

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

% Order delivered on: 19th December, 2014

+ **CS(OS) 1332/2014, I.A. Nos.8683/2014,
12455/2014 & 21713/2014**

MOROCCANOIL ISRAEL LIMITED Plaintiff
Through Mr.Pravin Anand, Adv. with
Mr.Aditya Gupta, Adv.

versus



MANOJ KHANNA & ORS Defendants
Through Mr.P.C.Sharma, Adv. for D-1 & 2.
Mr.Rajeev Kumar, Adv. for D-3.

**CORAM:
HON'BLE MR.JUSTICE MANMOHAN SINGH**

MANMOHAN SINGH, J. (Oral)


1. The plaintiff has filed the present suit for permanent injunction restraining infringement of copyright, passing off, damages and rendition of accounts etc.

2. Since 2007, the plaintiff has continuously used the trademarks MOROCCANOIL, "M (MOROCCANOIL Vertical Design)", and "M (MOROCCANOIL Horizontal Design)" in relation to oil hair treatment products worldwide, including India. Plaintiff and its affiliates have registered or sought numerous registrations of their trademarks MOROCCANOIL, "M (MOROCCANOIL, Vertical Design)," and "M (MOROCCANOIL Horizontal Design)" in more than 80 countries of the world.

3. It is averred in the suit that the plaintiff's **MOROCCANOIL** hair treatment products are sold in a packaging having a unique get up, layout, colour scheme and arrangement of features, comprising of an overall blue background and featuring an oversized letter 'M' in a distinct logo script in orange font  with the plaintiff's trade mark/name **MOROCCANOIL** inscribed either horizontally or vertically sideways in prominent lettering. Significantly, the  logo/device forms an essential feature of the plaintiff's "**MOROCCANOIL**" series of products.

The design of the packaging of the plaintiff's **MOROCCANOIL** product constitutes an original artistic work within the meaning of Section 2 (c) of the Copyright Act, 1957.

4. The plaintiff claims that the **MOROCCANOIL** product in the market is perceived as a very high quality, luxury item. **MOROCCANOIL** has generated and owns substantial goodwill in relation to its products, in particular as the result of its significant investment in marketing worldwide, valued in the hundreds of millions of dollars; numerous positive reviews by celebrities and prominent figures in the world of hair care; and extensive coverage of the **Moroccanoil** products in popular and luxury publications all over the world. In addition, the **Moroccanoil** word mark and logos enjoy extensive IP protection in more than 80 territories worldwide.

5. In or about the month of March, 2014, the plaintiff came across the defendant's advertisement in Bombay Times entitled "The World's Best Hair Transplant Clinic" and featuring the defendant's hair treatment product in a packaging strikingly similar to the plaintiff's present MOROCCANOIL packaging. Thereupon, inquiries were conducted in the market which revealed that the defendants were engaged in selling 'MINOXIDIL' Hair Gain Solution in a packaging comprising of an identical get up, layout, colour scheme and arrangement of features as that of the plaintiff's MORROCANOIL products comprising of the overall blue background and featuring the  device. The defendant's product packaging is reproduced hereunder :



6. According to the plaintiff, the defendants have adopted an identical packaging comprising of an identical get up, lay out, colour scheme and arrangement of features as used by the plaintiffs for



identical products. The defendants have adopted the plaintiff's device/logo which forms the most distinctive and essential feature of the plaintiff's "**MOROCCANOIL**" series of products. According to the plaintiff, the above acts of the defendants infringe the plaintiff's exclusive rights in the trade dress of their product, their copyright in the artistic work and amount to passing off.

