

IN THE HIGH COURT AT CALCUTTA
ORDINARY ORIGINAL CIVIL JURISDICTION
[Commercial Division]

BEFORE:

The Hon'ble Justice Ravi Krishan Kapur

IA NO. GA/2/2020
(Old No: GA/910/2020)
In CS-COM/189/2024
(Old case no.CS/62/2020)

EMAMI LIMITED
Vs
HINDUSTAN UNILEVER LIMITED

For the plaintiff/petitioner : Mr. Ranjan Bachawat, Senior Advocate
Mr. Debnath Ghosh, Advocate
Mr. Sanjay Ginodia, Advocate
Ms. Adreeka Pandey, Advocate
Mr. Satyaki Mukherjee, Advocate
Ms. Mini Agarwal, Advocate

For the defendant/respondent : Mr. S. N. Mookherjee, Senior Advocate
Mr. Ratnanko Banerji, Senior Advocate
Mr. Arunabho Deb, Advocate
Mr. Soumabho Ghose, Advocate
Mr. Deepan Kumar Sarkar, Advocate
Ms. Ashika Daga, Advocate
Ms. Arti Bhattacharyya, Advocate
Mr. Jishnujit Roy, Advocate
Mr. Aayush Lakhotia, Advocate

Judgment on : 09. 04.2024

Ravi Krishan Kapur, J:

1. This is a suit for infringement and passing off.
2. The petitioner is the proprietor and the prior user of the mark "Fair and Handsome" used in relation to men's skin products. The petitioner has secured various registrations for the word mark as well as the label mark "Fair and Handsome" both in India and abroad. The petitioner's registered marks include "Fair and Handsome" and

variations thereof as well as “Hi Handsome” and “Activate Handsomeness”. These also include both word and label mark registrations without disclaimers or conditions. It is alleged that “Handsome” is a prominent and essential feature of the petitioner’s trademark and has been used since 2005. The total sales of the petitioner’s product “Fair and Handsome” upto the financial year 2020 had exceeded Rs.2,430 crores. The petitioner has also incurred advertising expenses in excess of Rs.400 crores since 2005 in respect of its product “Fair and Handsome”. The registrations in favour of the mark “Fair and Handsome” are long prior to the respondent’s adoption and use of the infringing mark “Glow and Handsome”. Admittedly, both the rival products are in the same class of goods. The petitioner also alleges to be the market leader having more than 65% of the share in the men’s fairness cream segment.

3. It is alleged that the respondent’s use of the mark “Glow and Handsome” constitutes infringement of the petitioner’s mark “Fair and Handsome”. “Glow and Handsome” is deceptively similar to the petitioner’s registered mark. “Handsome” being a prominent, leading, and essential feature of the petitioner’s mark, has also acquired distinctiveness and a secondary meaning. Being a prior user and the first in the men’s fairness cream segment, the adoption and use of the mark “Glow and Handsome” is therefore, misleading and deceptive. There is a likelihood of causing deception and misrepresentation in the respondent using the word “Handsome”. The petitioner also

contends that the respondent being the user of its mark “Fair and Lovely”, has obtained injunctions against different third parties from using the mark “Fair” alone or “Lovely” alone. In support of such contentions, the petitioner relies on *Satyam Infoway Limited vs. Siffynet Solutions Private Limited (2004) 6 SCC 145, South India Beverages Private Limited vs. General Mills Marketing Inc & Anr. 2014 SCC OnLine Del 1953, Telecare Network India Pvt. Ltd. vs. Asus Technology Pvt. Ltd. 2019 SCC OnLine Del 8739, H & M Hennes & Mauritz AB & Anr. vs. HM Megabrands Pvt. Ltd. & Ors. 2018 SCC OnLine Del 9369, Shailputri Media Private Limited vs. ARG Outlier Media Asianet News Private Limited 2020 SCC OnLine Cal 560 and Pidilite Industries Limited vs. Jubilant Agri & Consumer Products Limited 2014 15 PTC 617 (BOM).*

4. On behalf of the respondent, it is contended that the mark “Handsome” is purely descriptive and incapable of any distinctiveness. “Handsome” is a generic term also used by other competitors in the industry. In any event, “Handsome” is not exclusively identified with the petitioner and the petitioner has never used the mark “Handsome” as a standalone mark. In fact, while obtaining registration of the mark “Fair and Handsome” a disclaimer had been granted to the petitioner insofar as the word “Handsome” is concerned. In such circumstances, the petitioner is estopped from claiming any right in the word “Handsome”. In any event, on the principle of prosecution history estoppel, the petitioner is disentitled to claim any right in respect of

