and extensive commercial use as trade mark, "Magic Masala" has acquired distinctiveness (so as to exclusively distinguish the source and origin of the product with the plaintiff), goodwill and reputation and hence the plaintiff has developed a proprietary right in the mark. But for

a mark to acquire such level of distinctiveness, goodwill and reputation distinguishing any source, use of the mark as trade mark is *sine qua non*.

by the plaintiff to describe the characteristics and quality of the flavour of masala sold along with "Sunfeast Yippee! noodles". Hence, use thereof is incapable of conferring any proprietary right in law on plaintiff. "Magic Masala" is not the registered trademark of the plaintiff and therefore no statutory right can be claimed by the plaintiff therein. In the claim for passing-off, the onus is on the plaintiff to establish that it has proprietary right and such right is not permissible unless the plaintiff establishing the following three factors namely:

- i. That the mark has been used prior in point of time by the plaintiff;
- ii. That the mark has been used as trade mark (Section 2(1)(zb)) so as to distinguish the Plaintiff's product from similar products of others in the trade and not to describe character or quality of masala;
- iii. That upon such exclusive and extensive use as trademark, it has acquired such level of

distinctiveness, goodwill and reputation that it has come to identify the source and origin of instant noodles of the Plaintiff.

- 127. It is submitted that the plaintiff has not produced any evidence which proves that "Magic" or "Magic Masala" have acquired such distinctiveness, goodwill or reputation for following reasons:
  - i. All trade promotion is for the brand Sunfeast Yippee! leading to plaintiff's instant noodles being identified by the brand Sunfeast Yippee!;
  - ii. Every retail invoices and purchase of Plaintiff's product are identified by their brand Sunfeast Yippee!
  - iii. The volume of sales given as Exhibit P3 is not admissible in evidence on account of mode of proof as the said document has not been adduced properly. The said objection was raised by the defendant at the time of Examination-in-chief dated 24.10.2016. The certificate pertaining to volume of sales is signed by one Mr.Murali Ganesan, EVP-Finance, Procurement and IT, ITC Limited Foods Division. The said signatory has not filed any affidavit nor has been examined. As far as PW1 is concerned, he has admitted in cross-examination that he has verified no documents in support of the figures given in Exhibit P3. Hence, the Exhibit P3 therefore is hearsay evidence which is not admissible;
  - iv. Even otherwise, Exhibit P3 is at best evidence of goodwill or reputation of the brand **Sunfeast Yipee!** under which the plaintiff's instant noodles are sold. Considering that there is no independent commercial

promotion, sale of the plaintiff's instant noodles under Magic/Magic Masala by the plaintiff and Magic Masala being used descriptively masala provided to enhance the flavour and taste of noodles and same being a descriptor of quality of masala, there is no trade mark usage thereof and no question of it having acquired distinctiveness or a brand indication of source or no origin arises and consequently no question of proprietary right that can be claimed therein arises given retail sale has no reference to Magic Masala as brand. When a mark is neither promoted in advertisement as a brand nor the product is purchased by consumers by such mark as a brand nor being sold by retailers under it as a brand, there is no brand usage and no question of such mark acquiring brand equity, distinctiveness, goodwill or reputation arises.

128. It is further submitted by Mr.Hemant Singh, learned counsel for the defendant that even if it is assumed that the plaintiff has a proprietary right, in order to succeed in a passing-off case, the plaintiff would have to establish that there is passing-off of the goods of the defendant for those of the plaintiff.

129. Such claim is liable to be rejected considering that both the products are well distinguishable by their respective brands "Sunfeast Yippee!" and "Maggi" and the get-up, trade dress and colour combination of the competing packaging are totally different.

130. Considering that the defendant is the market leader and "Maggi" is a well-known trademark in the field of instant noodles and other culinary products admittedly, the question of passing-off does not arise. The defenands sells its product with the brand "Maggi". It is "Maggi" which is the trademark which identifies the defendant's product. The well-known character of the trademark "Maggi" has been recognized by the Hon'ble High Court of Delhi in the suit being **Societe des Products Nestle & Anr Vs. Shiny Electricals & Ors.**, CS (COMM) 1175 of 2016.

- 131. It is submitted that the goods are well distinguished by their well-known brands, "Sunfeast Yippee!" and "Maggi" and considering the fact that the packaging is distinct with different get up and trade dress, there is no question of passing-off of goods of one for the other arises and any such claim is misconceived and is liable to be rejected. He therefore prayed for dismissal of the suit with cost.
- 132. I have considered the arguments advanced by Mr.P.S.Raman, the learned senior counsel who argued on behalf of the plaintiff. I have

also considered the argument advanced by Mr.C.Manishankar, the learned senior counsel who made an elaborate submission on the admissibility of the exhibits introduced by the defendant

- 133. I have considered the arguments of Mr.Hemanth Singh, learned senior counsel for the defendant. I have also considered the evidence on record and the material object filed which are nothing but packs of plaintiff and defendant.
- 134. A trademark metaphorically answers the buyer's question "who are you? Where do you come from? and Who vouches for you? [See McCarthy on Trademarks and Unfair Competition, 3rd Edition, J.Thomas McCarthy].

135. The expression "mark" is defined as follows in Section 2(m) of the Trade Marks Act, 1999 as follows:-

सत्यमेव जय

**Section 2(m)** : 'mark' includes a device, brand, heading, label, ticket, name, signature, word, letter, numeral, shape of goods, packaging or combination of colours or any combination thereof;

136. The expression trademark has been defined in section 2(zb) of the Trade Marks Act, 1999 as follows:-

Section 2(zb):trade mark" means a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others and may include shape of goods, their packaging and combination of colours; and—

- (i) in relation to Chapter XII (other than section 107), a registered trade mark or a mark used in relation to goods or services for the purpose of indicating or so as to indicate a connection in the course of trade between the goods or services, as the case may be, and some person having the right as proprietor to use the mark; and
- (ii) in relation to other provisions of this Act, a mark used or proposed to be used in relation to goods or services for the purpose of indicating or so to indicate a connection in the course of trade between the goods or services, as the case may be, and some person having the right, either as proprietor or by way of permitted user, to use the mark whether with or without any indication of the identity of that person, and includes a certification trade mark or collective mark;
- 137. The purpose of a trademark/service mark is to establish a trade connection between the goods or the service offered by the

proprietor of such a trademark/service mark. An average consumer decides to pay for such goods or service by referring to the mark associated with them.

