



2024:DHC:3875



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

% **Reserved on : 15<sup>th</sup> April, 2024**

**Pronounced on : 09<sup>th</sup> May, 2024**

+ **I.A. 7636/2021 in CS(COMM) 300/2021**

**BEIERSDORF AG**

..... Plaintiff

Through: Mr. M.S. Bharath, Mr. V.S. Krishna, Mr. Ayush Sharma and Mr. Ashish Sharma, Advocates.

versus

**HINDUSTAN UNILEVER LIMITED**

..... Defendant

Through: Mr. Chander M. Lall, Sr. Advocate along with Ms. Pragya Mishra, Mr. Shashwat Rakshit and Mr. Ankur Sangal, Advocates.

**CORAM:**

**HON'BLE MR. JUSTICE ANISH DAYAL**

% **ORDER**

**I.A. No. 7636/2021 (under Order XXXIX Rules 1 & 2 of CPC)**

1. This application has been filed by plaintiff as part of suit seeking permanent injunction restraining infringement of trademark, unfair trade practice, disparagement, dilution and damages against defendant alleging



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dishonest conduct by using the signature elements of the distinctive look trade dress of plaintiff's 'NIVEA' products.

2. The crux of the matter relates to the highly distinctive trade dress claimed by plaintiff for its 'NIVEA' brand of products written over a distinctive blue background ('*Pantone 280C*'), created and developed for plaintiff's products '*NIVEA Crème*' in 1925. Around 2021, plaintiff became aware that defendant had been undertaking marketing activities involving their sales representatives being present in various malls in Delhi and Gurgaon showing a comparison of a cream in a *blue tub* identical to plaintiff's '*NIVEA Crème blue tub*' (used without the sticker) and defendant's product '*Ponds Superlight Gel*' ("*impugned activity*"). As per the plaintiff, sales representatives of defendant would apply cream from the "*blue tub*" on the skin of the walk-in customers on one hand and defendant's product on the other hand. Thereafter, the representatives would use a magnifying glass in an attempt to assure the customers that *blue tub* product left an oily residue on their skin as compared to defendant's product '*Ponds Super Light Gel*'. This, claimed by plaintiff, was disparaging of their product and a cease-and-desist notice was issued on 19<sup>th</sup> June, 2021 to defendant. Thereafter, the instant suit was filed and summons were issued on 5<sup>th</sup> July, 2021. However, notice was issued in the application and thereafter, the matter has remained on Board.

3. Subsequently, under the impression that defendant was not pursuing the *impugned activity*, plaintiff had filed an affidavit for withdrawal of the suit.



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However, as noted in order dated 23<sup>rd</sup> January, 2024, Senior Counsel for defendant stated that they have not withdrawn from any such activity and therefore, plaintiff withdrew the said affidavit of withdrawal and this application was contested and argued.

### Submissions on behalf of Plaintiff

4. Plaintiff claims that one of its most famous and recognizable product packaging is under the brand ‘NIVEA’ in a flat can of cream with a *distinctive*



*blue colour* design and brand ‘NIVEA’ written in white. The *distinctive blue colour* is identified as ‘Pantone 280C’, and used as a source identifier. Subsequently plaintiff’s ‘NIVEA’ mark was adopted, used and promoted extensively in other forms such as



and various others.

5. Plaintiff applied and obtained registrations for ‘NIVEA’ trademark and variants in more than 175 countries in various classes. ‘NIVEA’ was first registered in 1943 in India in class 3 and subsequently was registered in various other classes.



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6. List of marks / trademark registrations claimed by plaintiff for brand 'NIVEA' are provided in a tabulation as under:



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Registration Number	Application Date	Trademark	Class
14263	12/04/1943	NIVEA (word)	3
1382597	06/09/2005	NIVEA (word)	1, 3, 5, 22, 24, 25, 27, 28, 35, 38, 41, 43, 44
IRDI-3363920 (IR No. 1301174) Protection Granted	25/02/2016	<b>NIVEA</b>	3, 5, 16, 25, 44
IRDI-3607534 (IR No. 1358172) Protection Granted	09/06/2017	NIVEA URBAN SKIN	3
IRDI-3614771 (IR No. 1360739) Protection Granted	23/06/2017	NIVEA ROCK SALTS	3



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663307	24/04/1995		3
728508	26/12/1996		3
808257	29/06/1998		3
1311856	22/09/2004		3
1329991	04/01/2005		3
1458836	12/06/2006		3
1463713	22/06/2006		3
1531640	15/02/2007		3
1624311	23/11/2007		3



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2232698	11/11/2011		3
2856286 (IR No. 1213627)	24/07/2014		3
3263712 (IR No. 1277978)	16/10/2015		3
3325399	01/08/2016		3
IRDI-3406677 (IR No. 1312906) Protection Granted	20/07/2017		3
IRDI-3910644 (IR No. 1415899) Protection Granted	05/06/2018		3



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3965493	05/10/2018	NIVEA WHITENING	3
089851	16/02/2019	निविया	1,3,5,16,35, 44
3289787	21/06/2016		3
2912562	13/10/2014		3





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7. For the purposes of this suit, aside from the word mark, which was not in picture in the *impugned promotional activity*, stress was laid on *distinctive blue colour* in the device/logo, especially under registration Nos. 1329991, 2232698, 2856286 and 3263712, all being in class 3.

8. While this colour was not protected under registration in India, it was given protection by *German Patent and Trademark Office* under registration No. 30571072 in class 3. Plaintiff claimed that the *distinctive blue colour* and the unique trade dress have been extensively used for their product ‘NIVEA’ and been extensively advertised all over the world through print and digital media and a huge amount of promotional expenses have been spent. The recall therefore, in mind of general consumer relatable to the ‘NIVEA’ product is of the *distinctive blue colour* used along with trade dress. Annual worldwide sales turnover, as claimed by plaintiff, for year 2016 was Euro 4.2 billion and promotional expenditure was in the range of Euro 1.5 million. Their specific sales and promotional figures for ‘NIVEA’ products for the year 2018 were claimed by plaintiff to be Euro 119 million and Euro 30 million respectively. Figures were given for both worldwide and Indian territories from the year 1999 onwards. It is claimed that the brand ‘NIVEA’ features amongst global top 500 super brands and has received various other awards, nationally and internationally.



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9. 'NIVEA' was declared a well-known trademark by this Court in CS(OS) No. 1164/2001 titled as *Beiersdorf A.G. v. Ajay Sukhwani & Anr.*, 2008:DHC:3037 *vide* order dated 14<sup>th</sup> November, 2008.

10. Counsel for plaintiff drew attention to order dated 28<sup>th</sup> January, 2021 in CS(COMM) 48/2021 titled as *Beiersdorf A.G. v. RSH Global Private Limited & Anr.*, where the unique trade dress having dark blue background of plaintiff had been protected and an *ad interim* injunction had been passed against defendant for infringement of the artistic work, label, trade dress and passing off. Attention was drawn to para 4 of the said order dated 28<sup>th</sup> January, 2021 where the Court noted that the distinguishing features of the trade dress of plaintiff, as apparent from their products, included the brand name of plaintiff, written in white font on a dark blue background and the *distinctive blue colour* of container, registered by *German Patent & Trademark Office* in class 3. In this context was the *ad interim* injunction granted. This, plaintiff's counsel asserted, afforded some recognition by this Court of the *distinctive blue colour* of plaintiff's product.