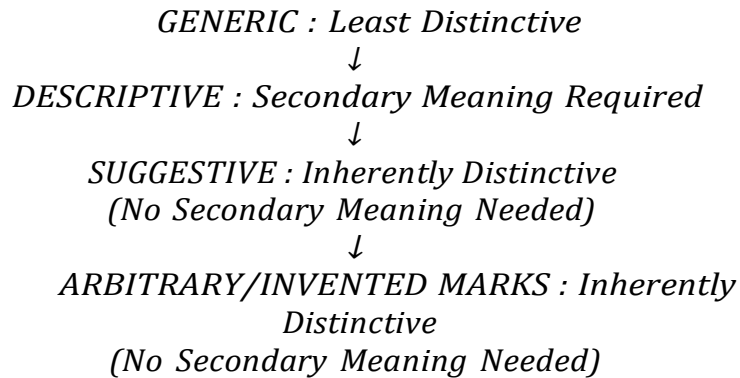
the word “Handsome”. It is also contended that the petitioner has suppressed all filings before the Registry and on that ground alone this application is liable to be dismissed. In support of their contentions, the respondent relies on *Living Media India Ltd & Anr vs. Alpha Delcom Pvt Ltd & Ors. (2014) 3 High Court Cases (Del) 248, Mankind Pharma Ltd. vs. Chandra Mani Tiwari & Ors. 2018 (75) PTC 8 (Del), Vardhman Buildtech Pvt. Ltd. vs. Vardhman Properties Ltd. 2016 SCC OnLine Del 4738 and Ultratech Cement Limited and Anr. vs. Dalmia Cement Bharat Limited 2016 SCC OnLine Bom 3574.*

5. Admittedly, the mark “Fair and Handsome” is being used by the petitioner since 2005, long prior to respondent’s mark “Glow and Handsome” launched in 2020. The petitioner has given prominence to the mark ‘Handsome’ with extensive publicity campaigns and wide advertising. Such publicity campaigns include ‘HANDSOME XI’, ‘MR. HANDSOME’, ‘HANDSOMENESS DAY’, ‘HANDSOME LIFE’, ‘HANDSOMENESS’ and ‘HANDSOME’. The sale figures of the product of the petitioner are in excess of Rs.2400 crores. A substantial amount has also been spent on advertising. In brief, the mark “Fair and Handsome” is the creation of the petitioner. It is the result of considerable investment made by the petitioner. It has been devised, brought up and maintained by promotion and is to be valued by itself. The respondent has been unable to give any proof of actual use of the mark “Handsome” by any other entity in relation to men’s fairness creams. Though registration may have been granted, there is no proof

of actual use of the mark 'Handsome'. (*Century Traders vs. Roshan Lal Duggar & Co. AIR 1978 Del 250*). The two components of the registered mark are the words "Fair" and "Handsome". The word "Handsome" forms an essential and prominent part of the registered mark and is undoubtedly a leading feature thereof.

6. Nevertheless, the question of having acquired distinctiveness or a secondary meaning insofar as the word "Handsome" is concerned needs to be examined before the petitioner is entitled to claim any protection under the Trade Marks Act, 1999. Words and terms which are *prima facie* descriptive may in certain circumstances by use and reputation acquire a secondary distinctive meaning before they are monopolised. This is a question of fact which requires a combination of evidence like financial, turnover, advertising and promotional expenditure, evidence of trade buyers and consumers etc. In case of words which are so ordinary or of common use it may be unreasonable and against public interest for a petitioner to claim protection. *Prima facie*, the petitioner has always used "Handsome" in a generic sense or a descriptor. It is well settled that if the proponent of an alleged trade mark itself uses the term in a generic sense or as a descriptor, this in itself is not only strong evidence of genericness, but also prevents the proponent of the alleged trade mark from claiming any monopoly based on secondary meaning. [*Ultratech Cement Limited and Another vs. Dalmia Cement Bharat Limited (2016) SCC OnLine Bom 3574*].

7. In *McCarthy on 'Trade Marks and Unfair Competition'* the aspect of distinctiveness of marks has been illustrated as follows:



The question as to whether a mark is descriptive or suggestive can be based on the following tests; a) *Degree of imagination required to connect the mark with the product; and b) The competitor's need to use the mark.* (See: *J. Thomas McCarthy "McCarthy on Trademarks and Unfair Competition" Vol.2, Thompson West 2003*).

