

MRF LIMITED V. METRO TYRES LIMITED
[CS(COMM) 753/2017]

COURT: Delhi High Court

DECIDED ON: 1st July, 2019

BENCH: Justice Manmohan

FACTS

The Plaintiff is a company that manufactures, markets, and sells tyres in about sixty-five countries. They have attributed themselves with great reputation in their business and are widely recognized for their quality and customer satisfaction. Plaintiff has been manufacturing a range of tyres and during the course launched one series named “MRF NV” series “REVZ”. The trademark has been duly registered under class 12 of the Trademarks Act, 1999 and since its formal launch in June 2015, plaintiff has sold a great number of tyres earning a huge profit.

The plaintiff for wide publicity advertised their product series by producing an audiovisual advertisement which was first aired on Television media on 27th June 2015 and over the period it was aired on forty-one television channels. It was contended by the plaintiff that he is the author of the said advertisement under section 2(f) of the Copyright Act, 1957 and hence entitled as “cinematograph work”, thereby protected by section 14 of the said Act, 1957.

The defendant is also involved in the same business of manufacturing, sale, and marketing of tyres during their business had produced a similar advertisement for their product series named “Bazooka Radial Tyres” (hereinafter referred to as defendant’s advertisement). It was averred that defendant’s advertisement came into the knowledge of the plaintiff in October 2016, whereby it was alleged that the defendant’s advertisement is a substantial and material copy of Plaintiff’s advertisement creating an infringement over the plaintiff’s copyright.

Further, it was stated that the Plaintiff has filed a bona fide intra- industry complaint with the Advertising Standards Council of India (ASCI), which merely forwarded the complaint to the defendants. It was also the contention of the plaintiff that on receipt of the plaintiff’s complaint, the defendant instead of replying to the same filed the suit restraining the plaintiff from issuing groundless threats to discontinue the ASCI proceedings which resulted in the dismissal of the

suit in limine vide Order dated 17th March 2017. Hence, the present suit was filed by the plaintiff seeking injunction against the defendant to restrain from airing the impugned advertisement as it acts as an infringement of the plaintiff's copyright

ISSUES

The issues framed for the case to be proceeded upon are as follows:

1. Whether in a suit for copyright infringement of a cinematograph film, the infringing copy has to be an exact copy made by the process of duplication or a substantial/material copy of the original work?
2. Whether the copyright infringement test laid down in *R.G. Anand v. M/s Deluxe Films & Ors*¹ which is about literary work is applicable with same standards to cinematograph film?
3. Whether the word “copy” of the film means physical copy by process of duplication or does it include other work resembling materially, essentially and/or substantially the original film?
4. Whether the expression “original” used in section 13(1) of the Act of 1957 covers the work of cinematograph film?

RULE

The case before the High Court pertains to the rules, interpretation and provisions as entailed by The Copyright Act, 1957. The relevant provisions upon which the case is based and applied by the Court in order to determine the issues are as follows:

Section 2 – Interpretation

(f) “cinematograph film” means any work of visual recording on any medium produced through a process from which a moving image may be produced by any means and includes a sound recording accompanying such visual recording and “cinematograph” shall be construed as including any work produced by any process analogous to cinematography including video films.

¹ (1978) 4 SCC 118

Section 13(1) – Subject to the provisions of this section and the other provisions of this Act, copyright shall subsist throughout India in the following classes of works, that is to say, —

- Original literary, dramatic, musical and artistic works;
- Cinematograph Films
- Sound recordings.

Section 13(3)(a) – Copyright shall not subsist if a substantial or material part of the cinematograph film is an infringement of copyright in any other work.

Section 2(d) – Author in relation to cinematograph film means the producer.

Section 14 – “copyright” means the exclusive right subject to the provisions of this Act, to do or authorize the doing of any of the following acts in respect of a work or any substantial part thereof.

