Icc Development (International) Ltd. vs Arvee Enterprises And Anr. on 1 January, 2003

Equivalent citations: 2003VIIAD(DELHI)405, 2003(26)PTC245(DEL), 2004(1)RAJ10

JUDGMENT

S.K. Agarwal, J.

1. This order will dispose of plaintiff's application under Order 39 Rules 1 and 2 read with Section 151 of the Code of Civil Procedure, 1908 (for short "CPC") for temporary injunction restraining defendants from publishing any advertisement associating themselves with the plaintiff and the "Cricket World Cup" in any manner whatsoever, passing off plaintiffs indicia and the marks ; and indulging in unfair trade practice misappropriating its publicity rights. The challenge is to the sale promotion campaign by the second defendant offering Cricket World Cup tickets as prizes, using the slogans "Philips : Diwali Manao World Cup Jao" and "Buy a Philips Audio System win a ticket to the World Cup", inserting a pictorial representation of a ticket with an imaginative seat and gate number saying "Cricket World Cup 2003."

2. Facts in brief are : the plaintiff-ICC Development (International) Ltd. (hereinafter 'IDI') has filed a suit for injunction pleading that the plaintiff company is formed by the members of International Cricket Council [hereinafter, "the ICC") to own and control all its commercial rights including media, sponsorship and other intellectual property rights relating to the ICC events. Plaintiff is the organizer of ICC World Cup to be held in South Africa, Zimbabwe and Kenya from February 8, 2003 till March 23, 2003 (hereinafter, "the Event"). The plaintiff has created a distinct 'logo' and a 'mascot' for the event. Owing to wide publicity of the said logo and mascot, members of the public associate the same exclusively with the plaintiff. The plaintiff has filed applications for registration of its trade-mark in several countries. In India, it has filed applications for registration of words "ICC Cricket World Cup South Africa 2003" and logo and the mascot "Dazzler". It is pleaded that ICC events have acquired a "persona" or "identity" of their own. The official sponsors of the World Cup are : (i) Pepsi, (ii) Hero Honda, (iii) LG Electronics, (iv) South African Airways, (v) Hutch-Orange, (vi) Standard Bank-South Africa (vii) Toyota-South Africa (viii) South African Breweries (ix) MTN.

3. It is alleged that the first defendant is the authorised dealer for sale and service of electronic goods manufactured by the second defendant-Philips India Ltd. The defendants are misrepresenting their association with the plaintiff and the World Cup, by advertisements in media, including

newspapers, television, internet and magazines and by using said offending slogans with the intention to unlawfully derive commercial benefit of association with the plaintiff and the World Cup thereby, seeking to piggyback on the reputation of the plaintiff. It is further pleaded that the defendants' actions are mala fide and dishonest guided by the sole intent of damaging the reputation of the plaintiff and the sponsors of the Event, who are engaged in the same line of business as the defendants are, who have been duly authorised by the plaintiff to associate themselves with the World Cup, and to offer such schemes. It is pleaded that the ticket conditions of the Event prohibit such distribution of tickets, unless authorised by the plaintiff and that the defendants have resorted to "ambush marketing" to take advantage of the World Cup without investing a single rupee towards its success. The defendants are guilty of passing off indicia, mark and identity of the plaintiff and the World Cup thereby causing irreparable harm and injury to them. It is also pleaded that defendants are also depriving the sponsors of the Event from enjoying the exclusivity of rights granted to them and preventing the plaintiff from performing its contractual obligation. On these averments, the plaintiff has also sought an interim injunction against the defendants.

