



COMPETITION COMMISSION OF INDIA

Case No. 75 of 2016

In re:

M/s Picasso Animation Private Limited (PAPL)

Through its Director Shri Rittesh Beotra

Informant

And

M/s. Picasso Digital Media Pvt. Limited (PDMPL)

Opposite Party

CORAM

Mr. Devender Kumar Sikri

Chairperson

Mr. S. L. Bunker

Member

Mr. Sudhir Mital

Member

Mr. Augustine Peter

Member

Mr. U. C. Nahta

Member

Justice G. P. Mittal

Member



Order under Section 26(2) of the Competition Act, 2002

1. The information in this matter has been filed by M/s. Picasso Animation Private Limited, (hereinafter, the “**Informant**”) under Section 19 (1) (a) of the Competition Act, 2002 (hereinafter, the “**Act**”) against M/s. Picasso Digital Media Private Limited (hereinafter, “**OP**”) alleging *inter alia* contravention of the provisions of Section 4 of the Act and restrictive trade practices.
2. As per the information, the Informant was set up in the year 2002 in Jaipur and is engaged in the business of animation; 3D techniques *etc.* with the brand name ‘PICASSO’. Whereas OP was established in the year 2005 in New Delhi and is running an animation college titled as ‘PICASSO ANIMATION COLLEGE’- ‘A venture of Maharishi Group’.
3. The Informant has claimed to have obtained copyright registrations from Copyright Office, New Delhi for the title name ‘PICASSO’ *vide* registration no. A-93030/2012 dated 3rd September 2012 and A-92131/2012 dated 23rd May 2012, for ‘PICASSO ANIMATION COLLEGE’ *vide* registration no. A-92129/2012 dated 23rd May 2012 and for its website address “WWW.JAIPURPICASSO.COM” *vide* registration no. A-92130/2012 dated 23rd May 2012.
4. It is alleged by the Informant that OP is using the Informant’s brand name ‘Picasso’ by associating itself with Maharishi Group at corporate level to avoid competition which according to the Informant amounts to restricted trade practice. Moreover, the Informant has also alleged that OP is not associated with the Maharishi Group but seems to give the impression by advertising itself to be the part of Maharishi Group.
5. The Informant has stated that one of the promoters of OP, Mr. A.B.R.P. Reddy had applied for ‘Picasso’ trade name in his personal capacity in the year 2007 showing its use since 2003. However, through fabricated assignment deed, OP had purchased ‘Picasso’ brand name from Mr. Ajay Prakash Srivastava, who later became the



director of OP. The balance sheet of OP has not reflected the above transaction between Mr. Ajay Prakash Srivastava and OP. Finally in the year 2009, Mr. A.B.R.P. Reddy had resigned from OP.

6. It is further stated that the Trade Mark Office, New Delhi has rejected the application of Mr. Reddy *vide* order dated 30th June 2015. The application made by OP under Section 16 of the Companies Act, 2013 for rectification of name was also rejected by the Regional Director, North Western Region, Ministry of Corporate Affairs, Ahmedabad, Gujarat.
7. It is alleged that OP has even created various franchisees to avoid and restrict competition in the market which is against the spirit of the Act. Some of these franchisees have filed cases against the OP in various courts and appropriate authorities. Thus, the Informant has alleged the abuse of dominant position by OP and has also alleged that the logo/brand name “Picasso” of the Informant is being misused by OP.
8. Based on the above, the Informant has prayed the Commission to provide relief as per the Act.
9. After a careful perusal of the information and material available on record, the Commission notes that the Informant is mainly aggrieved by the use of its brand name “Picasso” by OP as well as OP’s claim to be associated with Maharishi Group. The Informant has alleged that this illegal conduct of OP has caused loss of goodwill and business to the Informant. The Informant has also alleged that the said conduct of the OP amounts to abuse of dominant position by contravening the provisions of Section 4 of the Act.
10. To examine the allegations of abuse of dominance under the provisions of Section 4 of the Act, it is essential first to delineate the relevant market and then to assess whether



the OP has dominant position in the said relevant market. Once dominance is established, it is imperative to examine the allegations of abuse of dominance.