... (d) in case of cinematograph film:

- i. to make a copy of the film including a photograph of any image forming part thereof;
- ii. to sell or give on hire or offer for sale or hire, any copy of the film, regardless of whether such copy has been sold or given on hire on earlier occasions;
- iii. to communicate the film to the public;

The decision of the Apex Court in *R.G. Anand v. M/s Deluxe Films and Ors*² which laid down tests with regard to copyright infringement in literary work forming the bedrock of scrutinizing the cinematograph film infringement. The following tests were laid down in the case:

- 1) There can be no copyright in an idea, subject matter, themes, plots or historical or legendary facts and in such cases the author of the copyrighted work confines himself to the form, manner and arrangement and expression of the idea.

² (1978) 4 SCC 118

- 2) If the same concept is being implemented in a particular way, it is clear that the source is common, there are bound to be similarities. In such a case, the Courts should determine whether or not the similarities are in the mode of expression adopted in the copyright work on fundamental or substantial aspects. When the work of the defendant is nothing more than a mere imitation of the copyrighted work with little variations spread all over would amount to the violation of the copyright. In other words, the copy must be a real and substantive one in order to be actionable which leads to the inference that the defendant is guilty of an act of piracy at once.
- 3) One of the surest and simplest tests to determine whether there has been a copyright violation or not is to see whether the reader, spectator or viewer is clearly of the opinion after reading or viewing all the works, and gets an unmistakable feeling that the subsequent work tends to be a duplicate of the original.
- 4) Where the theme is same but it is presented and modified differently in a way that subsequent work becomes a completely new work, no issue of violation of copyright arises.
- 5) Where, however, apart from the similarities that appear in the two works, there are also material and wide dissimilarities that are incidental to the intention of copying the original and the coincidences that appear in the two works, no infringement of copyright arises.
- 6) However, where the question is of a violation by a film producer or a director of the copyright of stage play, the plaintiff's task becomes more difficult to prove piracy. It is clear that unlike a stage play, a film has a much broader prospective, wider field and a larger background where the defendants can give a different colour and complexion from the way the idea was expressed by the copyrighted work by introducing a variety of incidents. Even so, if the viewer gets the impression after seeing the film that the film is by and large a copy of the original play, it can be said that the copyright infringement is proven.

ANALYSIS

The High Court reiterates the Preamble³ of the Copyright (Amendment) Act, 1994 and holds the view that the Act confers a variety of exclusive rights on the owner of “work”⁴ and provides for a remedy in case of a copyright infringement. The Court observed that a film is recognised as being much more or greater than the sum of its parts and therefore enjoys the full protection under the copyright law. In order to claim copyright there must exist some originality in the work. The author may obtain raw materials from various sources but will only be entitled to copyright if these raw materials are used by his labour, skill, capital and intelligence to create a work as distinct from the raw material and contains an element of novelty⁵

Though the expression ‘original’ is missing in section 13(1)(b) of the Copyright Act, 1957 yet the requirement of originality or intellectual creation is brought in or can be inferred through Section 13(3)(a) and Section 2(d).

However, in Copyright Law the principle of originality is not widely used in a strictly consistent manner. In some National laws, primarily, those that follow the tradition of common law, it is necessary that a creation in the literary and artistic field is the result of "skill and labour" or "sweat of the brow". While in some other National laws, some countries follow the tradition of civil law and impose a more rigorous criterion of originality. Under the above rules, it is not enough for development to be the result of intellectual creation. Besides that, it is also a requirement that it must be, in a way, an individual creation that represents the author's personality. To qualify originality, it is necessary that the work should be an “intellectual creation” of the author. However, this requirement does not mean that it should qualify the “novelty” concept as used in the industrial property. Simply because the producer is the owner of the Copyright under the Act, 1957. It does not mean that there is no creative input from the Director or that the scope of the Copyright protection of a film under the Act, 1957 is in any way narrower than that of other works. Thus, as a consequence cinematograph film is usually an original work as it is an intellectual creation.

³ Effective copyright protection promotes and rewards human creativity and is, in modern society, an indispensable support for intellectual, cultural and economic activity. Copyright law promotes the creation of literary, artistic, dramatic and musical works, cinematograph films and sound recordings by providing certain exclusive rights to their authors and creators.