4. The second defendant {Philips India Ltd.} has filed the written statement denying the averments made in the plaint, and raising several preliminary objections. It is, inter alia, pleaded that the plaint has not been signed and verified by the authorised person ; Ms. Reema Kalra, who has signed and verified the plaintiff is not a duly constituted attorney of the plaintiff; the suit is bad for non-joinder of necessary parties; neither International Cricket Council {ICC}, which is alleged to be the organizer of the Event nor United Cricket Board of South Africa {for short "UCBSA"} the host has been imp leaded as the party ; no documents showing alleged rights granted by ICC have been filed; there is no cause of action for filing the plaint; the plaintiff has no locus standi to maintain the suit in respect of the alleged logo or the trade-mark; the suit is not maintainable under Section 38 of the Specific Relief Act; the World Cup as defined by the plaintiff in the plaint means, a sporting event to be held in South Africa, Zimbabwe and Kenya from February 8, 2003 till March 23, 2003 and not a trade name and property of the plaintiff in respect whereof an injunction has been prayed. The "World Cup" being a generic word is not capable of conferring any exclusive rights much less trade mark rights on anyone using the same. Generic words denote the product or service in question and therefore are meant to be available for use by everyone. Generic words can never be the trade-marks even upon evidence of earlier user or reputation. The genericness of the words "World Cup" can be derived from the fact that the said words have been used to refer to several other international sporting events like : Football-FIFA World Cup, Hockey-FIH World Cup, Para gliding, Skiing, Horse Racing, Skateboarding, Rugby, Boxing; the defendants have neither used to logo nor the entire phrase "ICC Cricket World Cup South Africa 2003" hence no dishonest or mala fide intention can be imputed to them; the defendants have not sought to derive any association, relationship or affiliation with the plaintiff; and that the defendants have not used the World Cup in the course of trade or in a trade mark significance nor it is used to indicate a trade origin or that they are the sponsors of the Event. The user constitutes protectible descriptive fair use, which is permissible under Section 34 of the Trade and Merchandise Marks Act, 1958 which enables the use of even the registered trade-mark for bona fide description of any product. The World Cup is not protected by any International treaty or domestic law unlike the word "Olympics" and its logo, which is protected under the Emblems and Names {Prevention of Improper Use} Act, 1950. It is pleaded that in 1975, 1979 and 1983 the Events were referred to as "Prudential Cups", while the 1987 cup was referred to

as the Reliance Cup and in 1991, the Event was referred to as Benson & Hedges Cup and even thereafter names of the major sponsors were associated with the Cup. It is pleaded that the defendant has used the words "World Cup" in its advertisement in a generic manner and it has neither used the logo nor the entire phrase "ICC Cricket World Cup South Africa, 2003". The defendant had booked tickets and travel packages for 125 persons for the Event; these were duly confirmed by Edusport Gullinjet Travel {for short, "EGT"}, the sole international tour operator, and authorized agent or sub-agent of the plaintiff. The defendant had already paid Rs. 25,00,000/- to them, which is duly confirmed by EGT. The ticket conditions being pleaded by the plaintiff, were never brought to their notice and the same are against the public policy.

5. Replication has not been filed. I have heard learned counsellor parties and have been taken through the record. On the above pleadings learned counsel for the plaintiff's argued that the defendants' intentional use of the words "Philips: Diwali Manao World Cup Jao" and "Buy a philips Audio System win a ticket to the World Cup" inserting a pictorial representation of a ticket with an imaginative seat and gate number saying "Cricket World Cup 2003", on the advertising campaign amounts to 'passing off, 'unfair competition', and 'ambush marketing', as the defendants have intentionally used these slogans in the advertising campaign, in order to create an identification with the Event and to sell their goods by mis-representation. And because there is a real likelihood of confusion and an un-mistakable aura of deception. The said slogans intentionally call attention to the Eent of the plaintiff, which is not being sponsored by the defendant. It is further argued that the defendants are trying to have a free ride at the plaintiff's expense and reap when they have not sown. Reliance was placed on the observations made in Boston Athletic Ass'n v. Sullivan, 867 F.2d 22 1989}, Edmund Irvine Tidswell v. Talksport Ltd., [2002 EWHC 367 {Ch}] : Paul Hogan and Pacific Dunlop Ltd. {No. G584 of 1987}; and Master card International Inc. v. Sprint Communications Co., {30 USPQ 2d 1963}. Learned counsel for the defendants refuting the arguments, argued to the contrary submitting that even the basic ingredients for a passing off action, unfair competition or ambush marketing are not made out placing reliance on National Hockey League {NHL} v. Pepsi-Cola Canada {1992} B.C.J. No. 1221 and The New Zealand Olympic & Com-monwealth Games Ass. Inc. v. Telecom New Zealand Ltd. and Anr. {1996 FSR 757}.