11. Grievance was against the *impugned promotional campaign* of defendant through their sales representatives. Screenshots of the same were provided by plaintiff, which are extracted as under:



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12. The basic grievance was regarding inherently wrong comparison being done by defendant between two different categories of creams. Plaintiff has provided a tabulation for products of plaintiff and defendant focusing on percentage of fatty matter, which are relevant for said assessment, extracted as under:



PRODUCT TO BE COMPARED	% TOTAL FATTY MATTER	% OF GLYCERINE CONTENT	% OF WATER CONTENT
NIVEA CREME 	25.98	2.61	68.9



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<b>POND'S COLD CREAM</b> 	27.68	4.27	63.24
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<b>PRODUCT TO BE COMPARED</b>	<b>% TOTAL FATTY MATTER</b>	<b>% OF GLYCERINE CONTENT</b>	<b>% OF WATER CONTENT</b>
<b>NIVEA SOFT</b> 	15.90	4.51	73.2
<b>POND'S LIGHT MOISTURISER</b> 	10.49	1.00	82.08



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PRODUCT TO BE COMPARED	% TOTAL FATTY MATTER	% OF GLYCERINE	% OF WATER CONTENT
 NIVEA MEN FRESH GEL	1.35	4.88	87.2
 POND'S SUPERLIGHT GEL	7.73	2.53	89.43

13. It was pointed out that there were three categories of products in this cream segment of plaintiff and defendant. The first category being the 'heavy category' (plaintiff's product being 'NIVEA CRÈME' and defendant's product being 'POND'S COLD CREAM'). This heavy product, as apparent from the tabulation above, had 25-28% of fatty matter. The second category was the 'light category' (plaintiff's product being 'NIVEA SOFT' and defendant's product being 'POND'S LIGHT MOISTURISER'). As apparent from the table



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above, total fatty matter in these products was in range of 10-15%. The third category was the ‘gel category’ (plaintiff’s product being ‘NIVEA MEN FRESH GEL’ and defendant’s product being ‘POND’S SUPERLIGHT GEL’). As apparent from the table above, total fatty matter in these products was in the range of 1-8%.

**14.** What was stressed by plaintiff’s counsel was that the *impugned promotional campaign* was comparing plaintiff’s product from *heavy category* (category 1 above) with defendant’s product from *gel category* (category 3 above). Therefore, not only was the use of the *blue tub*, a clear reference to plaintiff’s product, but also the comparison made between two different categories in order to convince a customer that plaintiff’s product left oily residue while defendant’s product did not, was misleading. Counsel for plaintiff stated that if defendant had done a category-wise comparison between plaintiff and defendant’s products, it could potentially still have been a fair comparison, but to use plaintiff’s product from the heavy category containing about 25% fatty matter and comparing it with defendant’s product having 10% fatty matter, would obviously show a difference in its application and residue. This, it was argued, was unfair, dishonest, *mala fide* and misleading.

**15.** Attention was drawn to para 2(ix) of defendant’s written statement where they had averred that they also sell other moisture variants including heavy moisturisers. Plaintiff’s counsel stated that this amounted to an admission on



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defendant's part that they also had other categories of products, including heavy moisturisers and creams.

**16.** What was heavily focused on by plaintiff's counsel are ten different instances in which the same or similar disparagement issues arose, of plaintiff's products by defendant, in particular the 'NIVEA' brand in *distinctive blue packaging*. It was pointed out that plaintiff is the parent company which owns the product 'NIVEA' worldwide and is responsible for agitating this issue in various jurisdictions. In fact, in two of these instances, plaintiff's subsidiary 'NIVEA India Private Limited' had made complaints with Indian regulators. These ten instances were further elaborated as under:

(i) A letter was addressed on 19<sup>th</sup> January, 2004 by plaintiff to 'Unilever' (the parent company of defendant Company) regarding a TV Commercial (TVC) comparing 'NIVEA' products of plaintiff against 'DOVE' product of defendant. The TVC had sought to compare 'NIVEA Crème' to a 'DOVE Silk' product. In response, communication dated 1<sup>st</sup> March, 2004 was received by plaintiff's Middle East office from defendant's parent company, 'Unilever', stating that they had taken necessary measures to ensure that this particular TVC will not go on Air again.

(ii) An order of District Court, Hamburg, Germany, dated 16<sup>th</sup> September, 2003 between plaintiff and 'Lever Faberge GmbH' (part of Unilever Group) injunctioning an advertisement between plaintiff's 'NIVEA Crème' and 'DOVE' product regarding "no greasy coating on your skin".



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(iii) A complaint made to ‘Advertising Standards Council of India’ (hereinafter referred to as “ASCI”) dated 25<sup>th</sup> October, 2012, regarding TVC for launch of ‘Fair & Lovely Moisture Plus’, which had shown a hand pushing a blue jar off the screen and introducing the ‘Fair & Lovely’ product (which is sold by defendant company). A part of the complaint had asserted the importance of ‘NIVEA’ blue colour tone and distinctive shape of the jar which has been identified with plaintiff’s product in several countries. The ASCI rendered a decision/ recommendation on 2<sup>nd</sup> November, 2012 upholding the complaint and advising the defendant to withdraw or modify the said TVC.

(iv) A communication dated 17<sup>th</sup> March, 2013 addressed by plaintiff’s Middle East Office (‘Beiersdorf Middle East’) to Mr. Sanjiv Mehta of ‘Unilever Gulf FZE’, in relation to campaign of comparative advertisements for ‘DOVE Essential Nourishment Lotion’, displaying plaintiff’s brand as a dark blue tub with white print and describing it as “greasy”. This complaint was regarding in-mall activations with promoters inviting participants to compare ‘DOVE Essential Nourishment Lotion’ with the lotion in the blue tub.

(v) A decision dated 12<sup>th</sup> May, 2016 of ‘Ethics Council of São Paulo’ under ‘CONAR (National Council of Advertising Self-Regulation)’ regarding a complaint by plaintiff (‘BDF NIVEA LTDA’) against ‘Unilever Brasil LTDA’ of ‘DOVE ORIGINAL’ campaign marketed on TV for comparison with ‘NIVEA’ product whereby the Ethics Council agreed to recommend alteration of the said advertisement.





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(vi) A complaint dated 16<sup>th</sup> December, 2016 by ‘*Hindustan Unilever Ltd.*’ against plaintiff to the ASCI with regard to ‘*NIVEA crème*’ advertisement.

(vii) A communication dated 5<sup>th</sup> June, 2018 from ‘*NIVEA India Pvt. Ltd.*’, the Indian subsidiary of plaintiff, to defendant regarding ‘*Ponds Light Moisturiser*’ advertisement on digital and social media platforms. This was also related to ‘*NIVEA*’ product in colour blue where the ‘*Ponds Light Moisturiser*’ had been compared with an unnamed moisturising product. Comparison was made between a heavy moisturiser and ‘*Ponds Light Moisturiser*’. Pursuant to the said notice, said advertisement was withdrawn in a “*gesture of goodwill*” as per communication dated 12<sup>th</sup> June, 2018 from Unilever.

(viii) A communication dated 25<sup>th</sup> October, 2019 from ‘*NIVEA India Pvt. Ltd.*’ to defendant regarding ‘*Lakme Peach Milk Soft crème*’ advertisement. A comparison was made with the product having the iconic blue colour packaging and the font style of ‘*crème*’. In the communication dated 5<sup>th</sup> November, 2019 from defendant, it was stated that the said Instagram story was published for temporary period and not re-posted or used in any other creative nor in any form of media advertisements and the matter was requested to be closed.

(ix) Decision of Federal Patent Court of Munich, Germany, dated 14<sup>th</sup> October, 2019 in relation to a cancellation petition by ‘*Unilever Deutschland Holding GmbH*’ against the blue colour (‘*Pantone 280C*’) registration. The said cancellation request by ‘*Unilever*’ was withdrawn subsequently.