⁴ Sec - 2(y) work" means any of the following works, namely: i) a literary, dramatic, musical or artistic work; ii) a cinematograph film iii) a sound recording

⁵ Indian Performing Right Society Ltd. V. Eastern India Motion Picture Association AIR 1977 SC 1443

The expression “to make a copy of the film” in Section 14(d)(i) does not mean merely to make a physical copy of the film by duplication process.

Since the term “copy” is not defined in the Act, the ordinary dictionary meaning of copy cannot be limited to making an actual copy by the process of duplication but it is to be interpreted widely to include an imitation or reproduction. There was no plausible reason to read down the ordinary dictionary sense of a copy or to mean anything narrower under the Act, 1957 in terms of the Legislature’s objective/purpose or accordance with the international obligations of India, all of which are compatible with the usual, broader definition of a copy.

Further, as the scope of protection of a film is at par with other original works, the test in *R.G. Anand’s* case would apply. The court extended the application of the test laid down in *R.G. Anand* for the literary work to the cinematograph film.

Accordingly, the Court will have to compare the kernel, substance, content and foundation of the two films or advertisements to determine whether one is “by and large” a copy of the other. Accordingly, this Court is of the opinion that 'making a copy of the film' does not only mean making a physical copy of the film through a duplication process, but also refers to another film which substantially, fundamentally, substantially and materially resembles/reproduces the original. Accordingly, deliberate copying of the Plaintiff's advertisement's fundamental / essential / distinctive features on intent will lead to an infringement of copyright. It is settled law that where India is a party to an international treaty, a purposeful construction in favour of the treaty would be given to the statute. Of this reason what the international treaty aims to accomplish is a standard international law code. Accordingly, the Copyright Act is to be read in accordance with the Berne Convention, which specifies that a cinematographic work is to be protected as an original work and that the owner of the Copyright in a cinematographic work shall enjoy the same rights as the author of the original work and that the sense of the term cinematographic film as defined by this Court is in consonance with the Berne Convention. On these lines India is the party to the two International Conventions on Copyright, namely, the Berne Convention for the Protection of Literary and Artistic Works, 1971, and the Universal Copyright Convention, 1952.⁶ The Honorable High Court ruled in this regard that it is the

⁶ Article 14(1) of the Berne Convention provides that a cinematographic work shall be protected as an original work and that the owner of such a work shall enjoy the same rights as the author of an original work

settled law that in the absence of a suitable legislation in any sphere, international convention and norms so far as they are consistent with constitutional spirit, can be relied upon.⁷

CONCLUSION

Applying the test laid down in *R.G. Anand's* case the Hon'ble Court held that the two advertisements are neither substantially nor materially or essentially similar. The Court further held that comparatively plaintiff's advertisement is more futuristic in nature than that of defendant's advertisement.

While the plaintiff's advertisement emphasized on the manufacturing process of the tyre and its radial design, the defendant's advertisement seeks to display the durability of the tyre by showing that it rides well on all terrains. The similarities and resemblance pointed out in both the advertisements are not enough to show that the substance, kernel and the foundation of one (defendant's) advertisement is by and large copy of the other (Plaintiff's advertisement).

The Court ruled that the suit is filed more than one year after the defendant's advertisement first aired on the television thereby plaintiff is not entitled to any interim relief. Consequently, the present application for injunction was dismissed by the Court with no order as to costs. The plaintiff subsequently withdrew the petition.

The present case helped in clearing important and inevitable issue of law pertaining to the copyright of cinematograph film under the Copyright Act which are of enormous general and public importance. With drastic consequences for the entertainment industry as a whole and, in particular, for the Film and Television Industry and for film producers. The Hon'ble Delhi High Court provided the criteria at the very onset, to invoke the provisions of the infringement of the copyright in relation to the matter of cinematograph films thereby removing the discrepancy prevailing with regard to important issues of law considered in the present case.

⁷ *Visakha v. State of Rajasthan* (1997) 6 SCC 241