6. The passing off action depends upon the simple principle that nobody has any right to represent his goods, as the goods of somebody else. The passing off involves mis-representations by a trader to his prospective customers, calculated to injure {as a reasonably foreseeable consequence} to the business or goodwill of another. It is treated as a form of unfair competition or wrongful appropriation of the plaintiff's personality. In order to create a valid cause of action for passing off, five characteristics that must be present are : (i) a misrepresentation, (ii) made by a trader in the course of trade, (iii) to prospective customers of his or ultimate consumers of goods or services supplied by him, (iv) which is calculated to injure the business or goodwill of another trader {in the sense that this is a reasonably foreseeable consequence} and (v) which causes actual damage to a business or goodwill of the trader by whom the action is brought or {in a quia timet action} will probably do so. Erven Warnink v. Townend & Sons Ltd. 1979 {2} All. E.R. 927.

7. This branch of law has ever been developing and expanding. In Cadbury Schweppes Pty Ltd. and Ors. v. Pub Squash Co. Pty Ltd., {1981} 1 All ER 213, Lord Scarman, considering a descriptive

imitation of an advertising campaign and get-up of goods, slogans and themes made familiar to market, in radio and television for soft drinks in cans similar to those used for beers presented as an alternative to beer, held as under :-

> "The width of the principle now authoritatively recognised by the High Court of Australia and the House of Lords is, therefore, such that the tort is no longer anchored, as in its early nineteenth century formulation, to the name or trade mark of a product or business. It is wide enough to encompass other descriptive material, such as slogans or visual images, which radio, television or newspaper advertising campaigns can lead the maker to associate with a plaintiff's product, provided always that such descriptive material has become part of the goodwill of the product. And the test is whether the product has derived from the advertising a distinctive character which the market recognises.
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> But competition must remain free; and competition is safeguarded by the necessity for the plaintiff to prove that he has built up an 'intangible property right' in the advertised descriptions of his product, or, in other words, that he has succeeded by such methods in giving his product a distinctive character accepted by the market. A defendant however, does not wrong by entering a market created by another and there competing with its creator. The line may be difficult to draw ; but, unless it is drawn, competition will be stifled. The test applied by Powel J in the instant case was to inquire whether the consuming public was confused or misled by the get-up, the formula or the advertising of the respondent's product into thinking that it was the appellants' product."

8. Passing off cases can be divided into two broad categories. First are those where the competitors are engaged in a common field of activity and the plaintiff complains that the defendants have named, packaged or described his product or business in a manner likely to lead the public to believe that the defendants' product or business is that of the plaintiff. Second type of passing off, is where it is alleged that defendant has promoted his product or business in such a way as to create the false impression that his product or business, is in some way approved, authorised or endorsed by the plaintiff or that there is some business connection between them. By this false linkage or relationship, the defendant hopes to gain on the goodwill of another. Plaintiff's case is based on this form of passing off.

9. The question which requires consideration is whether sufficient number of purchasers of defendants' goods unmistakably are likely to be confused about the source of defendants' goods or assume that defendants have some connection with the official sponsors of the event? In this case, admittedly, defendants have not used plaintiff's "logo" or mascot "Dazzler" on any of their advertisements or promotional campaigns. True, the defendants have inserted a pictorial representation of a ticket with an imaginative seat and gate number saying "Cricket World Cup 2003". From this the attention of purchasing public may be drawn towards the Event. But this does not show likelihood of any confusion in public mind that defendants are sponsors or licensees of the Event. The slogans merely show that the purchasers of the defendants' goods may win a ticket and

travel package to see the world cup and nothing more. There is noting in advertisements to show that public is likely to be confused that defendants' goods are sponsored by the plaintiff. Therefore, basic ingredients of passing off action or unfair competition are not made out.