138. Trademark identifies the goods of the proprietor. It is intended to grab the attention of the consumer instantly to make a on the spot decision whether to buy the goods or service of a proprietor. They powerful tools used by proprietors to build a customer base. They collectively represent the intrinsic value of the goods or service offered by the proprietor. They are the assets of the proprietors. A trademarks helps a proprietor to sell their goods or service.

139. Trademarks are intangible assets of proprietors. They are by themselves capable of being bought and sold like any other goods. They are the assets of the proprietors and is capable of being valued. In fact, even if there is change in ownership of the trademark and the same goods or services are offered by the transferee or the new proprietor of such mark, the consumer may continue to buy products or the services offered by such new proprietors. Thus, it is very power asset of a trader or service provider.

- 140. Once a mark or the brand has attained certain level of recognition and reputation, the buyers of goods or service may not even look beyond the brand or the mark.
- 141. The proprietors therefore invest their time, money, efforts and resources in promoting them through aggressive advertisement and sales promotion. Proprietors are therefore expected to choose them wisely before promoting them as their trademark or service mark.
- 142. However, often proprietors delude themselves in adopting weak marks. Such marks are incapable of protection and get diluted. Proprietors are not expected to choose words which are not distinct or which are descriptive or marks which are either ordinary words, common to the trade or those words which are laudatory. If they do, they do it at their peril.
- 143. A word or expression becomes trademark, if it is either distinctive or is intended to distinguish the product. A distinctive mark is

that mark which requires no proof of its distinctiveness. It is unique and different from others. It is class apart and stands out as distinctive from others. There is a marked difference between the generic name and trademarks. Generic name can never be monopolised while a trademark can be.

- 144. To be called as a distinctive mark, the mark should be unique and different from rest in the milieu. It requires no proof of its distinctiveness. It instantly establishes connect between the product and its proprietor for the consumers to buy the goods or the service.
- 145. Generic marks are descriptive of quality of the product and can never confer any proprietary rights to a person even if it is assiduously projected and promoted as a trademark. Generic names can never be registered under the law [Section 9 of the Act].

146. As per the said author Mr. J.Thomas McCarthy in McCarthy on Trademarks and Unfair Competition, 3<sup>rd</sup> Edition, there are two basic

categories of distinctive trademarks. They are as follows:-

- a) a mark which is distinctive and capable of being protected; and
- b) the mark which has acquired distinctiveness through secondary meaning,

147. According to him, within the above two basic categories of distinctive trademark, there are sub-categories that form the complete spectrum of distinctiveness of marks. Arrayed in an ascending order roughly reflecting their eligibility to trademark status and the decree of protection afforded, the categories are follows:-

- 1) generic terms;
- 2) descriptive;
- 3) suggestive; and
- 4) arbitrary or fanciful.



148. "Descriptive" words are not inherently distinctive while suggestive, arbitrary and fanciful terms are regarded as being inherently distinctive. [See McCarthy on Trademarks and Unfair Competition, 3<sup>rd</sup> Edition, J.Thomas McCarthy].

149. A mark, which conveys character or quality of the goods, is a descriptive mark. It is an inherently weak mark and is almost incapable of being protected and/or registered unless it has acquired distinctiveness due to its long and continuous use over a period of time to the exclusion of others.

150. Proprietor who chooses words or artistic work which are not distinctive and are inherently weak or is incapable of protection, run the risk of such mark trampled or used by others. Law will cannot come to their rescue and they are often left without any remedy. Descriptive marks may attain distinctiveness on account of its long use and if nobody else had used it prior in time. If the marks are invented or coined as a new word, it affords a higher decree of protection under law.

## WEB COPY

151. Therefore, before conceiving a mark to establish a trade connection, proprietors are expected to choose marks wisely which are either **arbitrary**, **fanciful** and/or at best **suggestive** of their

product/goods/services to market.

152. If the mark is suggestive, it would require to pass the test of imagination for being protected. The more imagination is required on the customer's part to get the direct description of the product from the term, the more likely the term is suggestive and not descriptive.

153. In Stix Products Inc. Vs. United Merchants &Mfrs Inc.,
295 F.Supp 479,160 USPQ7777 (SCNY1968), Judge Weinfeld's
formulation of the imagination test is often quoted in applied:-

"A term is suggestive if it requires imagination, thought and perception to reach a conclusion as to the nature of the goods. The term is descriptive if it walked with conveys an immediate idea of the ingredients, qualifies or characteristics of the goods".

154. For instance, Rexona, Vivel, Liril, Margo, etc. for soap, Bata, Reebok for footwear, etc. *prima facie* appear to be invented or coined words. They may command a higher decree of protection if there is a contest. Similarly, Apple for apple computers, Ipad, Iphone or **Maggi** for

various food products manufactured and marketed by the defendant or **Sunfeast Yipee!** by the plaintiff, Hushpuppies, Pavers, Nike, Puma etc. for foot wear appear to be fanci & arbitrary words and therefore command a higher decree of protection.

155. Composite label used by both the plaintiff and the defendant in Exhibits P19 and 21 qualify as trademarks. However, same cannot be said about the expression "Magic Masala" or "Magical Masala" used in the respective labels.

156. Under the Trade Marks Act, 1999, proprietors are entitled to apply for registration. If the mark is registered, such proprietor can take proceedings for infringement of their mark. However, if the mark is not registered, common law protection of passing-off is available to such proprietors.