7. The suit as well as the interim applications were listed before Court on 7th May, 2014 when the interim order was passed, the operative part of the order is reproduced below :

"I.A. No.8683/2014 (under Order 39 Rule 1 and 2 CPC)

1. Issue notice to the defendants, returnable before Joint Registrar on 3rd July, 2014.

2. This is an application filed by the plaintiff for an ex parte ad interim injunction restraining the defendants, their partners or proprietor, servants and agents, from reproducing, printing or publishing any label or packaging, including cartons and boxes, which are a colourable imitation or substantial reproduction of the plaintiff's MOROCCANOIL packaging and from making, selling, offering for sale, exporting, advertising, and in any manner direct or indirect using the device/logo or any other device or logo comprising of the letter M' in a logo script, which is deceptively similar to or a reproduction of the plaintiff's logo script and taking any other features of the plaintiff's product packaging in any manner in respect of hair and oil treatment products and doing any other thing, which may lead to passing off of their products as those of the plaintiffs.

3. It is contended by the learned counsel for the plaintiffs that the plaintiff company was incorporated in 2007 and engaged in development, production and marketing of hair oil treatment products under the trademark MOROCCANOIL. The plaintiff has established a strong international presence in the global hair care and oil treatment industry. Since 2007, the plaintiff has continuously used the trademarks MOROCCANOIL, “M (MOROCCANOIL Vertical Design)”, and “M (MOROCCANOIL Horizontal Design)” in relation to oil hair treatment products worldwide, including India. The plaintiff company is the registered proprietor of the trademark MOROCCANOIL in India under Registration No.1649179.

4. It is further contended that the plaintiff's MOROCCANOIL hair treatment products are sold in a packaging having a unique get up, layout, colour scheme and arrangement of features, comprising of an overall blue background and featuring an oversized letter M? in a distinct logo script in orange font with the plaintiff's trademark MOROCCANOIL inscribed either horizontally or vertically sideways in prominent lettering. The design of the packaging of the plaintiff's MOROCCANOIL product constitutes an original artistic work within the meaning of Section 2(c) of the Copyright Act, 1957.

5. Mr.Anand, learned counsel for the plaintiff has contended that the plaintiff has also widely and extensively advertised and publicized its products under the trademark MOROCCANOIL through various modes of electronic and print media on which substantial expenses have been incurred by the plaintiff. The plaintiffs authorized distributors and approved salons alone have right to sell the MOROCCANOIL products in India, and no third party is authorised or licensed or has any right to use or exploit the plaintiffs intellectual property rights in India.

6. It is alleged that defendant No.2 company engaged in the marketing and distribution of Hair Gain Solution under the mark "MINOXIDIL" featuring the plaintiff's well-known 'M' logo/device, which is being manufactured by defendant No.3. Defendant No.1 is the Managing Director of defendant No.2, who believed to be principal officer actively running and managing the day to day business of defendant No.2. In the month of March, 2014, the plaintiffs came to know about an advertisement in the newspaper Bombay Times featuring the defendant's hair treatment product in a packaging similar to the plaintiff's MOROCCANOIL packaging. It is alleged that the defendants have adopted an identical packaging comprising of an identical get up, lay out, colour scheme and arrangement of features as used by the plaintiffs for its products.

7. The learned counsel has contended that because of the international fame and distinction of the plaintiff's products, the plaintiffs estimate the monetary losses to be Rs.60,00,000 per annum, whereas the damage to their goodwill and reputation cannot be assessed in monetary terms.

8. It is alleged that the defendants are aiming to mislead consumers and members of the trade into believing that the products bearing the identical trade dress/ packaging prominently featuring the 'M' logo/device emanate from or are connected with the plaintiffs and thereby causing confusion or deception in the course of trade as to the source or origin of the products. The sub-standard quality of the defendants' products is also bound to cause irreparable harm to the goodwill and reputation to the plaintiffs' trademarks or trade names.

9. It is contended that the acts of the defendants not only amount to infringement of trademark, infringement of

copyright, dilution and indulgence in passing off but the same also amount to unfair competition and trade practice to injure the plaintiff's reputation and goodwill.

10. I have considered the submissions of the learned counsel for the plaintiffs. From the visual comparison of the two products by any unwary consumer, he would be easily deceived by purchasing the goods manufactured by the defendants as the goods, which are manufactured by the plaintiffs. A perusal of the documents relied upon by the learned counsel also shows that the plaintiffs have been able to make out a prima facie good case for grant of ex parte ad interim injunction. The balance of convenience is also in favour of the plaintiff. The plaintiff will also suffer an irreparable loss in case an ex parte ad interim stay is not granted.