8. In *People Interactive (India) Private Limited vs. Vivek Pahwa (2016) 68 PTC 225 (Bom)* it has been held as follows:

"11. There are two issues here : first, the matter of acquisition of a 'secondary meaning'; and, second, whether a domain name always assumes the features of a trade mark. As to the first, in Indchemie - a decision that does not, in my view, support Mr. Khandekar at all - Gupte J referenced Miller Brewing Company v. G. Heileman Brewing Company Inc.3 and noted the 'spectrum' of degrees of distinctiveness : (1) generic or commonly descriptive; (2) merely descriptive; (3) suggestive; (4) arbitrary or fanciful. Generic or commonly descriptive words - examples such as 'necktie', 'plastic', 'soda', 'perfect', 'best', 'No. 1' come to mind - are used to name or describe the goods in question. These can never become trade marks on their own. They never acquire distinctiveness or a secondary meaning. They do not tell

one man's goods from another's. They do not indicate origin. An expression in the second category, a merely descriptive term, is often used to describe some particular characteristic or ingredient: 'airtight', perhaps. Ordinarily, even these are not registrable unless they have acquired a secondary meaning and refer exclusively to one particular trader's goods. In the third category we have suggestive words. These only hint at a feature or a specialty. The consumer must, in his mind, make the necessary link between the word and the goods. This class of expression requires no proof of acquisition of a secondary meaning to proceed to registration; it may, however, be hedged with a disclaimer regarding the manner of use. A wholly arbitrary or fanciful word is always registrable, and it always separates or distinguishes one person's goods from another's.

12. As a general rule, it seems to me that the principle is of obviousness. The degree of distinctiveness, and, therefore, the possibility of registration as a trade mark, is inversely proportional to the degree of obviousness: the more obvious the word, the less the degree of distinctiveness and the chances of its registration. I use the word 'obvious' here to mean not 'evident' but commonplace."

9. In *Disruptive Health Solutions Private Limited vs. Registrar of Trade Marks 2022 SCC OnLine Del 2002* it has been held as follows:

10. The general rule regarding distinctiveness is that a mark is capable of being protected if either it is inherently distinctive or has acquired distinctiveness through secondary meaning. In the spectrum of distinctiveness, the first category of marks is of arbitrary, fanciful and invented marks which is of absolute distinctiveness. Similarly, suggestive marks can also be registered due to their inherent distinctiveness. Descriptive marks can be registered as trademarks provided secondary meaning is established. Insofar as descriptive marks are concerned, just because some portion of the mark may have some reference or indication as to the products or services intended for, the same may not be liable to be rejected straightaway. In such a case, the merits of the marks would have to be considered along with the extent of usage. Other registrations of the applicant would also have a bearing on the capability of the mark obtaining registration. The owner of a mark is always entitled to expand the goods and services, as a natural consequence in expansion of business.

10. There is no quarrel with the proposition that a Court can even at an interlocutory stage conclude that a mark has acquired distinctiveness or a secondary meaning [*Garware Polyester Limited vs 3M Company, 2016 SCC Online (Bom) 4789* and *Vardhman Builtech Pvt. Ltd. vs Vardhman Properties Ltd. 2016 SCC OnLine (Del) 4738*]. However, the petitioner has never registered “Handsome” on its own either as a word mark or as a device mark. The petitioner has also not marketed nor promoted nor advertised “Handsome” *per se* as a standalone mark. In this connection, the decision in *Pidilite Industries Limited vs. Jubilant Agri & Consumer Products Limited (2014) 57 PTC 617* is distinguishable. The word Marine is unconnected to adhesives when compared to “Handsome” *qua* fairness creams. In any event, the mark ‘Fevicol Marine’ was a registered mark without any disclaimers.
11. The principle of prosecution history estoppel has also been justifiably invoked by the respondent. The stand adopted by the petitioner itself at the time of obtaining registration of its mark that it would not assert any right in respect of the either of the words “Fair” or “Handsome” cannot be ignored. The decision in *Festo Corp. vs. Shoketsu Kinzoku Kogyo Kabushiki Co., 535 U.S. 722 (2002)* is inapposite and was a decision rendered in respect of a patent matter. Even though suppression may not be a factor at this stage after exchange of affidavits, on the principle of prosecution history estoppel the petitioner is not entitled to any relief. [*Living Media India Ltd. Vs. Alpha Delcom Pvt. Ltd (2014) 3 High Court Cases (Del) 248, Mankind*

Pharma Ltd vs. Chandra Mani Tiwari (2018) 75 PJC 8 and PhonePe Private Ltd vs. Resilient Innovation Private Limited 2023 SCC OnLine Bom 764].