## WEB COPY

157. In Godfrey Philips India Ltd. Vs.Girnar Food & Beverages (P) Ltd., (2004) 5 SCC 257, the Division Bench of the High

Court had held that phrase "SUPER CUP" which was used as a trademark was descriptive and laudatory of the goods of the appellant and, therefore, the appellant was not entitled to any order of injunction.

158. The Hon'ble Supreme Court however while remanding the case to the Division Bench of the High Court held that, "A descriptive trade mark may be entitled to protection, if it has assumed a secondary meaning which identifies it with a particular product or as being from a particular source".

159. Thus, a "descriptive term" which directly and clearly conveys information about the ingredients, qualities and characteristics of the product or services is not protectable at the first instance but may qualify for protection if it has assumed a secondary meaning and identifies a particular product or as being from a particular source.

WEB COPY

160. On the other hand, a "**suggestive term**" used as a mark which indirectly suggest the qualities and characteristics of the product may be

registrable and protected.

161. Before an expression attains a secondary meaning in the eyes of the consumers, it has to go through a long and an arduous uninterrupted use. Such use are at the risk of being run-over or trampled and used by others. Before such words or expression achieve a secondary meaning, they are at the risk of being used by others in which case they loose their claim for protection under law.

162. If such a proprietor initiates an action for an injunction to exclude a subsequent user in their journey to distinguish such words as their marks, the Courts rarely rescue such proprietors. Such proprietors promote such words or expression as their marks at their peril.



163. Thus, the thumb rule under the law is that words or the expression which and are not distinctive are inherently weak and are therefore incapable of being registered or protected.

164. However, such words may become distinctive on account of their long and uninterrupted use over a period time as a result of which they may get a secondary meaning and the consumer may begin to associate them with the goods of such proprietor.

165. It is the submission of the learned senior counsel for the plaintiff that the expression "Magic Masala" at best was suggestive and therefore the petitioner was entitled for the relief. It is submitted that the expression "Magic Masala" was not a descriptive expression as there is no "Masala" in the Indian culinary which is called "Magic".

"Magic Masala" was construed to be descriptive, it had become distinctive with the Sunfeast Yippee! noodles of the plaintiff and plaintiff alone and therefore the plaintiff was entitled to protection. In this connection, the learned counsel for the plaintiff alluded to the deposition of the PW2 to PW6, news paper clipping vide Exhibit P6 and report of the IMRB vide Exhibit P7.

167. It is the submission of the learned senior counsel for the plaintiff that the expression "Magic Masala" had attained a secondary meaning right at the inception in 2010 when the plaintiff launched Sunfeast Yippee! noodles with their sub- brand "Magic Masala". In this connection, the reference to the name "SIFY" in Satyam Computers case was invited.

168. Before proceeding further, I shall also briefly refer to certain decisions on the law relating to passing-off. The expression "passing-off" has not been defined anywhere under the Trade Marks Act, 1999 though there is a reference to the same in Section 27(2) and Sections 105(C), 106 and 135 of the Act.

169. The expression "passing-off" means and suggest to pass-off one's goods as that of another person whose product has a reputation in the market and to dilute such person's goodwill. It is to trade on the good-will of another person and thereby not only to deceive the buyers (consumers) but also is intended to cause injury to the proprietor of the trademark. This is the essence of passing off.

170. Passing- off action is a common law remedy recognised under the above Act. An action for passing-off is a broader remedy than an action for infringement of a trademark under Section 134 the said Act. It is to restrain or stop by an order of a Court an unfair trade practice by a competitor who misleads the consumer by making them believe that they are indeed purchasing the goods of his competitor.

171. An action for passing-off is not merely confined to protect an unregistered trademark of a proprietor. It is also intended to protect overall colour scheme, get-up, layout and trade dress etc. adopted by a proprietor which his competitor unfairly copies and causes deception on the consumer and thereby inflicts a loss on the proprietor.

सत्यमेव जयते

172. Loss to the consumer is the actual loss for the consumer is cheated by the competitor. Though a consumer suffers, rarely a consumer take action against the perpetrator unless the consumer approaches the Consumer Forum.

173. Loss to the proprietor in the case of passing-off is a direct reduction in sale, growth, dilution of the intrinsic value of the mark and risk of being exposed to unnecessary civil action and the expenses incurred in connection of burden of vigilient.

174. The purpose of passing-off action is not only to protect commercial goodwill but is also to ensure that the purchasers are not exploited and dishonesty intrading is prevented. For that the plaintiff must establish that his business or goods have acquired reputation. [Sir Shadi Lal Enterprise Ltd.Vs. Kesar Enterprise Ltd., 1998 PTC(18)].

175. On passing-off, eminent jurist Salmond in Law of Torts, 17<sup>th</sup> Edn. p. 401 has stated as follows: -

"The gist of the conception of passing-off is that the goods are in effect telling a falsehood about themselves, are saying something about themselves, which is calculated to mislead. The law on this matter is designed to protect traders against that form of unfair competition which consists in acquiring for oneself, by means of false or misleading devices the benefit of the reputation already achieved by rival traders."

176. In an action for passing-off, the plaintiff is required to show colourable imitation so calculated to cause deception that the goods traded by him are to be taken to by the ordinary purchaser as that of the plaintiff.

177. While testing whether there is actual confusion or not by such copying, the court adopts the test of an ordinary person with an average intelligence and imperfect recollection. [See Corn Products Refining Co. Vs. Skangrila Food Products Ltd., (1960) (1) SCR 968 and Amritdhara Pharmacy Vs. Satya Deo Gupta, (1963) 2 SCR 484: AIR 1963 SC 449]. In Amritdhara Pharmacy Vs. Satya Deo Gupta, (1963) 2 SCR 484: AIR 1963 SC 449, on facts it was held that "To such a man the overall structural and phonetic similarity-of the two names "Amritdhara" and "Lakshmandhara" is, in our opinion, likely to deceive or cause confusion".

