



A Holistic Compendium:
Indian Trade Mark Cases Summary
For 2017

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PREFACE

Indian Trade Mark jurisprudence continued its rapid development in the year 2017, passing many important milestones. With the significant rise in the number of litigations, Indian judiciary has made its immense contribution to the trademark ecosystem by way of notable volume and diversity of trademark cases. Year 2017 had witnessed a substantial development in the IP ecosystem crystallizing the Trademark Jurisprudence which has a direct influence on the confidence of stakeholders in the wake of globalization and “Make in India” regime. To mention a few:

- Trade Mark Rules, 2017
- setting up precedent by awarding higher punitive damages in IP matters
- increase in number of injunctions based on Passing off principle
- Crystallizing John Doe jurisprudence by passing series of significant orders pertaining to John Doe
- Providing clarity on the aspect of Territorial Jurisdiction of Court in IP infringement matters for effective invocation of IP rights by Stakeholders
- Providing clarity on the aspect of Jurisdiction of Court in IP infringement matters for Online Businesses

With that background and Khurana and Khurana's involvement in trademark litigations, this compendium aims to provide certain key judgment summaries that reflect a diverse range of issues discussed and adjudicated upon by the Indian Judiciary in the year 2017 pertaining to the interpretation/ implementation of various provisions of The Trade Marks Act, 1999 as provided herein below:

1. Territorial principle in determining well-known status¹:

The Supreme Court in this cited judgment took the view that the modern day trade will be governed by the territorial doctrine. A mark, which claims to be a well-known mark, will have to produce necessary evidences to show that it has earned the “local goodwill” and “local reputation”. Mere advertisements in the foreign jurisdiction would not suffice to claim the mark as a well-known trademark.

2. Common Trade names not being in existence should not be denied Trade Mark protection²:

The Delhi high Court in a fresh decision has provided that if a particular trade name though a common name has not been in existence then it should not be denied registration.

3. Punitive damages under consideration³:

This judgment also analyses the circumstances and tests to be undertaken before awarding punitive damages in lieu of previous judgements.

4. Trademark infringement by a corporate/trade name⁴:

¹Toyota Kabushiki Kaisha v. Prius Auto Pvt. Ltd, CIVIL APPEAL NOs.5375-5377 OF 2017

² Sunil Mittal & Anr v. Darzi On Call, CS (COMM) 1381/2016

³ Christian Loubotin v. Pawan Kumar, CS (COMM) 714/2016

⁴ Cipla Ltd. v. Cipla Industries Pvt. Ltd., AIR 2017 Bom 75

The Hon'ble Court in the cited judgment deals with the principle of Corporate/trade name which infringes any trademark and draws a distinction between 29(4) and 29(5) of the Trademarks Act.

5. Even if infringing mark is registered, prima facie remedy can be granted to the prior user of the mark:⁵

The Hon'ble Delhi High Court held in the cited judgment that a registered mark could also be liable for infringement and two marks must be compared and after finding a prima facie case, injunction can be granted.

6. John Doe Orders:⁶

The Hon'ble court held in the cited judgment that John Doe Orders has been given on a case to case basis, but they can be used effectively in order to oppose and start proceedings against unknown Defendants. This judgment crystallized the position of John Doe Orders in India and allowed/instructed for further investigation to identify the Defendants to meet the end of justice.

7. Jurisdiction of Courts in the case of online businesses operating from a different country:⁷

The Hon'ble High Court of Delhi in its judgment holds that the territorial jurisdiction is to be decided based upon the reputation in foreign jurisdictions of the trade mark and the accessibility of such mark in India and Delhi for online business having consumer base in India.

8. Inter-relation of Trademark and Domain name:⁸

The Hon'ble Calcutta High Court in the cited judgment strengthens the principle of law related to domain names. It was held that the Defendants shall

⁵ Pidilite industries v. Poma-Ex products, 2017 (72) PTC 1 (Bom)

⁶ Sandisk v. Ramjee & Ors., CS(OS) 3205/2014

⁷ Icon Health & Fitness v. Sheriff Usman & Anr., CS (Comm.) 216/2016

⁸ Rajat Agarwal v. Spartan Poker Online Ltd., C.S. No. 35 of 2017

not be restrained by the Plaintiffs, who have registered the domain name from using it for which Defendants also have applied for registration as a trademark.