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(x) In settlement arrived at between plaintiff and ‘Unilever Hamburg, Germany’, relating to use by ‘Unilever’ of various products under ‘DOVE’ trademark in iconic blue packaging which was agreed not to be offered / advertised or placed in the market. The parties had further agreed that it did not restrict ‘Unilever’ from using a colour mark blue other than colour ‘Pantone 280C’.

17. Plaintiff’s counsel also drew attention to portions of reply filed by defendant to this application being I.A. 7636/2021 under Order XXXIX Rules 1 & 2 of CPC, in particular the following:

(i) *Firstly*, that the application of an unidentified ‘heavy moisturiser’ in a dark blue container and application of a light ‘gel-based moisturiser’ upon hands of a consumer was to provide them a feel of products and was not disparaging. Defendant had stated the colours of the container only with a view to stress on whether the moisturiser being used was heavy or a light one. This, plaintiff’s counsel asserted, was enough of an admission that the specific container colour was used in order to point to the heavy cream of plaintiff.

(ii) *Secondly*, a table was provided in the said reply by defendant which also noted the difference in the fatty matter between plaintiff’s product ‘NIVEA crème’ and defendant’s ‘Ponds Gel Moisturiser’ product which was being used for comparison. The said table as provided by defendant is reproduced below:



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Nivea Creme

Sr. No.	Test	Observation
1	Moisture by KF (Water Content)	68.91%
2	TFM (Total Fatty Matter)	27.78%
3	Glycerine	5.13%



Ponds Gel Moisturizer

Sr. No.	Test	Observation
1	Moisture by KF (Water Content)	90.73%
2	TFM (Total Fatty Matter)	4.70%
3	Glycerine	2.66%




(iii) *Thirdly*, defendant stated that it was a true statement that defendant's cream was less sticky and therefore cannot be construed as disparagement. To this, plaintiff's counsel asserted that this could only be used as a defence when compared to a similar product, rather than to different products.

(iv) *Fourthly*, defendant stated that there were other parties using the colour blue for their products and therefore, plaintiff could not have monopoly over the same, and the said promotional activity could not possibly refer to just plaintiff's products. A tabulation had been given of various such products by defendant. To this, plaintiff adverted to in their rejoinder and responded that all these products with colour blue, shown by defendant, were actually not available in India. The said table is provided as under for ease of reference:



S.NO	PRODUCT LISTED BY THE DEFENDANT	RESPONSE BY PLAINTIFF
1.		<p>The price of the product is provided in USD which indicates that the product is not manufactured in India and is not meant for the Indian market.</p>
2.		<p>The listing provided by the Defendant pertains to a website from Indonesia. Hence it is evident that the product is not manufactured in India and is not meant for the Indian market.</p>






<p>3.</p>		<p>The listing provided by the Defendant is from the website <a href="https://www.oprahdaily.com/">https://www.oprahdaily.com/</a></p> <p>Oprah daily is a website operated by Oprah Winfrey. The website appears to be operated from USA, targeted towards USA audience. The product listed by the Defendant is not manufactured in India, and is not meant for the Indian market.</p>
<p>4.</p>		<p>This product is not manufactured by the Defendant nor is this product manufactured in India. The Defendant's own Indian website <a href="https://www.vaseline.com/in/en">https://www.vaseline.com/in/en</a> does <b>NOT</b> have this product listed.</p>
<p>5.</p>		<p>This product is listed on the website <a href="https://sluttyravercostumes.com/ihene-aiko-recommends-la-mer-blue-heart-creme/">https://sluttyravercostumes.com/ihene-aiko-recommends-la-mer-blue-heart-creme/</a>. The website appears to be providing information about Beauty, Music, Fashion and Events. The product listed by the Defendant is not manufactured in India, and is not meant for the Indian market.</p>



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6.		<p>The product listed by the Defendant is from the website <a href="https://www.redpearlinc.com/">https://www.redpearlinc.com/</a></p> <p>Red Pearl Inc., was founded in 2002 in Oregon USA to import into USA perfumes and beauty products from Paris and West Africa. The product listed by the Defendant is not manufactured in India, is not meant for the Indian market and is not available in India.</p>
7.		<p>The product listed by the Defendant is from the website <a href="https://www.stylecraze.com">stylecraze.com</a>. On accessing the website, the listing is directed to Amazon.in which indicates that the product is currently unavailable.</p> 

18. Plaintiff's counsel placed reliance *inter alia* upon the following decisions:



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**18.1 *George V. Records, SARL v. Kiran Jogani & Anr.***, 2004 SCC OnLine Del 186, where reliance was placed *inter alia* on para 12 of the decision of the High Court of Delhi, on the issue of single economic entity.

**18.2 *Su-Kam Power Systems Ltd. v. Kunwer Sachdev and Anr.***, 2019 SCC OnLine Del 10764 in CS (COMM) 1155/2018, decided on 30<sup>th</sup> October, 2019, where reliance was placed on para 81 of the said decision to state that defendant would be estopped from claiming that they had no knowledge of the existence of plaintiff's product since it would have to be presumed from prior facts and circumstances. Reliance in these paragraphs has been made to Supreme Court's decision in *B.L. Sreedhar and Ors. v. K.M. Munireddy (Dead) and Ors.*, (2003) 2 SCC 355. This was in the context that defendant cannot claim ignorance of existence of blue tub product of plaintiff considering there have been at least ten prior instances where same situation had arisen worldwide including in India.

**18.3 *Gillette India Limited v. Reckitt Benckiser (India) Private Limited***, 2018 SCC OnLine Mad 1126, a decision rendered by High Court of Madras decided on 19<sup>th</sup> April, 2018 wherein reliance was placed to state that even if there was no specific reference to the brand of plaintiff, overall impression created by advertisement would end up being disparaging of plaintiff's product because of dominance of plaintiff in that particular category.

**18.4 *Reckitt Benckiser (India) Ltd. v. Hindustan Lever Limited***, 2013 SCC OnLine Del 6377 titled as CS(OS) No. 375/2013 decided on 14<sup>th</sup> May, 2013, to



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submit that at the stage of injunction, only a *prima facie* opinion is taken, and market surveys/lab reports relied upon by defendant may not be relevant at that stage. Plaintiff's counsel contended that even they had carried out market surveys after the filing of the suit where the brand of plaintiff's products were peeled off, however, the customers even then recognised that as the 'NIVEA' product of plaintiff.

**18.5 *Reckitt Benckiser (India) Ltd. v. Hindustan Lever Limited***, 2008 SCC OnLine Del 1731 in CS(OS) No. 1359/2007 decided on 7<sup>th</sup> July, 2008, where injunction was granted in relation to advertisement which had shown an orange-coloured soap as being harmful. Even though the brand was not shown, it was held by the Court that from the standpoint of a reasonable person, the advertisement will amount to disparagement of and denigrating plaintiff's product, and relief was granted.