WEB COPY

178. In Cadila Health Care Ltd. Vs. Cadila Pharmaceuticals Ltd., (2001) 5 SCC 73, the Hon'ble Supreme Court observed as under:

Broadly stated, in an action for passing-off on the basis

of unregistered trade mark generally <u>for deciding the</u> <u>question of deceptive</u> similarity the following factors are to be considered:

- (a) The nature of the marks i.e. whether the marks are word marks or label marks or composite marks i.e. both words and label works.
- (b) The degree of resembleness between the marks, phonetically similar and hence similar in idea.
- (c) The nature of the goods in respect of which they are used as trade marks.
- (d) The similarity in the nature, character and performance of the goods of the rival traders.
- (e) The class of purchasers who are likely to buy the goods bearing the marks they require, on their education and intelligence and a degree of care they are likely to exercise in purchasing and/or using the goods.
- (f) The mode of purchasing the goods or placing orders for the goods.
- (g) Any other surrounding circumstances which may be relevant in the extent of dissimilarity between the competing marks.
- 179. In Toyota Jidosha Kabushiki Kaisha Vs. Prius Auto Industries, (2018) 2 SCC 1, it was held that an action for passing-off is premised on the right of the prior user generating a goodwill and is unaffected by any registration of the mark under the Act. To prove and establish an action of passing-off, three ingredients are required to be

proved by the plaintiff ie. Goodwill, misrepresentation and damages.

Actual deception is not required [Century Traders Vs. Roshan Lal

Duggar & Co., AIR (1978) 250(DEL)].

180. In Eastman Photography Materials Company, Limited Vs. The Comptroller-General of Patents, Designs, And Trade-Marks Respondent, [1898] A.C. 571, it was observed as follows:-

"We would add upon this point that we think that where any English word would be rejected as not entitled to registration, no person ought to be permitted to register its translation into any other language. The question has been raised whether a word having the same sound as one entered on the register, though differently spelt and with a different meaning, should be registered. The question in such a case would seem to be whether the resemblance between the old mark and that applied for was such as to be calculated to deceive; if it were it ought, of course, to be rejected."

सत्यमेव जयते

181. Lord Halsbury further observed as under:-

"Of course also words which are merely mis-spelt, but which are nevertheless, in sound, ordinary English words, and the use of which may tend to deceive, ought not to be permitted."

182. In Ruston Vs. Zamindara, AIR 1970 SC 1649, the Hon'ble

Supreme Court held that the test in the case of passing-off is whether the defendant selling goods so marked is to be designed or is calculated to lead purchasers to believe that they are the plaintiff's goods?"

183. In **Oertli** Vs. **Bowman,** 1957 RPC 388 (CA) (at p. 397), the gist of passing-off action was explained by stating that it was essential to the success of any claim to passing-off based on the use of given mark or get-up that the plaintiff should be able to show that the disputed mark or get-up has become by user in the country distinctive of the plaintiff's goods so that the use in relation to any goods of the kind dealt in by the plaintiff of that mark or get-up will be understood by the trade and the public in that country as that of the goods of the plaintiff's goods. It is in the nature of acquisition of a quasi-proprietary right to the exclusive use of the mark or get-up in relation to goods of that kind because of the plaintiff having used or made it known that the mark or get-up has relation to his goods. Such right is invaded by anyone using the same or some deceptively similar mark, get-up or name in relation to goods not of plaintiff. The three elements of passing-off action are the reputation of goods, possibility of deception and likelihood of damages

to the plaintiff. In our opinion, the same principle, which applies to trade mark, is applicable to trade name.

184. In Satyam Infoway Ltd. Vs. Siffynet Solutions (P) Ltd., (2004) 6 SCC 145, the Hon'ble Supreme Court was concerned with an invented / coined word "Sify" and held that in "An action for passing off, as the phrase "passing off" itself suggests, is to restrain the defendant from passing-off its goods or services to the public as that of the plaintiff's. It is an action not only to preserve the reputation of the plaintiff but also to safeguard the public. The defendant must have sold its goods or offered its services in a manner which has deceived or would be likely to deceive the public into thinking that the defendant's goods or services are the plaintiff's. The action is normally available to the owner of a distinctive trade mark and the person who, if the word or name is an invented one, invents and uses it. If two trade rivals claim to have individually invented the same mark, then the trader who is able to establish prior user will succeed. The question is, as has been aptly put, who gets these first? It is not essential for the plaintiff to prove long user to establish reputation in a passing-off action. It would depend upon the

volume of sales and extent of advertisement.

185. That apart, the Court has to view whether there is likelihood of confusion with the possible injury to the public and consequential loss to the appellant. Similarity in the name may lead an unwary user of internet of average intelligence and imperfect recollection to assume the business connection between the two. Thus, to maintain a suit for passing- off, the plaintiff has to be established that the mark is distinctive.

186. In order to show what amounts to sufficient business to amount to goodwill, the claimant should show that it has sufficient goodwill in the form of customer base.



- 187. In Laxmikant V. Patel Vs. Chetanbhai Shah, (2002) 3 SCC 65, the Hon'ble Supreme Court observed as under:-
  - 13. In an action for passing-off it is usual, rather essential, to seek an injunction, temporary or ad interim. The principles for the grant of such injunction are the same as in the case of any other action against injury complained of. The plaintiff

must prove a prima facie case, availability of balance of convenience in his favour and his suffering an irreparable injury in the absence of grant of injunction. According to Kerly (ibid, para 16.16) passing-off cases are often cases of deliberate and intentional misrepresentation, but it is well settled that fraud is not a necessary element of the right of action, and the absence of an intention to deceive is not a defence, though proof of fraudulent intention may materially assist a plaintiff in establishing probability of deception. Christopher Wadlow in *Law of Passing-Off* (1995) Edn., at p. 3.06) states that the plaintiff does not have to prove actual damage in order to succeed in an action for passing-off. Likelihood of damage is sufficient. The same learned author states that the defendant's state of mind is wholly irrelevant to the existence of the cause of action for passingoff (ibid, paras 4.20 and 7.15). As to how the injunction granted by the court would shape depends on the facts and circumstances of each case. Where a defendant has imitated or adopted the plaintiff's distinctive trade mark or business name, the order may be an absolute injunction that he would not use or carry on business under that name (Kerly, *ibid*, para 16.97).