LIST OF IMPORTANT CASES ON TRADE MARKS - 2017

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6.	Instead of passing John Doe Orders in every case, this judgment crystallized the position of John Doe Orders in India and allowed/instructed for further investigation to identify the Defendants to meet the end of justice.	Sandisk v. Ramjee & Ors., CS(OS) 3205/2014	33-35
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TOYOTO JIDOSHA KABUSHIKI KAISHA [APPELLANT]

VS.

M/S PRIUS AUTO INDUSTRIES LTD. & ORS. [RESPONDENT]

CIVIL APPEAL NOs.5375-5377 OF 2017

➤ **Parties**

1. The appellant, Toyoto Jidosha Kabushiki Kaisha, (hereinafter referred as Plaintiff) is an automobile manufacturer incorporated under the laws of Japan.
2. The first respondent, M/S Prius Auto Industries Ltd is a partnership firm engaged in the manufacture of automobile spare parts. The partnership firm was constituted in the year 2001.
3. The second and third respondents are Deepak Mangal and Sandeep Verma respectively, who are partners to M/s Prius Auto Industries Ltd..
4. The fourth respondent, M/s Prius Auto Accessories Pvt. Ltd., is a Private Limited company, which consists of second and third respondent as majority shareholders.

➤ **Brief Facts**

1. By a Civil Suit [CS (OS) No. 2490 of 2009] instituted in the Delhi High Court, the Plaintiff sought for a decree for permanent injunction for infringement, passing off and damages against the respondents (hereinafter referred as “Defendants”). The permanent injunction was prayed against the mark “TOYOTA”, “TOYOTA INNOVA”, “TOYOTA DEVICE” and the mark “Prius”, of which the Plaintiff claimed to be a prior user.

2. The Plaintiff asserted the fact that it is a renowned carmaker with a global presence. The Plaintiff claimed an enviable goodwill and reputation as one of the foremost automobile manufacturers in the world. The Plaintiff had allegedly launched the world's first hybrid car "Prius" in Japan in 1997 along with countries like US, Australia, U.S.A along with other countries where it was launched during 2000-2001.
3. The Plaintiff claimed registration with respect to the mark "TOYOTA", "TOYOTA DEVICE" and "TOYOTA INNOVA" in India in different classes during the year 1989-2003. The Plaintiff however had not obtained any registration in mark "Prius".
4. According to the claims made by the Plaintiff, various advertisements, news reports and publications in car magazine in India and abroad about "Prius" had made the mark a well-known trademark under Section 2 (1) (zg) of the Trade Marks Act, 1999.
5. On finding out that the Defendants had obtained registration of the mark "Prius" in 2002-03 and have been using the mark to carry out their trade, the Plaintiff approached the Trade Mark Registry for cancellation of same and simultaneously, filed a suit on the grounds that the Defendants had been using the well-known trademark of the Plaintiff without due authorization, hereby-taking undue advantage of the reputation and goodwill of the Plaintiff.
6. The Defendant contested the claims made by the Plaintiff stating that they had been using the word "TOYOTA", "TOYOTA DEVICE", "TOYOTA INNOVA" on the packaging material for manufactured auto parts for the purposes of identification.

7. With respect to the mark, “Prius” the Defendant stated that they had obtained registration in 2002 and had been using the mark continuously since 2001. They further claimed to have gained a considerable reputation in the market since they regularly supply spare auto parts to automobile giants like Hyundai, General Motors.

➤ **Issue**

Whether Plaintiffs are entitled for permanent injunction against Defendants as prayed for?

➤ **Applicable laws/rule**

Trade Marks Act, 1999

Section 2(1) (zg): well-known trade mark, in relation to any goods or services, means a mark which has become so to the substantial segment of the public which uses such goods or receives such services that the use of such mark in relation to other goods or services would be likely to be taken as indicating a connection in the course of trade or rendering of services between those goods or services and a person using the mark in relation to the first-mentioned goods or services.

Section 135- Reliefs in suits for infringement or for passing off include temporary and permanent injunction on court’s terms and at the option of the Plaintiff, either damages or an account of profits, together with or without any order for the delivery-up of the infringing labels and marks for destruction or erasure.