11. Accordingly, the defendants, their partners or proprietor, servants and agents and any other person acting on their behalf are restrained from reproducing, printing or publishing any label or packaging, including cartons and boxes, which are a colourable imitation or substantial reproduction of the plaintiff's MOROCCANOIL packaging and also restrained from making, selling, offering for sale, exporting, advertising, and in any manner direct or indirect using the 'M' device/logo or any other device or logo comprising of the letter 'M' in a logo script, which is deceptively similar to or a reproduction of the plaintiff's 'M' logo script and taking any other features of the plaintiff's product packaging in any manner in respect of hair and oil treatment products and doing any other thing, which may lead to passing off of their products as those of the plaintiffs.

12. Provisions of Order 39 Rule 3 CPC be complied within two weeks."

8. The Local Commissioners appointed by the said order have made the inventories of the infringing products of the defendant Nos.1 and 2. In the written statement filed by said defendants, it has been admitted that the defendant No.3 is the manufacturer of the impugned goods.

9. Mr.Pravin Anand, learned counsel for the plaintiff submits that as far as the use of trade mark “MINOXIDIL” is concerned, his client is not claiming any right over the same who are also not pressing for any relief of damages and costs of the suit. His client is merely seeking a decree for permanent injunction from using the distinctive logo ‘M’ and get up, colour combination of lay out of the carton which are subject matter of infringement of copyright, passing off and trade mark rights.

10. The counsel for defendant Nos. 1 and 2 has already given an undertaking which has been recorded in order dated 8th December, 2014 not to infringe the plaintiff’s copyright in the artistic work of the packaging of the plaintiff’s MOROCCANOIL product and not use the



logo or a trade dress which is identical or deceptively similar to the trade dress of the plaintiff’s MOROCCANOIL product. The counsel for defendant Nos. 1 and 2, on instructions, confirms that defendant No. 1 and 2 have already ceased the manufacture and sale of products with the packaging filed in the present proceedings. The defendants shall remain bound by this statement made in Court.

11. When the matter is taken up today, learned counsel for the defendant Nos. 1 and 2 undertakes that they are currently not using and shall not use in future any packaging for their products, the following features which form part of the plaintiff's MOROCCANOIL product :

- (i) Prominent and pervasive use of the colours annexed as Annexure A on their packaging; or
- (ii) Use of vertical lettering; or
- (iii) Use of the words "Morocco", "Moroccan", or any derivation thereof in any manner whatsoever.

12. The defendants also recognize the validity of the plaintiff's rights in the trade dress of the MOROCCANOIL product, the copyright in the artistic work of the packaging of their MOROCCANOIL product and shall not oppose, attempt to cancel or otherwise challenge the plaintiff's trademark registrations and applications, both in India and worldwide.

13. As far as defendant No.3 is concerned, counsel submits that his client has nothing to do with the impugned product and has no concern with the defendant Nos.1 and 2. The said statement is apparently incorrect, firstly in the written statement filed by defendant Nos.1 and 2, it was admitted that the said defendants were getting manufactured the said goods from the defendant No.2. Secondly, the packing material seized by the Local Commissioners show the name of defendant No.3 apparently on the packaging material. At this stage counsel for the defendant No.3 says that his client has intention to use the same in future and earlier he had nothing to do

with the impugned products. The net result is that the defendant No.3 is also agreeable not to infringe the logo 'M' and the artistic work which appears on the packaging material of the plaintiffs.

14. Thus, a decree for permanent injunction is passed in favour of the plaintiff and against the defendants in terms of para 24(a) & (b) of the plaint as this Court felt that no other issue is to be determined on merit. The rest of the prayers are given up. The same are disposed of as not pressed.

15. The decree be drawn up accordingly.

(MANMOHAN SINGH)
JUDGE

DECEMBER 19, 2014