188. In JK Oil Industries Vs. Adani WilmarLtd., 2010 (42) PTC

639 (Del.), the Delhi High Court has observed as follows:

"In order to bring home a tort of passing off, the plaintiff will have to establish and prove the following: (i) the defendant has made a false representation or employed deception. Mere confusion will not suffice; (ii) because of such false representation an unwary consumer is deceived,

though there is no necessity to prove intent; and (iii) lastly, the false representation has injured the plaintiff"s goodwill and not just its reputation.

11.1 In sum and substance passing off is really a tort of false representation whether intentional or unintentional whereby, one person attempts to sell his goods or service as those manufactured or rendered by another, which is, "calculated" to damage the goodwill of the other person. (See Erven Warnink BV vs Townend & Sons (Hull) Ltd 1980 RPC 31 at page93). Therefore, for the plaintiff to succeed, it will have to prove all three ingredients referred to hereinabove. (See Island Trading vs Anchor Brewery 1989 RPC 287 at page 295).

Pharmaceuticals Laboratories, (1965) 1 SCR 737:AIR 1965 SC 980, the Court recognised that passing-off is a Common Law remedy being in substance an action for deceit, that is, a passing-off by a person of his own goods as that of another. In the same decision, the Court held as follows:-

"30. The mark of the respondent which he claimed was infringed by the appellant was the mark 'Navaratna Pharmaceutical Laboratories', and the mark of the appellant which the respondent claimed was a colourable imitation of that mark is 'Navaratna Pharmacy'. Mr Agarwala here again stressed the fact that the 'Navaratna' which constituted an essential part or feature of the Registered Trade Mark was a

descriptive word in common use and that if the use of this word in the appellant's mark were disregarded there would not be enough material left for holding that the appellant had used a trade mark which was deceptively similar to that of the respondent. But this proceeds, in our opinion, on ignoring that the appellant is not, as we have explained earlier, entitled to insist on a disclaimer in regard to that word by the respondent. In these circumstances, the trade mark to be compared with that used by the appellant is the entire registered mark including the word 'Navaratna'. Even otherwise, as stated in a slightly different context: [Kerly on Trade Marks 8th Edn. 407]

"Where common marks are included in the trade marks to be compared or in one of them, the proper course is to look at the marks as wholes and not to disregard the parts which are common"."

190. In Registrar of Trade Marks Vs. Ashok Chandra Rakhit Ltd., (1955) 2 SCR 252: AIR 1955 SC 558, in para 14, it has been held as follows:-

14. It is true that where a distinctive label is registered as a whole, such registration cannot possibly give any exclusive statutory right to the proprietor of the trade mark to the use of any particular word or name contained therein apart from the mark as a whole. As said by Lord Esher in *Pinto* v. *Badman* [8 RPC 181 at p 191]:

"The truth is that the label does not consist of each particular part of it, but consists of the combination of them all".

Observations to the same effect will be found also in In re Apollinaris Company's Trade Marks [LR (1891) 2 Ch 186], In re Smokeless Powder Co., In re Clement and Cie [LR (1900) 1 Ch 114] and In re Albert Baker & Company and finally in the Tudor case referred to above which was decided by Sargant, J. This circumstance, however, does not necessarily mean that in such a case disclaimer will always be unnecessary. It is significant that one of the facts which give rise to the jurisdiction of the tribunal to impose disclaimer is that the trade mark contains parts which are not separately registered. It is, therefore, clear that the section itself contemplates that there may be a disclaimer in respect of parts contained in a trade mark registered as a whole although the registration of the mark as a whole does not confer any statutory right with respect to that part.

## 191. In F. Hoffmann-La Roche & Co. Ltd. Vs. Geoffrey Manner

& Co. (P) Ltd., (1969) 2 SCC 716 at page 720, it was held as follows:-

"It is also important that the marks must be compared as wholes. It is not right to take a portion of the word and say that because that portion of the word differs from the corresponding portion of the word in the other case there is no sufficient, similarity to cause confusion. The true test is whether the totality of the proposed trade mark is such that it is likely to cause deception or confusion or mistake in the minds of

persons accustomed to the existing trade mark. Thus, in Lavroma case [Tokalon Ltd. v. Davidson & Co., 32] RPC at 133 at 136] Lord Johnston said:

"... we are not bound to scan the words as we would in a question of comparatioliterarum. It is not a matter for microscopic inspection, but to be taken from the general and even casual point of view of a customer walking into a shop."

192. In Amritdhara Pharmacy Vs. Satya Deo Gupta, (1963) 2

SCR 484: AIR 1963 SC 449, in para 8, it was been held as follows:

"8. We agree that the use of the word "dhara" which literally means "current or stream" is not by itself decisive of the matter. What we have to consider here is the overall similarity of the composite words, having regard to the circumstance that the goods bearing the two names are medicinal preparations of the same description. We are aware that the admission of a mark is not to be refused, because unusually stupid people, "fools or idiots", may be deceived. A critical comparison of the two names may disclose some points of difference, but an unwary purchaser of average intelligence and imperfect recollection would be deceived by the overall similarity of the two names having regard to the nature of the medicine he is looking for with a somewhat vague recollection that he had purchased a similar medicine on a previous occasion with a similar name. The trade mark is the whole thing-the whole word has to be considered. In the case of the application to register "Erectiks" (opposed by the proprietors of the trade mark "Erector") Farwell, J., said in William Bailev (Birmingham)

## Application [(1935) 52 RPC 137]:

"I do not think it is right to take a part of the word and compare it with a part of the other word; one word must be considered as a whole and compared with the other word as a whole.... I think it is a dangerous method to adopt to divide the word up and seek to distinguish a portion of it from a portion of the other word.""