➤ **Decision**

Trial Judge

The learned trial judge of the High Court granted an ex-parte interim injunction restraining the Defendants from using the registered marks of the

Plaintiff, “TOYOTA”, “TOYOTA INNOVA” and “TOYOTA DEVICE” and the mark “PRIUS”. While granting the injunction, the Learned trial judge took into account the Plaintiff’s global sales of the Prius car, the exponential hike in the sale of cars and that the Plaintiff had acquired a goodwill with respect to the mark “Prius” which can be observed in India, prior to their direct sales in India. The learned judge also accounted for the Plaintiff’s website which had been visited by Indians seeking information, and the 2 exhibitions held in India. Moreover both the parties were advertised in the same magazine, thus any person reading such advertisement would misleadingly believe that the Defendants goods emanates from the Plaintiff’s organization. Hence, permanent injunction of restraining the use of the mark “PRIUS” was issued along with damages quantified at 0.25% of total sales, amounting to Rs. 10 Lakhs, was awarded.

Division Bench

In the Appeal, the Division Bench reversed the decision of the learned trial judge as they were of the view that the trial judge had not correctly arrived at his findings with regard to trans-border reputation of the mark “Prius”. The Division Bench was of the opinion that mere advertisement and publication of the car would not suffice the criteria of a well-known trademark. The *territorial doctrine* is followed in modern day trade (a trademark being recognized as having a separate existence in each sovereign country). The Division Bench opined that prior user of trademark in one jurisdiction does not ipso facto entitle its owner or user to claim exclusive rights to the said mark in another domain. It was, therefore necessary for the Plaintiff to establish the reputation in the mark “Prius” in the Indian market prior to 2001.

Supreme Court

The Supreme Court took the view that the trademark “PRIUS” had undoubtedly acquired goodwill in various jurisdiction, but in the present case to succeed in the matter of ‘passing off’ in India the Plaintiff needs to establish the goodwill

with respect to Indian markets and consumers. The territorial principle shall govern the present case, where it is important to establish the goodwill of the mark “Prius” through adequate evidence. The advertisements, information of portals like Wikipedia and Britannica dictionary even if accepted, does not furnish enough goodwill in India. The advertisements relating to the launch of the product in Japan, mentioned in the Economic Times (dated 27.03.97 and 15.12.97) do not firmly establish the existence of goodwill of the brand name in India.

The Supreme Court held that “likelihood of confusion” would be a better test of proving the passing off action. The apex court relied on the Trinity Test devised in the case of Reckitt & Colman Products Ltd. V Borden Inc.

1. The goods and services has acquired goodwill and reputation in the market place.
2. Either the Defendant has misrepresented the goods and services intentionally or unintentionally, which in turn creates confusion in the minds of the public.
3. The claimant has suffered damages due to the misrepresentation.

Hence, the court opined that the online advertisement could not be assumed sufficient to enable a goodwill and reputation in one jurisdiction. The court ruled in the favor of Defendants, stating that the Plaintiff had failed to establish the necessary proof of its reputation in the Indian market. The Apex court upheld the ruling of the Appellate Bench of High Court and dismissed the appeal filed by the Plaintiffs.

➤ **Conclusion**

The court appears to be of the view that mere reputation would not be suffice for a passing off action, but the demonstration of “local goodwill” would be deemed important, that is to say that there should be “customers” in the local jurisdiction. However, this case does not in any way overrule the *Whirlpool*

Judgment, but has indeed set a precedent. Thus, whenever a case relating to the principle of well-known trademark would be in question, this case will be definitely be discussed.

SUNIL MITTAL & ANR

V.

DARZI ON CALL

Citation: CS (COMM) 1381/2016

➤ **Parties**

1. The Plaintiffs are Mr. Sunil Mittal and Darzi (India) LLP, the registered proprietor of the label mark of the textile clothes.
2. The Defendant M/s Darzi on call is a partnership firm founded in April 2015 and incorporated on 3 August 2015.

➤ **Brief Facts**

1. Plaintiff started its business in 1981 and provides the finest quality of tailoring services. The Plaintiff honestly and *bonafidely* adopted the trademark/ label mark “THE DARZI” and is the registered proprietor of this label mark under Class 24. He filed a suit restraining the Defendants from using the word “DARZI”, or any other label mark identical or similar to the word mark “DARZI”. According to the Plaintiff’s contentions “DARZI” constitutes cardinal and pivotal importance to the trademark of both the Plaintiff and the Defendant. The Defendant claims to have been operating in the same territory offering the same services under the deceptively similar trade name “DARZI ON CALL”.
2. The plaintiff contended that they had sent notice to the defendant where after the use of the trade name was stopped by the defendant.

