

ORDER SHEET
IN THE HIGH COURT OF SINDH, KARACHI

Suit No. 112 of 2014

Order with signature of Judge(s)

1. For hearing of CMA No.909/2014
2. For examination of parties/settlement of issues

05.09.2018

Mirza Mehmood Baig, Advocate for the Plaintiff
Mr. Shoaib Mansoor, Advocate for defendants alongwith
Ms. Sana Shaikh Fikree and Ms. Sana Vachha, Advocates

1. Through the instant application made under Order XXXIX Rules 1 & 2 read with Section 151 CPC the Plaintiff is seeking restraining orders against defendants or any person acting on their behalf from interfering in the Plaintiff's business and specifically from disrupting the Plaintiff's manufacture, supply, distribution, promotion, sale and export of their product 'RITE' and/or from participating in unfair competition in any manner.

Learned counsel for the Plaintiff states that the Plaintiff is one of the leading local manufacturers of biscuits and as a part of their commerce, using a number of trademarks including RITE in relation to biscuits falling in class 30 for which they have sought registration from Trade Marks Registry, Karachi under Trademark No.176689, a copy of the registration certificate is attached at Page 37. He states that on account of said registration, the Plaintiff is protected under Section 42 of the Trade Marks Ordinance, 2001 for the exclusive use of the said trademark. Having filed the said application in the year 2002, as per the records provided by the Plaintiff, the Plaintiff commenced use of RITE trademark in the year 2008 and the registration was achieved in the year 2010. Per counsel, the Plaintiff was peacefully trading its said biscuit brand using the distinctive RITE trademark, however it suddenly received a notice from the defendants' counsel dated 28.11.2013, copy attached between pages 497 to 501, in terms of which the defendants by reiterating history of their 'OREO' trademark spreading over

100 years alleged that the packaging used by the Plaintiff for their RITE biscuits upon having been redesigned lately was coming confusingly similar to and inspired from the defendants' famous and well known OREO trademarked biscuits, which the defendants were selling for the last 100 years across the globe and in respect of which, multinational trademark registrations have been obtained. Plaintiff was called upon, through the said notice, to immediately cease production, distribution and sale of these biscuits etc.

Rather responding to the said legal notice, the Plaintiff chose to file the instant suit on 24.01.2014 for declaration, permanent injunction and damages under the Trade Marks Ordinance, 2001 read with all other enabling provisions of law alongwith it the instant CMA. The Plaintiff's counsel submitted that on account of having registered the said "RITE" trademark, the interruption caused by the legal notice is a threat posed against Plaintiff's continued use of "RITE" trademark which ought to be arrested by this Court under Section 52 of the Ordinance as it amounts to a groundless threat.

Learned counsel for the defendants by way of background submitted that the defendants are in the business of manufacturing biscuits under the brand OREO encompassing a distinctive getup, in particular, unique colour scheme, with distinctive colour of their biscuits being black are globally distinguishable and such monopoly is affirmed by making a number of applications in Pakistan as well as through global trademark registration regimes. He distinguished that the Plaintiff's original wrapper in respect of which the registration was sought by the Plaintiff through registration No.176689 has been materially altered over the period to sell biscuits closer to defendants' globally distinguished packaging. He admitted that while the defendants commenced local manufacturing of OREO biscuits in their distinctive getup in Pakistan in the year 2008, these biscuits have been available in the market through imports long before 2008, and on account of their distinctive colour and getup of the wrapper as well as exclusive

monopoly in black coloured biscuits, these biscuits are globally recognized, and by sailing close to the defendants' products (though under a different trademark) the Plaintiff has engineered to reap benefit from the goodwill and reputation of the defendants, not only for their commercial gains but also to deceive people at large, in particular, children who prefer to buy these biscuits in small sachets.

Both the packaging as used by the Plaintiff and defendants have been shown to the Court where the defendants' packaging is available between pages 503 and 505 and the Plaintiff's packaging is available at Page 35. Per counsel, while the defendants have no intention of causing any impediment in the trade of the Plaintiff they however on the basis of their legal rights in OREO trademark and their long recognized packaging would resist Plaintiff's use of a getup closely resembling with that of the Plaintiff, as this amounts to passing off.

Heard the counsel and reviewed the material available on record.

Evidently, the rights of the Plaintiff arise out of trademark registered with the word "RITE" in the manner filed at the Trademark Registry through registration No.176689 (Page 37) and having registered the said trademark, they have acquired all the rights provided by the trademark law in particularly those by Section 42 of the Trade Marks Ordinance, 2001 in its exclusive use by it.

An examination of the registration certificate suggests that the said registration is subject to a disclaimer as under:-

"Registration of this trademark shall give no right to the exclusive use of all other descriptive words appearing on the label."

Section 21 of the Ordinance, 2001 provides that if a trademark is subject to a disclaimer, exclusive rights in the disclaimed part are not available to the registered proprietor.

Be that as it may, it could also be seen that the trademark registration is, or at least the copy provided to me, comprises of one colour and it is an

admitted principle that once a registration is sought in one colour, the monopoly extends to all colours, however, that monopoly extending the all colours is available in respect of the entire wrapper used in one colour, but not in cases using same wrapper in different colours at various parts of the wrapper, particularly where such adoption of colours makes one's trademark sail closer to a third party's trademark, by adopting a colour scheme, which has been previously known to the public. In the case at hand, it could also be observed that the wrapper as admittedly used by the Plaintiff, at the instant when this suit was filed (reproduced at Page-35), is far different from the trademark registered by the Plaintiff and a visual inspection of the competing labels shows that not only the Plaintiff has adopted dominating parts of the defendants' wrapper, its wrapper is also primarily in blue, black and white colours, which are used by the defendants. Also to observe is that the colour of the biscuits itself is also shown as black for which no monopoly has been granted to the Plaintiff as Plaintiff neither approached Trade Marks Registry for such colour protection nor has claimed the same. Not only so, the manner in which the biscuits are shown duking in milk and creating ripples have also been adopted by the Plaintiff. In such circumstances where two competing wrappers have shown similarities, the long established principle of "*moron in a hurry*" is applicable, where the Court has to consider that on the basis of striking similarities, will a moron in a hurry pick-up goods of the Plaintiff opposed to those of the defendants. (See 2016 CLD 1064)

With these overwhelming similarities, I am of the considered view that the said test is passed, so is the classical trinity test.

By that as it may, while I have no hesitation in granting the prayer of the Plaintiff that the defendants should not disturb the Plaintiff's use of the trademark RITE, I must hold that the Plaintiff be permitted to use the said trademark in colour and getup as registered by it under Registration No.176689

strictly and not to adopt the distinctive colour of the defendants' packaging or their biscuits itself. And in case the Plaintiff by adopting a colour scheme and colour of biscuits choses to sail closer to the products/wrappers of the defendants, passing off action would sustain and any continuous use of the trademark out to be restrained.

In these circumstances where a grant of the instant application where the Plaintiff aims to use deceptively similar packaging of the defendants' products, having travelled far away from the registration obtained by the Plaintiff will only facilitate passing off, the instant application is dismissed.

JUDGE