**18.6** Plaintiff's counsel also filed the following decisions - ***Reckitt & Colman of India Ltd v. KIWI T.T.K***, 1996 (16) PTC 393 (Del); ***Pepsi Co. Inc and Ors. v. Hindustan Coca Cola Ltd.***, 2003 (27) PTC 305 (Del) (DB); ***Dabur India Limited v. Colgate Palmolive India Ltd.***, 2004 (29) PTC 401 (Del); ***Eureka Forbes Ltd. vs. Pentair Water India Pvt. Ltd.***, 2007 (35) PTC 556 (Karn); ***Unibic Biscuits India Pvt. Ltd. v. Britannia Industries Limited***, MIPR 2008 (3) 347; ***S.C. Johnson and son Inc. and Anr. v. Buchanan Group Pvt. Ltd. and Ors.***, 2010 (42) PTC 77 (Del); ***Anheuser Bushch Llc v. Rishav Sharma & Ors.***, 2020 (83) PTC 217 (Del); ***Vikram Roller Flour Mills Ltd. v. KRBL Ltd.***,





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CS (COMM) 587/2018; *Columbia Sportswear Company v Harish Footwear & Anr.*, CS (COMM) 1611/2016; *Sudhir Kumar @ S. Baliyan v. Vinay Kumar*, CA No. 5620 of 2021; *Annamalayar Agencies v. VVS & Sons, Pvt. Ltd & Ors.*, 2008 (38) PTC 37 (Mad); *ITC Limited v Reckitt Benckiser (India) Pvt. Ltd.*, C.S. No. 55 of 2021; *Hindustan Unilever Ltd. v. Reckitt Benckiser (India) Ltd.*, 2014 (57) PTC 78 (Cal); *Hindustan Unilever Limited v Reckitt Benckiser India Limited*, 2014 (57) PTC 495 (Del); *Reckitt Benckiser (India) Ltd. v. Hindustan Unilever Ltd.*, 2014 (3) CHN (Cal) 527 & *Reckitt Benckiser (India) Ltd. v. Hindustan Unilever Ltd.*, 2020 (82) PTC 329 (Del) & *Reckitt Benckiser India Pvt. Ltd. v. Hindustan Unilever Ltd.*, 2021 (88) PTC 584 (Del).

### **Submissions on behalf of Defendant**

19. Mr. Chander M Lall, Senior Advocate placed his submissions on behalf of defendant in response. First, he drew attention to the *impugned activity* which had been alleged by plaintiff as disparaging. The video depicting the activity was shown to the Court where it could be seen that individuals in malls, who were field marketing force of defendant, were applying defendant's product 'Ponds Super Light Gel' on one hand of the consumers and cream from a blue container on the other hand and asking the consumers to look from a magnifying glass to ascertain which product leaves oily residue.

20. The said video did not have any audio recording, and it was admitted by the parties that there was no verbal communication in the *impugned activity*.



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For this the statement made in para 4 (xi) in the written statement was pointed out, where lack of verbal communication is mentioned, which has not been denied by plaintiff in its replication.

**21.** Senior counsel for defendant set the stage for his arguments on the basis that it was settled law that comparative advertising was permitted, though disparagement was not. Any marketing exercise involving comparison of one brand with the other was permitted, but to put another brand in a negative light amounting to disparaging was not. In this, he stated that no brand was shown of other cream which was being compared and just another cream was used in *blue tub* by the marketing executive in the *impugned activity*. Without prejudice, he stated that even if presuming ‘NIVEA’ brand was shown in the compared product, it would still not amount to disparagement, since it was merely a comparison between two sets of creams, as to their relative merits on oily residue.

**22.** Disparagement, according to him, could be either for a specific brand or for a category of products. He contended that even assuming that ‘NIVEA’ brand was shown, at best the *impugned activity* would show that ‘NIVEA’ brand was oilier, which could, for a particular user, be more useful and preferable for use in winter depending on the skin type.

**23.** Moreover, he pointed out that, in any event plaintiff could not have any exclusive right on the blue colour bottle or in colour blue as several other moisturisers are being sold in blue container. For this, he pointed out to screen



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shots showing 3rd party moisturisers in dark blue packaging. Also, plaintiff had suppressed the fact that they were marketing distinct creams including moisturising creams in different colour packaging. For this, he pointed out to range of products from video portfolio, screenshot of which is extracted under for ready reference:



24. Plaintiff did not have any trademark registration over the colour blue in ‘*Pantone 280C*’ in India. Trademark rights were territorial and registration in any other jurisdiction will not inure to plaintiff’s benefit.

25. It was argued that even if the product in the *impugned activity* is plaintiff’s product, no conclusion was being reached that which product was better or should be used by the consumer. The products were also not completely different as plaintiff’s product was promoted as ‘*NIVEA crème*’ as an all-season moisturiser, suitable for all skin types and not as a heavy



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moisturiser. The products were intended for the same purpose i.e. a moisturising cream and they were being compared in relation to a verifiable and material feature i.e. their effect on the skin of the consumer. Therefore, plaintiff's contention that they were dissimilar products, could not be accepted.

26. Regards the plaintiff's contention that there was a history of litigation between the parties on the basis of use of colour blue, senior counsel for defendant contended that adjudication has to be on merits of the case and not past disputes. The *impugned activity*, which is alleged to be disparaging, has to be looked on its own merits.

27. Defendant's counsel placed reliance *inter alia* upon the following decisions:

**27.1 *Britannia Industries Ltd. v. ITC Ltd.***, (2017) SCC OnLine Del 7391, where ITC had filed a suit seeking injunction against Britannia from using a deceptively confusing similar trade dress for its '*Nutri Choice*' product, copying that of ITC's '*Sunfeast*' product.

**27.2 *Colgate Palmolive Company & Anr. v. Hindustan Unilever Ltd.***, 2013 SCC OnLine Del 4986, where the issue before the Division Bench of this Court was relatable to an advertisement campaign pursued by a party selling its toothpaste through print advertisements as well as television commercials (TVCs). The advertisement sought to convey that '*Pepsodent Germicheck Super Power*' was a 130% better product, than the opposing party's product



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‘Colgate Dental Cream Strong Teeth’. The suit for disparagement had been filed and injunction was not granted by the Single Judge.

**27.3 *Dabur India Ltd. v. M/s. Colortek Meghalaya Pvt. Ltd.***, 2010 SCC OnLine Del 391, wherein Division Bench of this Court was dealing with telecast of an advertisement of ‘*Good Knight Naturals*’ mosquito repellent cream, which was considered disparaging by plaintiff / appellant who manufactured ‘*Odomos*’. The court traversed the law regarding disparagement.

**27.4 *Horlicks Ltd. & Anr v Heinz India (Pvt.) Ltd.***, 2018 SCC Online Del 12975, where the Single Judge of this Court was dealing with an issue of disparagement against plaintiff’s brand ‘*Horlicks*’ being compared by defendant’s product ‘*Complan*’. The disparagement was that one cup of ‘*Complan*’ has same amount of protein as two cups of ‘*Horlicks*’. The court traversed law regarding disparagement and reached the conclusion that the impugned advertisement compared a material element verifiable and represented feature of the goods in question. It further stated that defendant was not obliged to compare all parameters, and it was open to advertiser to highlight a special feature or characteristic of his product, which sets its product apart from that of its competitors.

**27.5 *Havells India Ltd. & Anr. v. Amritanshu Khaitan & Ors.***, 2015 SCC OnLine Del 8115, wherein Single Judge of this Court was dealing with plaintiff suit alleging disparagement by the defendants by comparing their product ‘*Eveready LED Bulb*’ with plaintiff’s product ‘*Havells LED Bulb*’ exhorting the



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customers to ‘*check lumens and price before you buy*’ before purchase. The Court opined that comparative advertising was legal and permissible being in the interest of vigorous competition and public entitlement and can be resorted only with regard to like products.

**27.6 *Dabur India Ltd. v. Emami Ltd.***, 2019 SCC OnLine Del 9022, where the Single Judge of this court was dealing with plaintiff’s application for seeking restraint of advertisements by defendant which was comparing its sugar free variant ‘*Chyavanprashad*’ with ‘*Chyawanprash*’ which contains sugar.