3. The matter came into light when the customers inquired about the authenticity of the Defendant's mark. Thereafter, the plaintiff came to know that the defendant had again started using the said name.
4. The Defendant contends that third parties have been granted the word "Darzi" as trademark making the mark a common trade name. The Defendants had also filed a Trademark Application in class 40 for tailoring services different from Plaintiff's in class 24.
5. In 2016, the suit was brought in front of the court, when the Defendant was found using the word "DARZI" and the word "D" was presented in the same style as the Plaintiff. Summons were issued against the Defendants and the notice of application for interim relief was provided to the Defendants, till further orders was restrained from using the trade name or the trademark thereof. However, in an interim order in 2016 the defendant was allowed to use the word "D".

➤ **Issue**

Whether Plaintiffs are entitled for permanent injunction against Defendants as prayed for?

➤ **Plaintiff Arguments**

The Plaintiff contested that the word "DARZI" constituted an integral and essential part of the label of the Plaintiff. The Plaintiff relied on the "**Unitech Biotech Pvt. Ltd V. Orchid Chemicals Pharamceutical Ltd. 2012 (50) PTC 433 (Del)**" to contend that when a label mark is registered, it cannot be said that the word mark contained therein is not registered. Moreover according to Section 9(1) of the Trademarks Act, 1999 that the trademark shall not be

refused if before the date of application for registration it has acquired a distinctive character.

The Plaintiff relied on “**Jagdish Gopal Kamath Vs. Lime & Chilli Hospitality Services 2015 (62) PTC 23 (Bom)**” to contend that even in the case of device mark what is to be considered is the essential, prominent, and leading feature of the mark whether it is a label, device, composite, word and where the finding was that, there was nothing else in the so called device other than the words “Café Madras”, the said words would enjoy protection.

➤ **Defendant Arguments**

The ad-interim order passed by the court on December 7, 2016 permitted the Defendants to use the alphabet “D” in the stylized manner as provided. The Defendants challenged the said order by filing the written statement, pleading that the Plaintiff had referred to their marks “THE DARZI” whereas they only happen to have the registration in the composite logo mark consisting of stylized words “THE DARZI”. The Plaintiff has never claimed protection for the words “THE DARZI”. The Defendants has applied for registration in the class 40 whereas the Plaintiff has registration in class 24. Moreover the Defendant as a method of brand recall, stitches the letter “D” as mentioned in their logo mark on every title of clothing tailored and stitched.

The defendant relied on the judgment given by the court in **Himalya Drug Company vs. S.B.L Limited 2013 (53) PTC 1 (Del) (DB)** wherein, the Defendant’s mark contained the essential feature of the Plaintiff’s mark. The Court held that the correct approach of deciding such matter would be to apply its own judgment and the evidences presented. In order to conclude whether the mark is deceptively similar to another, the overall similarity and the impression in the public will be considered rather than placing both the products side by side.

➤ **Applicable laws / Rules**

Section 9 – The trademarks-

(a) Which are devoid of any distinctive character, that is to say, not capable of distinguishing the goods or services of one person from those of another person;

(b) which consist exclusively of marks or indications which may serve in trade to designate the kind, quality, quantity, intended purpose, values, geographical origin or the time of production of the goods or rendering of the service or other characteristics of the goods or service;

(c) Which consist exclusively of marks or indications, which have become customary in the current language or in the bona fide and established practices of the trade,

Shall not be registered: Provided that a trademark shall not be refused, registration if before the date of application for registration it has acquired a distinctive character as a result of the use made of it or is a well-known trademark.

➤ **Decision of the Court**

The court highlighted over the laws of trademark, found in section 9 of the Trade Marks Act, 1999.

1. Section 9 (1) (a), a trade mark devoid of any distinctive character, not capable of distinguishing goods or service of one person from those of another shall not be granted registration. In the present case, “TAILOR” when seen in the context of city of Delhi, where both the parties are operating their respective business activities may fall in this category in relation to the services of tailoring but not the word “DARZI”.
2. Section 9 (1) (b); the trademark which consists exclusively of the mark to designate the services rendered, shall not be registered. On the first reading, the word “DARZI” appears to be describing the services of

tailoring. However, the phrase “may serve designate the rendering of services” should be construed properly. There might be various words in the dictionary, which would describe goods or service. However, not all such words would become un-registrable under Section 9 (1) (b).