10. So far as plea of "ambush marketing" is concerned, the phrase "ambush marketing" is used by marketing executives only. It is different from passing off. In the passing off action, there is an element of overt or covert deceit whereas the ambush marketing is opportunistic commercial exploitation of an event. The ambush marketeer does not seek to suggest any connection with the event but gives his own brand or other insignia, a larger exposure to the people, attacted to the event, without any authorization of the event organizer. The organizers call it ambush marketing by the defendant, for promoting his brand or product without incurring financial obligation like the official sponsors. The ambush marketing may be inside the stadium like clash between official and personal endorsements or outside the stadium. However, in such cases, there is no deception, therefore, the defendants' conduct cannot be categorised as wrongful or against public interest. It is now well settled that commercial advertisement is form of "commercial speech". It is a part of the freedom of speech and expression guaranteed under Article 19(1)(a). However, unlike the First Amendment under the United States Constitution, our Constitution lays down in Article 19(2) the restrictions which can be imposed by law to restrict such rights. Reference can be made to the Supreme Court decision in Tata Press v. MTNL, 1995 {5} SCC 139. The 'World Cup' or the Event is not protected by any International treaty or domestic law, unlike the word "Olympics" and its logo, which is protected under the Emblems and Names {Prevention of Improper Use} Act, 1950. It is for Legislature to determine how far to curtail legitimate fair competition and freedom of speech. From the material on record, the advertising campaign offering tickets of the Event as prizes without using the logo or the mark of the plaintiff cannot be held to be unlawful.

11. In Boston Athletic Ass'n v. Sullivan, {Supra}, the defendants used plaintiffs' registered marks on the wearing apparels, which the plaintiff was also manufacturing.

Thus, there was an identity of mark and the goods. In Master Card's case {Supra} the issue before the court was interpretation of the contract. Here it is not so. The ratio of the other decisions cited by the plaintiff is also not applicable to the facts at hand.

12. Learned counsel for the plaintiff next argued that commercial "identity" or "persona" of ICC Events vests entirely and exclusively in the plaintiff. They own publicity rights in all ICC Cricket events which have commercial value. The plaintiff is entitled to control and profit from these rights. The plaintiff has given these rights to the sponsors to organize schemes and contests, who offer tickets to the Event as prizes and that the defendants are wrongfully exploiting indicia and marks of the plaintiff and the "persona" and "identity" created by the plaintiff and thus making unlawful gains. Learned counsel argued that the right of publicity not only protects publicity values of human beings, but also the publicity values in non-living objects that are made popular through effort and that defendants have violated the right of publicity of the plaintiff in the Event, and are deriving unjust enrichment, by basing its entire advertising campaign on the Event and its popularity. Reliance is placed on Bi-Rite Enterprises v. Button Master {555 F. Supp. 1188 {S.D.N.Y.} 1983}; White v. Samsung {23 USPQ 2d 1583}, and Zacchini v. Scripps Howard Broadcasting Co. {205

USPQ 741}.

13. I am unable to agree to the above. In my considered view, the non-living entities are not entitled to the protection of publlicty rights in an event, for more than one reasons. Firstly, the copyright law, trade-mark law, dilution law and unfair competition law provide full protection against all forms of appropriation of property to such legal entities.

Secondly, it would be against the basic concept of "persona". The "persona" is defined in Black's Law Dictionary, seventh edition to mean "a person; an individual human being". Most of the courts abroad have refused to grant publicity rights of human beings to the non-living entities. In this regard, it will be useful to refer to McCarthy's oh the Rights of Publicity and Privacy {Second Edition} at page 460. It reads :

> "The New York courts have unanimously refused to permit any legal entity other than a human being to assert publicity or privacy rights under the New York statute. The New York statute prohibits the commercial use of the name or picture of "any living person", and this interpretation seems eminently reasonable. The meaning of "living person" as restricted to a real human appears clear by the statute's listing of those entities which are forbidden to make such unpermitted uses : "a person, firm or corporation". Thus, the statute distinguishes a "person" from a "firm or corporation.
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> .....What we cannot do is allow ourselves to be hypnotized by a label like "person". It is superficial and quite dangerous to reason that : {1} rea, human persons have a right of publicity and {2} the law pretends that corporations are "persons", therefore {3} corporations have a right to publicity in their identity. The danger comes from expanding the right of publicity beyond its reason for being. Even the most rational and fair legal concept can be so stretched out of shape that a backlash develops, which can bring down the whole house, good and bad alike."