12. In view of the aforesaid principles and primarily in the absence of further evidence, at this stage it is not possible to conclude that the mark “Handsome” as a standalone mark has acquired any distinctiveness or secondary meaning. As such, all other arguments on the aspect of infringement are academic. For similar reasons, the contention that its mark is suggestive is also not tenable and stands rejected. Accordingly, there is no merit in the case of infringement.
13. The only explanation offered by the respondent in using the name ‘Glow and Handsome’ is that the same was the culmination of a decision making process which began in 2018. As a matter of overall policy, the respondent shifted away from highlighting the benefits of fairness, whitening or skin lightening and moved towards glow, even toned skin clarity and radiance. In this background, on 25 June, 2020, Unilever PLC., the parent company of the respondent made a global announcement that it was taking the next step in the evolution of its skin care portfolio to a more inclusive vision of beauty which includes the removal of the words “fair/fairness”, “white/whitening”, and “light/lightening” from its products’ packs and communication and that as part of this decision, the “Fair & Lovely” brand name would be changed. In its announcement, Unilever stated that it was fully committed to having a global portfolio of skin care brands that is

inclusive and cares for all skin tones, celebrating greater diversity of beauty. In the said global announcement, it was recognized by Unilever that the use of the words “Fair”, “White”, and “Light” suggests a singular ideal of beauty that Unilever does not think is right, and it was announced that as the company was evolving the way it communicates the skin benefits of its products that deliver radiant and even toned skin, it is also important to change the language it uses. It was further announced that Unilever has been working on evolution of its “Fair & Lovely” brand, which is sold across Asia, progressively moving to a more inclusive vision of beauty that celebrates skin glow. This may be the policy decision behind dropping the word “Fair” from the respondent’s brand “MEN’S FAIR & LOVELY” but does not explain why adopt “Handsome”.

14. The respondent was obliged or at least should have made an effort to explain why use the word “Handsome”. In 2018, the respondent applied for registration of nearly a dozen marks. There is no explanation why the respondent suddenly and hurriedly decided to adopt the impugned mark even though an application for registration of the same had been rejected in 2018. The categorical stand of the respondent that it is not required to justify any reason for adopting the name “Glow and Handsome” in the special circumstances is unacceptable and demonstrates lack of bonafides. [*Satyam Infoway Limited vs. Siffynet Solutions Private Limited (2004) 6 SCC 145, Sunil Mittal vs. Darzi On Call (2017) 242 DLT 62*].

15. Admittedly, the respondent is a competitor and trade rival and an existing player in the same segment of fairness creams. The respondent has sought to use the mark "Glow and Handsome" with full knowledge that it was adopting an essential feature of its competitor's trade mark. An application for registration of the mark "Glow and Handsome" had been dismissed and the same was allowed only after a period of 11 months. *Prima facie*, the suit for groundless threats filed by the respondent was obviously aimed to ensure a smooth launch of the respondent's product "Glow and Handsome" and thwart any contemporaneous legal hurdle at that stage by the petitioner. In any event, this factor is of little significance at the final hearing of this application.

16. In its change of name, there was an obligation on the respondent to ensure that the new name of its product is not likely to deceive nor constitute infringement. Of all the available names, the respondent intentionally chooses as part of its name which is also a prominent, essential and leading feature of its competitor's mark. The chronology of events commencing from the date of the public announcement, the application for registration of the impugned mark, the belated filing of an appeal against the order of the Registrar, the suit filed before the High Court at Bombay, all combine and *prima facie* points towards unfairness and a desperation to use the word "Handsome" even as part of the impugned mark. This is also not in conformity with honest

business practices nor honest trading far less *bonafide* adoption by the respondent.