**27.7 *Reckitt Benckiser (India) Pvt. Ltd. & Anr. v. Wipro Enterprises (P) Limited***, 2023 SCC OnLine Del 2958. Single Judge of this Court was dealing with issue of disparagement of plaintiff’s ‘*Dettol*’ hand wash with ‘*Santoor*’ hand wash product of defendant.

**27.8** Counsel for defendant has also filed decisions of *Novartis A.G. & Ors. v. Mehar Pharma & Ors.*, 2005 (30) PTC 160 (Bom) & *Reckitt Benckiser (India) Limited v. Gillette India Ltd.*, (2016) 68 PTC 67 (DB), *Reckitt Benckiser (India) Ltd. v. Hindustan Unilever Ltd.*, 2014 (57) PTC 78 (Cal) & *Gillette India Limited v. Reckitt Benckiser (India) Pvt. Ltd.*, 2018 SCC OnLine Mad 1126.

### **Submissions in Rejoinder**

**28.** Counsel for plaintiff responded to defendant’s submissions essentially reiterating that defendant was not alien to plaintiff’s blue colour product and



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had surprisingly insisted in using a *blue colour jar* for cream comparison. This is despite that defendant had been stopped from using this colour in ten other instances which had already been cited. Attention was drawn in particular to the written statement filed by defendant in para (xv) stating that plaintiff's '*NIVEA crème*' was a cream-based product whereas defendant's '*Ponds Superlight Gel*' is a gel-based product. It was stated in the written statement that cream-based moisturisers are usually heavy, making the skin sticky and not suitable for all skin types irrespective of the season or geographical location of the consumer. On the other hand, gel-based moisturisers are of light texture, oil free, suitable for all skin types, non-sticky and provide hydration to the skin without clogging pores. It is reiterated in para (xvi) of defendant's written statement that defendant's product, being a gel-based moisturiser, is a superlight weight gel providing hydration without getting one's skin sticky and leaves lesser oily residue as compared to other cream-based moisturisers and this was truthful statement by defendant.

**29.** Counsel for plaintiff stated that *impugned activity* was comparing the heaviest cream of plaintiff with the lightest gel of defendant, and not even the intermediate products which are sold by both parties.

**30.** Plaintiff's counsel used a different benchmark to state that senior counsel for defendant was trying to compare a '*running shoe*' with a '*trekking shoe*' or '*chywanprash*' with a '*herbal paste*'. He further submitted that defendant lacked the courage to compare correct and similar versions of the moisturisers



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/ creams. Plaintiff's counsel stated that there was no reason as to why defendant was simply comparing a heavier cream to their light gel, had to use a blue coloured distinct tub which was indicative and suggestive of plaintiff's product rather than using any other colour. It was just a matter of proving the lighter consistency of their product.

### Analysis

**31.** The jurisprudence on comparative advertising developed in India through various Court decisions, which are, most usefully and comprehensively, traversed and documented in a recent judgement of a learned Single Judge of this Court in *Wipro Enterprises (supra)*. No purpose would be served in reinventing the wheel and it would be best to advert to the final elucidation and enumeration of principles, set out in para 111 of the said judgement (parts that may have relevance to the discussion which follows, are underscored, for ease of reference):

*“111. The overall legal position that emerges from these decisions is, therefore, the following:*

*(i) Where the advertisement does not directly or indirectly refer to the plaintiff's product, the plaintiff could not claim that its product was being targeted merely because it enjoyed a lion's share of the market. Targeting of the plaintiff's product is the sine qua non, whether expressly or by necessary implication. That implication cannot, however, be premised merely on the market share of the plaintiff's product.*





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*(ii) At the same time, even if the rival product was not specifically targeted, an indirect representation, which was sufficient to identify the product, was as good as direct targeting.*

*(iii) Within the limits of permissible assertions, comparative advertising is protected under Article 19(1)(a) as commercial speech. In comparative advertising, a certain amount of disparagement is implicit.*

*(iv) Subject to the exception in (v) infra, an advertisement must not be false, misleading, unfair or deceptive, irrespective of whether it is extolling the advertised product or criticising its rival. Misrepresentation and untruth in advertisements is impermissible. An advertisement has necessarily to be honest. It was not only, thereby, required to be accurate and true, but could also not convey an overall misleading message, seen from the stand point of the customer.*

*(v) Puffery is the only exception, as puffery, by its very nature, involves exaggeration and embellishment, and an element of untruth is bound to exist in it. Untruth in puffery is permissible only because puffery is inherently not taken seriously by the average consumer. Puffery is not, therefore, to be tested on the anvil of truth. Some element of hyperbole and untruth is inherent in puffery.*

*(vi) Mere puffery is not actionable. One can claim one's goods to be better than others. Extolling the virtues of the plaintiffs product as containing natural ingredients, absent in other products, was*



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not disparaging. Extolling of one's positive features is permissible.

(vii) However, denigration of a rival's or a competitor's product is completely impermissible. While it is permissible, therefore, to state that the advertised product is superior to the competitor's, it is not permissible to attribute this superiority to some failing, or fault, in the product of the competitor. An advertisement cannot claim that a competitor's goods are bad, undesirable or inferior. The subtle distinction between claiming one's goods to be superior to the others', and the other's goods to be inferior to one's, has to be borne in mind.

(viii) Serious statements of facts cannot, however, be untrue. The truthfulness of such assertions or statements of fact is to be strictly tested.

(ix) What matters is the impression that the advertisement or commercial registers in the viewer's mind. The hidden subtext, so long as it is apparent to the average consumer, therefore, matters. The impact could be conveyed by clever advertising or innuendo instead of conveying of a direct message.

(x) The reasonable man, from whose point of view the advertisement is to be assessed, is a right thinking member of the general public, and not a member of any particular class or section. He

(a) is not naive,

(b) can read between the lines,



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*(c) can read in implication into the advertisement,*

*(d) may indulge in some amount of loose thinking,*

*(e) is not avid for scandal and*

*(f) does not select a derogatory, or bad, meaning to be attributed to an advertisement where alternative, non-derogatory meanings are also available.*

*(xi) While examining whether a commercial is disparaging, the Court is required to see*

*(a) the intent of the commercial*

*(b) the manner of the commercial and*

*(c) the story line of the commercial, and the message that it seeks to convey.*

*What has to be seen is the overall effect of the advertisement, i.e. as to whether the advertisement is promoting the advertised product or disparaging the rival product. The advertisement has to be seen as a whole, not frame by frame. While promoting his product, an advertiser might make an unfavourable comparison, but that may not necessarily affect the story line or message or have an unfavourable comparison as its overall effect.*

*(xii) The Court should neither undertake an over-elaborate analysis, nor be too literal in its approach.*

*(xiii) The advertisement was to be viewed as a normal viewer would view it, and not with the*



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*specific aim of catching disparagement. Words used in the advertisement are meant to be understood in their natural, general and usual sense and as per common understanding.*

*(xiv) The time spent in showing the product was irrelevant; what was relevant was the context in which the product was shown.*

*(xv) A plaintiff cannot afford to be hypersensitive, as the choice of the article which a consumer would select would depend on various factors including market forces, economic climate and nature and quality of the product.*

*(xvi) It is necessary to provide a fair amount of latitude to the advertiser as well.”*

(emphasis added)

32. While these principles serve as useful guideposts in any assessment of comparative advertising, each case is unique, with its own facts and context. Therefore, a specific assessment is necessary. In this context it would be useful to appreciate submissions by counsels, as noted above. Our analysis revolves around the following principal aspects: **first**, the association of the *blue cream tub* presented as part of the *impugned activity*, to that of plaintiff’s ‘NIVEA Crème’; **second**, the knowledge of the defendant of the distinctiveness in the blue colour of the plaintiff for ‘NIVEA Crème’; **third**, the intent and objective of using only the *blue cream tub* as part of the *impugned activity*; **fourth**, the comparative presented to the consumer during the *impugned activity*; and **fifth**, whether it was mere puffery or disparagement.