14. The right of publicity has evolved from the right of privacy and can inhere only in an individual or in any indicia of an individual's personality like his name, personality trait, signature, voice, etc. An individual may acquire the right of publicity by virtue of his association with an event, sport, movie, etc. However, that right does not inhere in the event in question, that made the individual famous, nor in the corporation that has brought about the organization of the event. Any effort to take away the right of publicity from the individuals, to the organiser {non-human entity} of the event would be violative of Articles 19 and 21 of the Constitution of India. No persona can be monopolised. The right of Publicity vests in an individual and he alone is entitled to profit from it. For example if any entity, was to use Kapil Dev or Sachin Tendulkar's name/persona/indicia in connection with the 'World Cup' without their authorisation, they would have a valid and enforceable cause of action.

15. In Bi-Rite Enterprise, {supra}, the right of publicity was extended only to musical groups holding that the right of publicity grants a person an exclusive right to control the commercial value of his name and likeness and to prevent others from exploiting that value without permission. The Court

did not hold that the personality right can inhere in an event. The case White v. Samsung {Supra} concerns the personality rights, of an individual - Vanna White and in Zucchini's case {Supra} the issue was regarding the personality rights of the individual who performed cannon ball and not those of the event.

16. In view of the above, the argument that the right of publicity, in respect of ICC cricketing events vests with the plaintiff, and they alone are entitled to profit from the same is without merit and is rejected.

17. Learned counsel for the plaintiff next argued that plaintiff has created for the Event a distinct 'logo' Along with a 'mascot'. Owing to wide publicity of the said logo and mascot, members of the public associate the same exclusively with the plaintiff. The plaintiff has filed applications for registration of its trade-mark in several countries. In India, it has filed applications for registration of "ICC Cricket World Cup South Africa 2003" and logo and the mascot dazzler; the words "World Cup" and "Cricket World Cup" are descriptive describing the nature of the tournament. Learned counsel argued that plaintiff has been using the words 'World Cup' since 1975 in the game of cricket and have used the same exclusively, therefore, "Cricket World Cup" is associated with the plaintiffs. When the defendants refer to Cricket World Cup 2003, it refers to the plaintiff's event alone and they cannot be permitted to use the same. In the alternative, it was argued that even a generic word can be protected in an action for passing off and unfair competition. Reference was made to Erven Warnink v. Townened & Sons Ltd. {supra} and WWF v. Mahavir Spinning Mills Ltd., {PANDA}, {1994 PTC 250}. Learned counsel for the defendants argued that these words have been used in a descriptive manner and is a fair use. Reliance was placed on Newsweek Inc. v. British Broadcasting Corporation, {1979 RFC 441}; F. Hoffmann-La Roche & Co. Ltd. v. Geoffrey Manner & Co. Pvt. Ltd., and the Coca-Cola Co. of Canada Ld. v. Pepsi-Cola Co. of Canada Ld. {Vol LIX RFC 127} and Caterpillar Inc. v. Mehtab Ahmed and Ors., 2002 {25} PTC 438 {Del}.