193. **Issue Nos.1** and **5** are the same. They are therefore paraphrased as a single issue as follows:-

"Whether the expression "Magic Masala" qualifies as a trademark and is capable of being monopolised to the exclusion of defendant and others"?

194. Issue Nos.2 & 6 are the same. They are also para-phrased as

सत्यमेव जयते

follows:

"Whether in the facts there was passing-off of the instant noodle by the defendant by adopting the expression "Magical Masala" for trading its "Maggi xtra delicious Magical Masala" Noodles?"

195. In my view, the above issue are the primordial issues to this

case. While answering these above issues, I shall answer rest of the issues as well.

196. According to the plaintiff, it was the prior adopter of the expression "Magic Masala" as a sub-brand along with its primary brand/trademark "Sunfeast Yippee! noodles" to market instant noodle in 2010. Adoption of the offending expression "Magical Masala" by the defendant for marketing its instant noodle in 2013 was not bonafide.

197. It is submitted that defendant has copied the word "Magic" from the plaintiff's label by adding a syllable "al" to the word "Magic" cause confusion in the minds of the public.

198. The plaintiff claims that both "Magic Masala" and "Magical Masala" are the respective sub-brands and since the latter is phonetically similar to the former and since both the plaintiff and the defendant are in the same business, i.e. sale of instant noodles, there is deception and confusion and therefore the defendant was liable to be permanently injuncted.

199. It is submitted that the expression "Magical Masala" is phonetically similar to "Magic Masala" used by the plaintiff and therefore there is passing-off by the defendant as was demonstrated in the deposition of PW2 to PW6 and the report of IMRB vide Exhibit P7.

200. It is submitted that the adoption of the expression "Magical Masala" was calculated with a view to cause confusion in the minds of the consumer and therefore to pass -off the defendant's instant noodle as that of the plaintiff's noodle.

201. On the other hand, it is the claim of the defendant that both the expression "Magic Masala" and "Magical Masala" have been used both by the plaintiff and the defendant as a flavour descriptor and therefore are incapable of being protected and therefore the suit was liable to be dismissed.

202. From the evidence on record, it is clear that it is the defendant who has used the expression "Magic" for some its food items prior to the

plaintiff though not for instant noodles.

203. The defendant has adopted "Dal Magic" (Seasoning), "Maggi Masala-Ae-Magic" (taste enhancer), "Maggi Magic Cubes" (for flavour solutions) and "Maggi Real Magic" as in Exhibits D31(series), P19 and D11 (series) much prior to the plaintiff.

204. The word "Magic" is also commonly used in the food and cosmetic industry. It is also used in a variety of the products cutting across different segments of goods as is seen from the trademark search report in Exhibit D43 downloaded by the defendant from the Trade Mark Registry's website.



205. It also appears that the expression "Magic Masala" was first adopted by Lays for their potato chips [Exhibit D-15]. It was rather used to name the flavour along some of its other flavours such as classic, onion flavour, etc.

206. The adoption of the aforesaid expression "Magic Masala" by Lays was much prior to the plaintiff's foray into instant noodle market and adoption of the same expression for its Sunfeast Yippee! noodles in 2010. Both these products have same consumers and have similar target groups. The point of sale is also similar.

207. Both the words "Magic" and its derivative "Magical" are common to the trade. Therefore, neither the plaintiff nor the defendant can claim any monopoly over the expression Magic" or "Masala" for they are common words in Indian culinary and Indian food industry.

Issue No.9 is answered accordingly in the affirmative.

208. The adoption of the word "Magic" by the plaintiff was inspired from the use of the said word across the industry and also from some of the food products of the defendant.

WEB COPY

209. Thus, it would be fair to conclude that the expression "Magic Masala" was inspired from both the common words viz. "Magic" and "Masala" as they were not only used by the defendant for some of its

products as mentioned above but also from other products in the food and cosmetic industry.

- 210. It would be also fair to conclude that the plaintiff was the first to use the combination of the two words i.e. "Magic" and "Masala" as "Magic Masala" for noodles in 2010.
- 211. The adoption of the expression "Magical Masala" by the defendant was inspired not only from the words "Magic" and "Magical" which are common to the trade but also from some of its own products. It was therefore certainly inspired from adoption of the expression "Magic Masala" by the plaintiff in 2010 for its "Sunfeast Vippee!" noodles. However, such adoption cannot be said to be malafide. It was a legitimate adoption by the defendant as no person can appropriate common and laudatory words.

WEB COPY

212. There is no reason or explanation forthcoming from the plaintiff as to why the expression "Magical Masala" or for that matter "Magic Masala" was not adopted by the defendant earlier as it has used

these words for one or more of its products and for a food festival earlier in 1986 [Exhibit D29].

213. It also requires no detailed enquiry on facts draw a conclusion that the expression "Magic Masala" was in the contemplation of the defendant when it adopted the phrase "Magical Masala" for its "Maggi Instant Noodles". Since the defendant has used the expression "Magic" prior in time. Issue No.8 is thus answered in favour of the defendant.

214. In this connection, reference to the Latin phrase "Res Ipsa loquitur" i.e. the thing speaks for itself is apposite. Though traditionally this doctrine was used in the case of tortious liability in accident case, it appears that the Courts have over a period of time used this phrase for resolving Trade Mark disputes as well.

215. The defendant has defended its action by stating that not only the plaintiff adopted the expression "Magic Masala" as flavour descriptor but it also adopted the expression "Magical Masala" as a flavour descriptor for its "Maggi Xtra delicious Magical Masala".

216. According, the plaintiff, the expression "Magic Masala" was a suggestive term and not descriptive. It is submitted that even if descriptive, the plaintiff is entitled to protection in the light of the ratio of the Hon'ble Supreme Court in Godfrey Philips India Ltd Vs. Girnar Food & Beverages (P) Ltd., (2004) 5 SCC 25.