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### *The Colour Blue*

33. The *distinctive blue colour* of plaintiff's 'NIVEA Crème' is identified as 'Pantone 280C' and is used as a 'source identifier', by plaintiff. This, as stated by plaintiff, was first created and developed in 1925. The word 'NIVEA' was first registered in 1943 in Class 3 in India and later, in other classes as well. The trademark registrations, as extracted in para 6 above show that a predominant set of marks, particularly the device marks, adopted the 'Pantone 280C' colour and in particular the registration numbers i.e. 1329991, 2232698, 2856286 and 3263712, all in Class 3.

34. The *distinctive blue colour* ('Pantone 280C') was also given protection by the *German Patent and Trademark Office* since 2007. It is *prima facie* evident from the documentation filed, that the colour is not used by plaintiff for a decorative purpose but functions as a 'source identifier' and it has been used extensively by plaintiff for its product, in particular the cream tub. The adoption of the distinctive colour, about a century back and consistent use of the same by plaintiff would certainly lead to a *prima facie* conclusion that plaintiff's cream product, in this *distinctive blue colour tub*, will be associated with plaintiff.

35. Plaintiff's counsel had also drawn attention to a decision of this Court dated 14<sup>th</sup> November, 2008 in *RSH Global* (*supra*) noted in para 10 above, where this Court passed an injunction *inter alia* restraining defendant from selling products infringing the plaintiff's distinctive trade dress. The distinguishing features of the trade dress included plaintiff's brand name



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'NIVEA' written in white font on a dark blue background in a *distinctive blue colour*. While defendant seeks to distinguish by stating that this is only relating to an overall trade dress, the *distinctive blue colour* does get associated with plaintiff's product. The assertion by defendant that plaintiff sells other products as well in different colour packaging besides the colour blue, would be irrelevant considering that their flagship product 'NIVEA Crème' and other associated products are sold in packaging, which use a *distinctive blue colour*.

**36.** The distinctiveness in the blue colour is also borne out from the various instances which plaintiff's counsel relied upon and which are enumerated in para 16 above. It is not denied that defendant is part of the 'Unilever Group' worldwide and basis the 'single economic entity principle' [reliance has been placed on *George V. Records (supra)*], it cannot deny that it does not have knowledge of the association of the *distinctive blue colour* with plaintiff's product. Unilever's cancellation petition in Germany was withdrawn; withdrawals and settlements have been made by associate companies under the 'Unilever' umbrella in various countries in relation to comparative advertisement issues which arose and the same is evident from para 16(i), (vii), (viii) and (x) above. A previous complaint had been made to the ASCI where a recommendation was made that defendant withdraw the TVC which showed a hand pushing a blue jar off the screen, as evident from para 16(iii) above. These and other instances, as cited in para 16 above, persuade this Court in favour of plaintiff, in that defendant cannot plead ignorance regarding the *distinctive blue colour* association with plaintiff's product. In fact, from these situations, it



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seems that repeated attempts have been made in order to adopt aggressive comparative advertising by defendant, which has not succeeded in other regions of the world as well.

**37.** *Prima facie*, the colour blue, in particular ‘*Pantone 280C*’, is certainly associated for years with plaintiff’s product ‘**NIVEA**’, which has achieved distinctiveness for plaintiff’s product and has become popular. Plaintiff claiming exclusivity in this colour is not the issue, however, the use by defendant in the *impugned activity* of a blue colour tub is too much of a coincidence to ignore. The allusion seems to be to the *distinctive blue colour* used by plaintiff.

**38.** The propensity to compare with plaintiff presumably arises on plaintiff being possibly the market leader in this category of personal care products, namely, creams and lotions, or at the very least a dominant competitor to the defendant. The instances in para 16 above also bear this out. Plaintiff company is over 130 years old and claims to be one of the leading skin care and personal care companies in the world, as evident from para 3 of the plaint, and has more than 150 affiliates worldwide. It is natural in situations of comparative advertising that the target of the advertiser is usually a competitor and more so, a competitor with a better market share. This is natural, since market warfare involves strategies to dilute a competitor's brand, reduce their sales, in order that a larger market share is procured by the advertiser.



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39. The use by defendant of a *blue tub cream*, in exactly the same distinctive colour, seems *prima facie* to have the objective to make a consumer draw association to plaintiff's product. Why defendant chose not to use a cream in any other colour tub, begs an answer which was not available during arguments, if indeed the attempt was not to disparage plaintiff's product.

40. Even though it cannot be taken as proof in isolation, market survey conducted by plaintiffs after filing the suit with peeled off labels from various products also noted that the *dark blue tub* was associated generally with 'NIVEA' by the consumers.

41. The significance of colour has been the focus of decisions of Courts in India and reference may be made *inter alia* to *Parle Products (P) Ltd. v. J.P. and Co.*, (1972) 1 SCC 618 and *Colgate Palmolive Co. & Anr. v. Anchor Health and Beauty Care (P) Ltd.*, 2003 SCC OnLine Del 1005.

#### *Defendant's knowledge*

42. The knowledge of defendant about *Pantone blue colour* being associated with plaintiff is evident from various instances cited by counsel for plaintiff in India and abroad. Having been locked in litigation, suffered injunctions, and received complaints on this very issue in other countries, there was no reason why defendant had to choose a similar blue colour tub for comparison in order to promote their own product.





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43. Reliance by plaintiff's counsel in *Su-Kam (supra)*, on estoppel, is therefore apposite.

**Intent and objective**

44. Defendant could have easily used a different colour tub and written 'heavy cream' on top. By using an 'unlabelled' distinctive blue colour jar/tub for the cream, defendant has uncategorized the product, leaving the consumer with absolutely no information as to the consistency of the cream being used for comparison. Comparison by its very nature ought to be with another identified product and cannot be a comparison to an abstract unidentified product. By using a 'non-labelled' blue tub, the question that needs to be considered is what comparison is the defendant trying to make and with what; which cream is it trying to compare its cream to?

45. There were no answers available on behalf of the defendant for these questions. By choosing to use a *distinctively blue color tub* without a label, defendant has ventured into the area of deception, misstatement and by implication, into the area of disparagement.

46. Defendant's contention that a comparison with a 'generic category' (where the disparaged product is a reference to a general category of products and not to a specific 'labelled' product of plaintiff) will not amount to disparagement, is not acceptable in light of the decisions by various courts in the country. Reference may be made to *Reckitt and Colman of India Ltd. v.*



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***M.P. Ramchandran & Anr.***, 1998 SCC Online Cal 422 (*Single Judge of the Calcutta HC*) (the product category being a clothes whitener, which was blue in colour); ***Eureka Forbes Ltd. v Pentair Water India Pvt. Ltd.***, 2006 SCC OnLine Kar 753 (*Single Judge of Calcutta HC*) (category of goods being water purifiers of UV technology); and ***Dabur India Ltd. v. Colgate Palmolive Ltd.***, 2004 SCC OnLine Del 718 (*Single Judge of this Court*) (category of goods being red tooth powder products). In all these decisions, despite the comparison made by defendant with a generic product without any specific brand, relief was granted to plaintiff, particularly on the basis that generic disparagement without specifically identifying or pin-pointing the rival product, was equally objectionable. This aspect has also been crystallized in para 111(ii) of ***Wipro Enterprises (supra)***.