11. The Commission notes that both the Informant and OP are engaged in the business of offering various animation related services which includes offering certification and diploma courses in animation. As per the *OXFORD* dictionary, ‘animation’ is a technique of photographing successive drawings or positions of puppets or models to create an illusion of movement when the film is shown in sequence. As per the *CAMBRIDGE* dictionary, ‘animation’ means moving images created from drawings, models, *etc.* that are photographed or created by the computer. There is no certain definition of the term but it can be safely inferred that “animation” generally means and includes drawings and moving images created through photography or with the help of computer. Animation courses are not generally substitutable with other vocational courses offered by institutions in view of their peculiarity. The selection of any course is a personal choice of the candidates which is based on various factors such as individual taste, inclination and interest. Further courses also differ on the fee charged. In view of the above mentioned characteristics, vocational course such as animation is not generally substitutable with other vocational courses *viz.*, web designing, internet marketing, electrical and electronics, hardware and software repair and maintenance, mobile repair, *etc.* and other streams or courses such as, law, arts, hotel management, finance, banking, insurance, engineering or other courses. Thus, the relevant product market is “Market for providing animation related education services”.

12. The Commission observes that there are many colleges and institutions which are providing degrees, certifications and diploma courses in the field of animation at pan India level. Some of the institutions are even providing online courses. Further, the conditions of competition in animation related education services are homogenous throughout India in the absence of any evidence to the contrary. Hence, the relevant geographic market is the territory of India.



13. In view of the above discussion, the Commission holds that the relevant market in the present matter is “*Market of providing animation related education services in India*”.
14. It is further noted that apart from the OP, there are many other institutions providing online and offline trainings in animation courses. Prominent amongst them are Arena Animation, Maya Academy of Advanced Cinematic (MAAC), Zee Institute of Creative Arts (ZICA), Global School of Animation, Whistling Woods International Institute, Tekno Point Multimedia, Apeejay Institute of Design, Toonz Webel Academy (TWA) and Massco Media. The relevant market seems to be quite competitive with a number of institutions offering animation courses to the students. Though the market shares of these institutions are not available in the public domain, however, it can safely be inferred that the OP does not have dominance in the relevant market in view of the competitive scenario and owing to the presence of many reputed institutions.
15. In the absence of dominance of the OP in the relevant market, there is no need to look into the allegations regarding abuse of dominance in contravention of the provisions of Section 4 of the Act. Further, we do not find any breach under Section 3 of the Act *albeit* not being alleged by the Informant.
16. The Commission therefore, observes that the dispute primarily relates to the usage of the brand name “Picasso” and the Informant is aggrieved by the violation of copyright of its registered title by the OP. As per the information, there are a series of litigations between the parties to claim the ownership of the title ‘Picasso’ at various forums and courts. This fact is corroborated upon perusal of the annexures attached with the information. The Informant has also admitted that in the capacity of the holder of registered brand name/logo namely ‘Picasso’, it has filed necessary applications before respective authorities for taking action against the OP under criminal and civil proceedings. The allegations noted above also do not indicate any competition law breach in any manner.



17. Based on the above, the Commission holds that no case of contravention of the provisions of either Section 3 or 4 of the Act has been made out against OP. The matter is accordingly closed under Section 26(2) of the Act.

18. The Secretary is directed to inform all concerned accordingly.

Sd/-
(Devender Kumar Sikri)
Chairperson

Sd/-
(S. L. Bunker)
Member

Sd/-
(Sudhir Mital)
Member

Sd/-
(Augustine Peter)
Member

Sd/-
(U. C. Nahta)
Member

Sd/-
(Justice G.P. Mittal)
Member

New Delhi
Date: 25/10/2016