



Article No. 03/2011

Trade Dress – Injunction Granted

Suit for damages and permanent injunction - Trade Marks Ordinance, 2001

Plaintiffs: J & P COATS LIMITED and another

Defendant: GOLDEN THREAD INDUSTRIES

High Court's decision: Injunction Granted

This is a case of trade dress wherein J & P COATS LIMITED and another (**the Plaintiffs**) after having issued notices on two different dates asking GOLDEN THREAD INDUSTRIES (**the Defendant**) to refrain from committing infringement of the registered trade mark and failure to receive any positive reply filed a suit in the Sindh High Court, Karachi for infringement and passing off the registered trade marks “ANCHOR (ticket)”, ANCHOR (device)” and ANCHOR (box)” of Plaintiff No.1 – J & P COATS LIMITED – and for damages and permanent injunction.

Plaintiff No.1 is a well known, reputable manufacturer and merchant of threads of all kinds including embroidery threads and selling them for a number of years throughout the world and in Pakistan through its subsidiary under its well known trade mark **ANCHOR** in packaging bearing a particular colour scheme, design, shades, appearance, letterings and get-up. It was alleged that the Defendant adopted a confusingly similar colour scheme, design, shades, appearance, letterings and get-up and positioned its trade mark “S Golden” at the same location as that on the packaging of goods of the Plaintiffs’. It was further alleged that use of such a packaging by the Defendant was to cause confusion in the trade and to ride on the reputation and goodwill of the Plaintiffs. The Defendant was also asked to refrain from committing infringement of the Plaintiff No.1’s registered marks by sending two letters but failure to get any positive response from it the Plaintiffs filed suit and an application for interim injunction.

The Defendant denied the allegations and submitted that its trademark is registered and since then not a single objection regarding infringement was reported and that there is a marked difference of colour and other features, etc. between the two trade marks. It further argued that the trade mark of the Plaintiff No.1 is not in close resemblance with the trademark of the Defendant and similarity in adoption of colour scheme, style, artistic feature and packing, etc. are allegations, as no deceptive measure has been adopted by it to cause any confusion to the general public and that since its mark is registered so no illegal act is being committed by it.

The counsel for the Plaintiffs submitted that the Defendant has adopted confusingly similar trade mark which is causing confusion amongst the illiterate customers and that the Plaintiff No.1 is marketing its products in the present packing since long and earned reputation in the market, the Defendant by adopting illegal means was trying to take advantage of reputation of the Plaintiffs’ good quality products, as there is close similarity in colour scheme and features of both the packaging being marketed by the Plaintiffs and the Defendant. It further submitted that since the Plaintiff No.1 is an internationally known company in threads and allied materials ever since 1876 it has earned worldwide reputation and if sub-standard items are allowed to be marketed under the garb of the Plaintiff No.1’s trade mark or in same colour scheme and get-up, it will seriously prejudice the interest and cause loss to the Plaintiffs’ reputation. He also submitted that irreparable loss will be caused to the Plaintiffs’ reputation which they have earned due to their quality products.

The counsel for the Defendant submitted that the Defendant’s trademark is registered along with the colour scheme and no deception to customers is being caused by the products of the Defendant, as the Plaintiffs are marketing their products under the trade mark ‘ANCHOR’, whereas, the Defendant is marketing under the trade mark “S GOLDEN”, which are





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phonetically and visually different, having no resemblance and there is no likelihood of any confusion or deception to the purchasers. He also stated that both the boxes are different in colour scheme and in lettering style.

During the hearing the Court made a proposal to the Defendant to continue to market its products in a box having colour different from the colour of the Plaintiff's box. The counsel of the Plaintiff consented to it but the counsel for the Defendant refused to accept the proposal of the court.

Consequently, the court held that though the trade mark "S Golden" of the Defendant is phonetically different from the trade mark ANCHOR of the Plaintiffs but the label of the Defendant is confusingly similar to the label of Plaintiffs. If the trade mark label device of the Defendant is compared with that of the Plaintiffs' it seems to have been copied, imitated, adopted similar to the Plaintiffs' colour scheme, design, shade, lettering, get-up, positioning and packing appearance. It was further stated that cardinal principle of law and fair commercial trading, that deceptive measures should not be adopted to adversely affect goodwill and recognition earned by other organizations in trading specific commodity and that an ordinary and/or illiterate customer would be misled for taking the product of the Defendant as that of the Plaintiff. It was therefore concluded that the Plaintiffs have a very strong *prima facie* case for grant of injunction, as substantial monetary loss will be caused to the Plaintiffs, if the injunction already granted is not confirmed. Accordingly, the court confirmed interim orders already passed by restraining the Defendant from using the trade mark complained of.