**47.** In ***Dabur India Ltd. v. Colgate Palmolive Ltd.***, 2004 SCC OnLine Del 718 (*supra*), it was stated:

*“19. I am further of the view that generic disparagement of a rival product without specifically identifying or pin pointing the rival product is equally objectionable. Clever advertising can indeed hit a rival product without specifically referring to it. No one can disparage a class or genre of a produce within which a complaining plaintiff falls and raise a defence that the plaintiff has not been specifically identified...”*

(emphasis added)



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48. Certain other decisions where there was an indirect or no identification to plaintiff's product, also held the advertisement as objectionable. Reference is made to ***Reckitt & Colman of India Ltd. v. Kiwi T.T.K. Ltd.***, 1996 SCC Online Del 335 (*Single Judge of this Court*) where the comparative was done with a shoe polish bottle identical in shape and configuration to plaintiff's bottle with a red blob on it, driving an association with 'Cherry' being the plaintiff's product; ***Annamalayar Agencies v. WS & Sons Pvt. Ltd. & Ors.***, 2007 SCC OnLine Mad 1645 (*Single Judge of the Madras HC*) where a blue bottle without labelling was shown and was identified with the 'Parachute coconut oil' bottle of plaintiff; ***Reckitt Benckiser (India) Ltd. v. Hindustan Lever Limited***, 2008 SCC OnLine Del 1731 (*Single Judge of this Court*) where an orange coloured soap was shown as being harmful, drawing association to 'Dettol' soap of plaintiff. This decision was confirmed by the Division Bench in ***Hindustan Unilever Limited v. Reckitt Benckiser India Ltd.***, 2014 SCC OnLine Del 490 where the Court proceeded *inter alia* on the basis that the plaintiff held a major share of the market and therefore, it could not be said that there was no attempt to disparage the product of plaintiff. If the message conveyed through the advertisement is loud and clear it would amount to a deliberate act by defendant to reduce sales of plaintiff.

49. In ***Reckitt & Colman of India Ltd. v Kiwi T.T.K. Ltd.***, 1996 SCC Online Del 335 (*supra*) it was stated:

*"13. The advertisement appears on the electronic media for a few seconds and it shows a bottle of*



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*KIWI from which the “KIWI” is written on the white surface which does not drip as against another bottle described as “OTHERS” which drips. The bottle of “OTHERS” is shown as “Brand X”. The allegations are that this “Brand X” looks similar to the bottle of the liquid shoe polish of the plaintiff for which the plaintiff allegedly has a design registered in its name. There is a red blob on the surface of this bottle which allegedly represents “CHERRY” which also appears on the bottle of the product of the plaintiff ..... I am, in any case, not going into the question as to what is the effect of the issue of other advertisements of the similar nature by the manufacturer of other products. Prima-facie, I am of the opinion that after the removal of the red blob from the bottle of “Brand X”, the same cannot be linked to the product of the plaintiff and consequently, in my opinion, there will not be any question of disparaging or defaming the product of the plaintiff.”*

(emphasis added)

**50.** In *Reckitt Benckiser (India) Ltd. v. Hindustan Lever Limited*, 2008 SCC OnLine Del 1731 (*supra*), it was stated:

*“47. From this discussion, it is apparent that the advertisement disparages the plaintiffs soap and it is not an advertisement which seeks merely or only to promote the superiority of the defendant's LIFEBUOY soap over an ordinary antiseptic soap. As I have already pointed out, if it were a case of mere promotion of superiority of the defendant's product, alone, the plaintiff would*



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not have had a case as that would have only entailed a permissible “better” or “best” statement. The advertisement comprises of two part; one which denigrates and disparages the product of the plaintiff and the other which promotes the purported superiority of defendant's LIFEBUOY soap. The part that disparages does so because it indulges in the “good versus bad” comparison. The “good” being the defendant's LIFEBUOY Skinguard and the “bad” being the orange coloured bar of soap which has been identified, as discussed under Issue No. 1, as the plaintiffs DETTOL Original soap.”

(emphasis added)

**51.** In *Gillette India Limited v. Reckitt Benckiser (India) Private Limited*, 2018 SCC OnLine Mad 1126, the Division Bench of the Madras High Court stated:

“96. The meaning of the expression “disparage” as given in the commonly used dictionaries is, inter alia, to speak slightingly, to undervalue, to bring discredit or dishonour, to deprecate, to degrade, to derogate, to denigrate, to defame, to reproach, to disgrace, or to unjustly class. Disparagement is, inter alia, the act of speaking slightingly, of undervaluing, of bringing discredit or dishonour, of deprecating or degrading or disgracing or unjust classing. It also means derogation or denigration or defamation or reproachment.



*97. Whether an advertisement is disparaging or not would depend on several factors, for which each advertisement would have to be judged on its own merits, on consideration of the overall impact of the picture that is portrayed, the language used, the histrionics, the gesticulations, the movements, acrobatics, catch phrases, hilarity or other catchy screen shots. While humour, hilarity or even ridiculing to highlight the advantages of one's own product may be permissible, ridiculing services and products of another would amount to disparagement.*

*98. To decide whether an advertisement is disparaging, the Court has to consider (i) the intent of the commercial advertisement; (ii) the message sought to be conveyed; and (iii) the mode and manner of conveying the message. Condemning the goods and services of a competitor or ridiculing the same or showing the same as substandard would amount to disparagement.*

xxx

xxx

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*108. In a disparagement suit, the Court would have to examine whether the object of the advertisement is to highlight the benefits of the products of the advertiser in comparison to those of others or to denigrate the products of others, which would amount to defamation.*

xxx

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xxx



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116. It is true, as argued by Mr. Raman, that there is no specific reference to “VEET” in the advertisement. However, admittedly, the respondent plaintiff dominates 80% of the market in depilatory creams. As observed above, the overall impression created by the advertisement by way of video clip is that all hair removal creams, which would include the hair removal creams of the respondent plaintiff, are harmful, having strong chemicals which are as strong as bathroom cleaners. Prima facie, there is disparagement of the depilatory cream of the respondent plaintiff.”

(emphasis added)

52. Defendant’s contention that since they have not identified any brand of the heavy cream that they were using to compare with (but were using a label-less tub), it would not be a case of disparagement, is therefore not acceptable.

**The comparative as presented**

53. It is an admitted position that both plaintiff and defendant have different categories of creams, essentially three categories, each of which have a different percentage of fatty matter. Defendant chose to compare their lightest product (‘Ponds Superlight Gel’) to the heaviest product (‘NIVEA Crème’) of plaintiff, is inherently misleading. A comparative may be made between similar products, if the distinguishing feature relates to a parameter which would be different for a different category.



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54. Defendant admits in its written statement that ‘*Ponds Superlight Gel*’ being a gel-based moisturizer provides hydration without giving a sticky feel or leaving oily residue, as compared to other cream-based moisturizers. It is further admitted that cream-based moisturizers are usually heavy making the skin sticky. The relevant averment is extracted as under:

*“..cream-based moisturisers are usually heavy, make the skin sticky and may not be suitable for all skin types, irrespective of the season or geographical location of the consumer. On the other hand, gel-based moisturisers are light in texture, oil-free, suitable for all skin types, non-sticky and provide hydration to the skin without clogging pores.”*

(emphasis added)

55. The comparison by defendant of dissimilar product particularly relating to material feature which was ought to be compared, is in the opinion of this Court, misleading. Even though there was no verbal communication in the *impugned activity*, the impression being given to a consumer was that defendant’s product was lighter and better in the material feature of ‘*stickiness*’ and cream in the *blue tub* was not. It would naturally lead to a consumer being extremely watchful when faced with a choice of buying plaintiff’s product (which would have same dimensions and same distinctive colour).