17. It is also contended that though the respondent had accepted a disclaimer in registering its product "Fair & Lovely", which gives no right to the exclusive use of the word "Fair" or "Lovely" separately, the respondent has obtained injunctions against third parties for infringement and passing off its mark "Fair & Lovely" from using the word "Fair" or "Lovely". The impugned marks restrained by the respondent in the different suits are: "FAIR AND FAIR", "NEHA & LOVELY", "FAIR & LUCKY", "FRUIT & LOVELY", "FOUR AND LOVELY", "POFIE AND LOVELY", "FAIR AND FINN", "FAIR BEAUTY", "FAIR & FAIRY", "AFRICAN ROYAL FAIR & FAIRY" and "FAIR & FROOTY". In this background, it is submitted that the respondent is not entitled to contend that the petitioner is not entitled to similar protection *vis-à-vis* its product "Fair and Handsome". The petitioner also relies on the pleadings filed in these suits and the stand taken by the respondent. *Prima facie*, in each of the proceedings, the impugned marks were look alike products and the question of deceptive similarity was more from the perspective of packaging and trade dress. Nevertheless, despite the submissions made in Commercial Suit No 2 of 2016 on behalf of the respondent that by dint of long extensive and continuous use of the mark, "Fair and Lovely" had acquired a secondary meaning, the respondent steered away from taking a stand whether it was claiming any monopoly in respect of the words "Fair" or "Lovely" or whether

these words had obtained a secondary meaning or not. This may not be an answer to the defence raised by the respondent but obviously points towards the conduct of the respondent.

18. An action for passing off, as the phrase 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 protect the reputation of the plaintiff but also to safeguard the public and remains anchored in misrepresentation. The respondent's goods offered to the public must have deceived or likely to deceive the public into thinking that the goods of the defendant are that of the plaintiff. Briefly, the classic trinity of reputation, misrepresentation and damage to goodwill are the essential ingredients in order to succeed in an action for passing off (*Harrods vs. Harrodian School Ltd. 1996 RPC 697 at 713*). The basis of a passing off action being a false representation, the test is whether having regard to all the circumstances the defendant's use of the impugned mark is calculated to deceive or not. (*Satyam Infoway Ltd. v. Siffynet Solutions (P) Ltd., (2004) 6 SCC 145 @ Paras 13-15*).

19. It is well settled that an action in passing off can succeed even when a claim for infringement has failed. The defences of estoppel and registrability are not available as defences in a passing off action [*Telecare Network (India) Pvt. Ltd. vs Asus Technology Pvt. Ltd. (2019) 79 PTC 99*]. "Handsome" is an essential, leading and prominent feature of the petitioner's mark "Fair & Handsome". Both parties are trade rivals, operating in the same field of activity and have a history

of litigation against each other. The petitioner has also uninterruptedly and exclusively used the mark "Fair & Handsome" for nearly two decades. Mere confusion does not indicate or establish passing off. At the heart of passing off lies deception or its likelihood. The respondent has an existing brand and in changing its name has intentionally opted to choose a leading, prominent and essential feature of its competitor's product. It is true that the packaging of both the products are different. However, an unwary purchaser of average intelligence and imperfect recollection who only remembers the one word "Handsome" is likely to be deceived by the misleading *indicia* "Handsome" and this has now been intentionally made a cause for confusion and deception. It is also a reasonably foreseeable consequence of the misrepresentation that the petitioner's business and goodwill would be damaged.

20. A conscious and deliberate decision by a competitor in adopting a leading, prominent and essential component of a trade rival while seeking to change the name of its existing brand is not something which can be disregarded. In choosing the word "Glow and Handsome", there is also an element of taking unfair advantage of a leading, prominent and essential feature of the petitioner's mark which deceives or is likely to deceive. Nobody has any right to represent the goods of somebody else. In doing so, the rival takes a "free ride". There is no line between permissible *free riding* and impermissible *free riding*. All "free riding" is unfair. [*L'Oréal vs. Bellure*

(No.2) [2010] EWCA Civ 535]. Any confusion or deception is damaging. It results in diluting the mark. To some, this may be fair competition or aggressive marketing. To others, trading must not only be honest but must not even unintentionally be unfair.

21. In view of the aforesaid, the petitioner has been able to make out a strong prima facie case on merits insofar as the case of passing off is concerned. The balance of convenience is overwhelmingly in favour of the orders being passed as prayed for by the petitioner. The petitioner had also approached this Court simultaneously upon the respondent launching its product. There has been no delay in approaching this Court. The respondent has launched its product at its own risk and is deemed to be fully aware of all consequences. (*Allergan Inc. vs. Milment Oftho Industries & Ors. AIR 1998 Cal 261*).

22. In view of the aforesaid, there shall be an order in terms of prayer (c) of the Notice of Motion. In view of the fact that, the respondent has already launched its product, the respondent is granted a month to take necessary steps to comply with this order.

23. GA 2 of 2020 stands allowed to the aforesaid extent. The parties are directed to take necessary steps for hearing of the suit.

(Ravi Krishan Kapur J.)