217. It is interesting to note a divergent and conflicting views expressed by the same publication in UK and India on the same subject. They are reproduced below:-

Halsbury's Laws of India Vol 20(1)	Halsbury's Laws of England, Volume 48
"Trade marks can be laudatory and still	"Although no statutory limitation
be registerable. The decision depends on	is imposed on words registerable
the degree to which the trade mark is	on proof of distinctiveness, words
descriptive of the character or quality of	of a purely laudatory or
the goods and on whether the mark is	descriptive nature cannot be
one which other traders would or	adapted to distinguish, however
should be able to use to describe their	extensive the user maybe. The
goods. It must be established that the	1 2
laudatory significance of the mark will	geographical names, unless
not be perceived by the public as a	these have clearly no reference
direct reference to the character or	
quality of the goods. Such reference	
must be direct and plain and not remote	
and far-fetched. Likewise the word	unregisterable word is itself

construed as laudatory must have	unregisterable."
obvious significance of praise and must	
not require to be spelt out by a laboured	
process."	

218. Though there are divergent and conflicting views on the same subject by the same journal published in India and UK, in my view, it is perhaps on account of the solitary observation of the Hon'ble Supreme Court in Godfrey Philips India Ltd Vs. Girnar Food & Beverages (P) Ltd., (2004) 5 SCC 25 that "A descriptive trademark may be entitled to protection, if it has assumed a secondary meaning which identifies it with a particular product or as being from a particular source".

- 219. However, on facts it is to be noted that the expression "Magic" was not used as a "flavour descriptor" by the plaintiff because there is no flavour known to the world which is called "Magic". Therefore, the expression "Magic Masala" was not used as a flavour descriptor by the plaintiff. The plaintiff has used the word "Magic" to name the flavour in sachet as "Magic" and thus called it "Magic Masala".
  - 220. It would therefore be incorrect to conclude on facts that the

expression "Magic Masala" was used by the plaintiff as a "flavour descriptor". Therefore, Issue No.3 is answered in favour of the plaintiff.

Issue No.4 is irrelevant for the same reason.

221. However, at the same time, the plaintiff has used the expression "Magic Masala" in a laudatory manner to praise the "Masala" in the sachet. Laudatory epithet cannot be given monopoly or protection as has been held by Courts. The expression "Masala" signifies a mixture of ground spices used in Indian cooking. It is a household name in Indian culinary and is used for describing a mixture of different spice. It is a generic name to collectively call a mix of different spice. The said word is used across length and breadth of the county irrespective of the zone, culture and geographical location.



222. Taste of masala varies from place to place and is peculiar to the geographical region and location. It is a common name for describing the mixture of spice in majority of the Indian languages. Therefore, it can never be appropriated.

223. The word "Magic" is also a common word in the food and cosmetic industry. It is not a coined or invented word. It is inherently not a distinctive word. It cannot be said that it was adopted to distinguish the noodles sold by the plaintiff. Since it is a laudatory word, it can never be monopolised.

224. Further, both the defendant and the plaintiff have themselves established that the word "Magic" is common to the trade vide Exhibits D8 (series), D9, D19, D22, D36, D38, D43 (series), etc., and Exhibit P9. Therefore, it is not open for the plaintiff that the word is distinctive to claim any monopoly over the word "Magic".

225. Since the words "Magic" and "Masala" are also common word in the packaged food industry and are used by different manufacturers of different brands of "Masalas", it would be unfair to confer or recognise any monopoly over the said expression to the plaintiff whether the exclusion of the defendants or others from the trade and industry.

- 226. The plaintiff merely called its flavour as "Magic Masala". It is to facilitate the consumers to discern between different flavour under its brand "Sunfeast Yippee!" for instant noodle. Plaintiff did not intend use "Magic Masala" as trademark or a sub-brand.
- 227. The fact that no trademark application was filed by the plaintiff to register the aforesaid expression "Magic Masala" as word mark also shows that the said expression was not intended to be used as trademark or a sub-brand by the plaintiff.

- 228. On the other hand, the plaintiff has registered the expression "Sunfeast Yippee!", "Yipee" and "Yipee!" [Exhibit D20 (series)] vide T.M. Application Nos.1651223, 1651224, 2301118 and 2301119 respectively. It has not filed a single trademark application for registration of the expression "Magic Masala" as a word mark.
  - 229. The plaintiff has filed trademark application only for

 $\begin{array}{c} {\rm http://www.judis.nic.in} \\ \hline Page~No~103~of~112 \end{array}$ 

registration of composite label mark vide TM Application No.2088997 in Class 99 consisting of the expression "Sunfeast Yippee! noodles" and "Magic Masala" together with the artistic work vide (Exhibit D20) as captured in column below.

- 230. The word "Magic" is laudatory. It is incapable of being appropriated by the plaintiff. As such no person can claim any monopoly over the said word "Magic" or "Magical" or their derivative as they are common to the trade. Therefore, it is incapable of being monopolised by any trader.
- 231. In my view, neither the plaintiff nor the defendant can claim the monopoly over the respective laudatory words "Magic" or "Magical" along with common word "Masala" to the exclusion of one another. Therefore, neither the plaintiff nor the defendant can dissect a portion of a label and claim monopoly over it. As such the plaintiff cannot claim monopoly over the expression "Magic Masala".
  - 232. It would unfair to take a view that two common English and

 $\begin{array}{c} {\rm http://www.judis.nic.in} \\ \hline Page~No~104~of~112 \end{array}$ 

Indian words "Magic" and "Masala" respectively or when together which are common to the trade former being laudatory had become distinctive of plaintiff's "Sunfeast Yippee! noodles" so much so that the expression "Magic Masala" had transcended itself to the status of a subbrand. Even in an ephemeral sense, the expression "Magic Masala" cannot be said to have became distinctive as it is common to the trade.

- 233. The expression "Magic Masala" and "Magical Masala" are not adapted to distinguish the noodles sold either by the plaintiff or the defendant. They are adapted only to distinguish different flavours offered by them with the brand "Sunfeast Yippee!".
- 234. Therefore, even though there is a phonetic similarity between the word "Magic" used by the plaintiff and the word "Magical" used by the defendant, nevertheless they are incapable of being monopolised as they are not only laudatory but also common to the trade. Issue Nos. 1 & 5 as para-phrased in paragraph No.193 is thus answered against the plaintiff.