56. If defendant was promoting its lighter gel, there was no reason why they could not have promoted all their products showing that each of the products





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have different consistencies in heavy, medium and light gel and there is a range for a consumer to choose from. To compare it with a specific distinctive *blue tub* cream, to show that their gel was lighter without full knowledge being given to the consumer, is in opinion of this Court, misleading.

**57.** There is no reason why defendants couldn't have used a heavy cream in a different colour tub in order to compare, and there was no explanation forthcoming from defendant's side on this issue.

**58.** The *impugned activity* critically does not present any audio. This does not bode well for defendant's case, since it is up to imagination, as to what was being communicated either by gestures or verbal communication during the *impugned activity*. Silence, it is said, speaks volumes and in this case, also amounts to an omission to clarify to the consumer that different categories of products are being compared.

**59.** As evident from para 111(iv) of the *Wipro Enterprises (supra)* guidelines, advertisement should not be false, misleading, unfair or deceptive. The use of a comparative between a lighter hydrating gel to a heavy moisturizing cream, is itself misleading for a consumer and does not give full information, while extolling its own product.

**60.** In fact, even in the ASCI CODE FOR SELF-REGULATION OF ADVERTISING CONTENT IN INDIA, Chapter IV, Clause 4.1(a), it stated that comparative advertisements are permissible provided, "*it is clear what*



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*aspects of the advertiser's product are being compared to what aspects of the competitor's product"; and in clause 4.1(d) that "there is no likelihood of the consumer being misled as result of the comparison, whether about the product advertised or that with which it is compared".*

**61.** Comparison of dissimilar products arose in a case, in USA, in ***Bernard Food Industries, Inc. v. Dietene Company***, 415 F.2d 1279 (7th Cir. 1969). In this case, both plaintiff and defendant had produced instant custard mix, the plaintiff, an eggless one, while the defendant, with egg solids. The defendant, 'Dietene', made a comparison of their product with the eggless mix product of the plaintiff being 'Bernard', showing that the 'Bernard Custard', to be inferior in flavour, texture, nutrition and cost to that of 'Dietene's Delmar Quick Egg Custard'. Even though, the decision was not in the favour of plaintiff on the basis of the scope and purview of section 43 (a) of the Lanham Act, the commentators have criticized the decision, in that defendant had both misrepresented plaintiff's product by giving a false description or representation and put its own product in commerce, in order to reap the benefit of that misrepresentation and that plaintiff therefore, lost sales and further, the public was misled. Further, it was also noticed by the U.S Court in ***Skil Corp. v. Rockwell Int'l Corp.***, 375 F. Supp. 777 (N.D.III.1974) that a misrepresentation was made by defendant in a disparagement action in the case of ***Bernard*** (*supra*).



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**62.** Disparagement actions are likely to include misleading advertisements as well, where there is civil liability or damage by false description or representation of goods or services. This in the USA, has been considered as, “*comparative advertising abuses*”. False representation can be either affirmatively misleading statements, or partially correct statements of failure to disclose material facts.

### **Puffery or disparagement**

**63.** Black’s Law Dictionary defines disparagement as, “A *derogatory comparison of one thing with another; or a false and injurious statement that discredits or detracts from the reputation of another’s character, property, product or business.*”

**64.** Defendant’s contention that nothing negative was being said about plaintiff’s product, in that it was denigrating or rubbishing plaintiff’s product, is a submission, difficult to accept. The clear impression to the consumer was that the product being compared with, left a heavy oily residue was certainly misleading as dissimilar products were being compared. The Courts have held that even though advertisements may not be disparaging, misleading elements would have to be excised out. Comparison has to be of like products, not unlike products; ‘*apples to apples, oranges to oranges*’, as is the commonly used phrase.



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65. ‘Stickiness’ in the realm of creams, may be considered as a negative attribute. In any event, by pointing out that a non-sticky product was ‘better’, the clear message was that ‘stickiness’ is a negative attribute. The suggestion by Senior Counsel for defendant that ‘stickiness’ may be a useful positive feature in a given circumstance was not supported by any document. Consumer of creams is typically not seeing ‘stickiness’ but ‘hydration’ in ‘moisturisation’, certainly not ‘stickiness’.

66. Therefore, for defendant to contend that stickiness or oily residue was not necessarily denigrating or disparaging, cannot be accepted. The very basis of the comparison was that the *blue tub* cream left an oily residue. ‘Stickiness’ is used as a pejorative in this context.

67. It is the “overall effect” and the “message conveyed” which needs to be seen for assessing disparagement. The court in *Colgate Palmolive (supra)* reached a conclusion that impugned TVC cannot be stated to be *per se* disparaging but the voice over at the end of the TVC was misleading and inaccurate. The statement in the voice over was directed to be deleted from the TVC and to be suitably modified to refer only to ‘Colgate ST (Colgate Strong Teeth)’. The court said that what is to be considered, is whether the essential message conveyed by the impugned TVC is *prima facie* truthful or misleading.

68. This Court in *Dabur India v Colortek (supra)* has specifically held that Supreme Court in *Tata Press Ltd. v. MTNL*, (1995) 5 SCC 139 has laid down that false, misleading, unfair or deceptive advertising is not protected



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commercial speech. Hyped-up advertising may be permissible but it cannot transgress the grey areas of permissible assertion. The test of untruthfulness has therefore, been propounded and therefore cannot be tolerated even though commercial speech is largely permitted, as part of rights granted under the Constitution.

**69.** While counsels seem to state that there were no judgments on *in-mall* marketing campaigns, this Court is of the opinion that the law relating to advertisements in any form whether print, digital, TVC will extend to such campaigns as well, since ultimately it is a method of promotion and marketing of company's product to a consumer, and in fact in a much more personalised and interactive set up. What communication is being done to a user in that interaction is open to anybody's imagination. At least in an advertisement in print digital, medium or TVC, the assessment is limited to what is seen or heard in the commercial. In an *in-mall* marketing campaign, the possibilities of imputation, aspersion, implication, overstatement, leading to even a slight disparagement, will be limitless. The marketing executives body language, gestures, conversations or suggestive indications will also animate the promotional interaction. There is therefore, intrinsically lesser material available to the court to consider and the threshold would have to be slightly lesser in this regard when considering possibility of the *impugned activity* being misleading or disparaging.

## **Conclusion**



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70. In these facts and circumstances, this Court is of the opinion that the *impugned activity* undertaken by defendant choosing to compare plaintiff's 'NIVEA' products (either expressly or by implication or association) and defendant's products, especially those under the trademark 'Ponds', are *prima facie* misleading and disparaging, and cause irreversible prejudice to plaintiff.

71. Defendant, their directors, wholesalers, distributors, partners, proprietors, agents or assignees are restrained from conducting the *impugned activity* or such similar marketing/advertising activity, comparing plaintiff's 'NIVEA' products (either expressly or by implication or association) and defendant's products (especially those under the trademark 'Ponds'), which amount to disparagement or denigration of plaintiff's products or business.

72. Accordingly, the said application stands disposed of, with the aforesaid directions.

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1. List on 24<sup>th</sup> July, 2024 before the Joint Registrar.
2. Judgment be uploaded forthwith on the website of this Court.

**ANISH DAYAL, J.**

**MAY 09, 2024/sm/na**