18. Law in this regard is well settled. "Generic" words have dictionary meaning, and are neither specific nor special. These words belong to one genus. Such words are neither brand names nor have any protection by the registered trade mark. 'World Cup' is a dictionary word. It means a tournament or event, where several nations participate. Thus, these words are generic and not capable of conferring any exclusive right. These are available to everyone. The genericness of these words can be judged from the fact that these words have been used to refer to several other international sporting events, namely, Football-FIFA World Cup, Hockey-FIH World Cup, Para gliding, Skiing, Horse Racing, Skateboarding, Rugby, Boxing. These words are not protected like the Olympics or its logo. Further, it is not contested that the Event was referred to in the years 1975, 1979 and 1983 as Prudential Cup; in 1987 it was referred to as Reliance Cup; and in 1991 it was referred to as the Benson & Hedges Cup. Even thereafter the names of major sponsors were associated with the plaintiff. In view of all this, prima facie, the words "World Cup Cricket" and "World Cup" have to be non-exclusive and generic. The defendants have, admittedly, not used the logo or the words "ICC Cricket World Cup- South Africa 2003". The use of slogans by the defendants - "Philips : Diwali Manao World Cup Jao" and "Buy a Philips Audio System win a ticket to the World Cup", inserting a pictorial representation of a ticket with an imaginative seat and gate number saying "Cricket World Cup 2003" and also using the picture of a batsman with three wickets,

suggests only the game. Prima facie, defendants' use of the disputed words, in the advertisement is descriptive and not as a mark. It is a fair use, permissible under the law. Playboy Enterprises Inc. v. Terri Welles and Ors., 279 F. 3d 796 {2002}. Each case depends upon its own facts detailed reference to all judgments relied upon by learned counsel for the plaintiff is not necessary as the same are not applicable to this case.

19. Learned counsel for the plaintiff next argued that under the contract with its sponsors, exclusive commercial advantage of the Event can be derived by the sponsors alone. By offering Travel Packages of the event as prizes, defendants are attempting to achieve breach of contract between the plaintiff and the sponsors of the Event Trade in the tickets to the event is in violation of the terms and conditions for sale of tickets. In support of the submission, reliance is placed on the observations made in Aasia Industrial Technologies Limited v. Ambience Space Setters Ltd., 1998 PTC {18} 338 (SC).

20. The essential element for a cause of action based on breach of contract by inducement are {a} interference in the execution of the contract, {b} interference must be deliberate and {c} interference must be direct. In the present case, none of these ingredients have been made out. There is no averment in the plaint to show that defendants were aware or had knowledge of the contract between the plaintiff and the sponsors. Not only this, neither the sponsors nor the official tour operator and their agents have been imp leaded as parties in the suit. In the absence of adequate material on record, the plea of inducement to breach the contract is also not sustainable. The terms and conditions with regard to the sale of tickets to the event, now pleaded by the plaintiff, did not form part and parcel of the agreement between the authorised agent of the Event and the defendants. The question whether the said conditions were known to the defendants or not, cannot be decided at this stage. This is a question of fact which can be determined only after the trial. {Lonrho Ltd, & Ors. v. Shell Petroleum Co. Ltd. and Ors., {1981} 2 ALL ER 456} ; and Merkur Island Shipping Corporation v. Laughton and Ors., {1983} 1 ALL ER 334.

21. To recall the facts, defendants had booked the travel packages through the authorised agent appointed by the UCBSA and the plaintiff. The defendants are not using the mark or the logo of the plaintiff. They have merely offered the tickets as prizes in the advertising campaign. I have seen the advertisements and read the printed material. I am unable to find that these advertisements, in any way, suggest that the defendants' business is approved, authorised or endorsed by the plaintiff. Therefore, prima facie, basic ingredients of passing off, unfair trade practice or misappropriation of plaintiff's personality are not made out. The defendants have paid substantial sum of Rs. 25.0 lacs towards purchase of tickets and travel arrangements to the plaintiff's agent for the Event. The scheme offered to the public by the defendants has already concluded. Assuming the plaintiff ultimately succeeds, it may, at best, be entitled to damages. Therefore, even balance of convenience does not He in favor of the plaintiff, as per the law laid down by the Supreme Court in Wander Ltd. v. Antox, {1990} Supp. SCC 727.

22. For the foregoing reasons, the plaintiff has failed to make out a prima facie case, for grant of ad-interim injunction. The application is, accordingly, dismissed. It is clarified that any observation made herein, would not prejudice the case of either of the parties during the trial.