235. Further, from a reading of the in-house literature of the plaintiff, namely, the Annual Reports for the years 2009 to 2011 [Exhibit D18], it is quite clear that the plaintiff itself did not conceive the expression "Magic Masala" as a brand or sub-brand as was argued. Their brand was projected as "Sunfeast Yippee!" for noodles. Initially, it was introduced in two variants, namely "Classic Masala" and "Magic Masala" in 2010 and later added another variant "Chinese Masala". Similarly, Exhibit D16 (printouts of the plaintiff's web page under the heading "You ask we answer") and Exhibit D17 (printout of the facebook page relating to "Sunfeast Yippee! noodles") show that the plaintiff projected its brand "Sunfeast Yippee!" and not as "Magic Masala". Thus, "Magic Masala", "Classic Masala" and "Chinese Masala" were used to describe the name of the flavour and not the sub-brand. Issue No. 7 is answered accordingly. The state of the

236. Observation contained herein will not be to the prejudice of the plaintiffs' right to have the respective labels containing any of the expression "Magic Masala", "Chinese Masala" and/or "Classic Masala" considered for registration under the Trade Marks Act, 1999

subject to acceptance of a disclaimer to the expression "Magic Masala", "Chinese Masala" and "Classic Masala" by the plaintiff by the plaintiff.

237. On comparison of two wrappers in column below, it is evident there is no scope for concluding there could be any passing-off by the defendant. Both the wrappers are reproduced again below:-



The Trade mark is prominently The trade mark is mentioned at packaging YIPEE!.

mentioned on the top of the the top as MAGGI. The trade **SUNFEAST** mark **MAGGI** and **MAGGI** logo used since the year 1974 in India

give taste to the noodles.

Magic Masala is written for the Xtra Delicious Magical Masala flavour sachet inside the pack to is written for flavour sachet inside the pack.

238. Overall colour scheme, layout, style and overall the get-up of the two wrappers i.e. of the plaintiff's "Sunfeast Yippee! noodles" bearing the expression "Magic Masala" for its instant noodle and the defendant's "Maggi Xtra-delicious Magical Masala" are different. There is no scope for confusion.

- 239. Respective labels of the plaintiff and defendant are quite different in overall colour, scheme, get up, layout and trade dress. Each label, i.e. Exhibits P19 and P21 which have been reproduced in this Judgment, are a separate trade mark within the meaning of Section 2(zb) of the Trade Marks Act, 1999 and qualify for protection as whole.
- 240. The competing brands viz. "Sunfeast Yippee!" of the plaintiff and "Maggi" of the defendant are completely different from

each other. Under law, there is also no scope to dissect the plaintiff's aforesaid label to conclude that the defendant has copied the plaintiff's sub-brand "Magic Masala" as it was never conceived as brand or trademark by the plaintiff. Therefore, it cannot be said that there is a misrepresentation by the defendant.

- 241. Though the defendant is the undisputed market leader in the instant noodles segment and had commanded about 75% of the market share in the instant noodles segment, it must of felt threatened by the plaintiff's rapid inroad into the food industry particularly in the instant noodle and therefore decided to use "Magical Masala" in two wrappers or packages.
- 242. It will be therefore wrong to hold that the defendant has made any misrepresentation to ride upon the alleged reputation and goodwill of the plaintiff while using the expression "Magical Masala". Had the defendant not used the words "Magical Masala", plaintiff could have perhaps at a later point of time made a claim that the expression "Magic Masala" had become distinctive and therefore was entitled for a

monopoly. However, the defendant has intervened at the earliest occasion.

- 243. In fact, if the plaintiff had filed a trademark application to register the expression "Magic Masala" as a word mark, it would have been rejected by the Trade Mark Registry under Section 9 of the Trade Marks Act, 1999.
- 244. Though the adoption of the expression "Magical Masala" by the defendant is inspired from the adoption of the expression "Magic Masala" and success of the plaintiff, the plaintiff cannot claim any advantage for the reasons recorded. In my view, the plaintiff is not entitled to succeed in a passing-off as there is no passing-off by the defendant.



245. As there is no visual or ocular similarity between the two wrappers, there is no scope to infer passing-off from a ocular or visual comparison of the two labels. Accordingly, **Issue Nos. 2 & 6** which have been re-phrased in paragraph No.194 are answered against the plaintiff.

246. In roads made by the plaintiff in the instant noodle sector with the use of the expression "Magic Masala" was perhaps on account of the attractive pricing of Rs.10/- per pack of instant noodles as compared to Rs.15/- by the defendant and on account of the fact that the plaintiff has very strong market and brand presence under its well known brand "ITC". Issue Nos. 10 & 11 are irrelevant in view of the answers to the other issues.

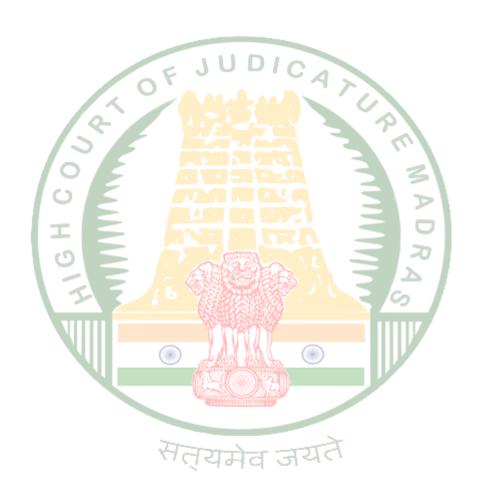


247. In the result, the suit is dismissed. The plaintiff is not entitled for any of the reliefs as prayed for. No Costs.

Index: Yes/No Internet: Yes/No

jen

Pre-Delivery Judgment in C.S.No.231 of 2013



## WEB COPY