3. The court while analyzing the case in hand relied on the case “***Info Edge (India) Pvt. Ltd. vs. Shailesh Gupta 2002 (24) PTC 355 (Del.) was*** concerned with the granting of injunction at the instance of prior user “NAUKRI.COM” against the user “NAUKARI.COM”. Both the parties were working in the same field that is business / employment portal. The court in this case opined that there was peculiarity as the Plaintiff had adopted the Hindi word translated the same into English; hence, the distinctiveness can be attributed to the name. It was further held that if a product consisting of a descriptive name is marketed in a particular area or place and has gained reputation and goodwill and that name can be distinguished from its competing products, the product will be protected against descriptive use. Injunction granted.
4. The court provides that the Defendant has been unable to prove any merit in the contention of the mark being a label mark and not a word mark. The reasoning of the court was as follows:
 - i) The essential feature of the both the marks is “DARZI” and there appears to be nothing else on the label of the trademark. A consumer availing the tailoring service would remember the services availed on earlier, whether the Plaintiff or the Defendants and would recall the essential part of the trademark: “DARZI” and would not remember the Defendant as different from the Plaintiff. The goodwill of the business as of tailoring is by the word of mouth. A person seeking reference to the services will not remember “DARZI ON CALL” but will only

remember the word “DARZI”. The test of similarity has to have their roots in the human interactions in a particular society.

- ii)** The entire argument of the Defendant of “generic” and “publici juris” and “DARZI” being descriptive is a technicality argument. The Defendant itself has been using the word “DARZI” as distinctive of it amongst class of business, which the Defendant is carrying. The act of Defendant of having itself using the mark DARZI as a part of its trade name, while the Plaintiff has been using since last two decades, amounts to dishonesty.

➤ **Conclusion**

The court has provided a new outlook to the trademark registration of descriptive marks in India. This decision of the court, of not allowing a person to use a mark, which was previously used as a descriptive word or defined descriptive services is welcomed. The decision of the Hon’ble High Court has rendered a significant standard in establishing principle that if a particular trade name though a common name has not been in existence then it should not be denied registration. Further it was also held that the first user of such name shall be allowed registration.

CHRISTIAN LOUBOUTIN

V.

MR PAWAN KUMAR

Citation: CS (COMM) 714/2016

➤ **Parties**

1. The Plaintiff, Christian Louboutin, is a company incorporated under the laws of France, having its registered office in Paris. The company derives its name from a famous designer of the high-end luxury products, Mr. Christian Louboutin, known for his signature “RED SOLE” high-heeled shoes.
2. The Defendant No.1 is Pawan Kumar, sole proprietor of the Defendant No.2 and No.3 i.e. ‘Kamal Family Footwear’ and ‘Kamal Footwear’ respectively operating in Delhi.
3. Defendant No.4 is Vijay Kumar, who is the proprietor of the Defendant No.5 entity, namely, ‘Adara Steps’ also operating its business activities in Delhi.
4. Defendants are in the business of selling women’s shoes and accessories. Defendant No.4 and No.5 also promote their products through social media platforms such as Facebook.

➤ **Brief Facts**

1. The Plaintiff came to know about the Defendants’ use of the Plaintiff mark through an extensive survey done in February 2016. The

Defendant was selling their products with the use of the Plaintiff's mark "RED SOLE" Trade Mark in ladies shoes.

2. Further investigation in March 2016 and May 2016 confirmed the use of the Plaintiff mark resulting in infringing activities of the Defendant entities.
3. The Plaintiff in the year 1992, because of his creation, decided to color the outsoles of the shoes in red. A shoe with a red sole is the distinguishing factor of Plaintiff's products.
4. The distinctive nature of the Plaintiff's "RED SOLE" trademark is recognized by various trademark offices across the world. A specific tone of color red is applied to the outsole of a shoe and is unique in its own accord. The Plaintiff has got International Recognition the world market and is one of the leading brands. In India it has offices in Delhi and Mumbai.
5. The Plaintiff prayed for permanent injunction against the Defendant and damages worth Rs. 1,00,05,000 against the Defendant on account of sales, reputation and goodwill.
6. Summons were issued to the Defendants vide order dated 2nd June 2016. Interim order granted in favor of the Plaintiff and against the Defendant restraining them from distributing, manufacturing, selling, offering to sale, directly/ indirectly dealing in footwear. Including ladies shoes or any other goods bearing the Plaintiff's registered mark "RED SOLE".
7. Despite service, none appeared on behalf of the Defendants 1-3. An ex-parte order was proceeded with on 10th April 2017.

➤ **Decision of the Court**

1. The court concluded that the Plaintiff is a very well known trademark in about 60 countries. It has over the years since 1992 has built a brand value among its costumers not only in India but all across the world. Customers in India are aware of the plaintiff's product and can easily access them on internet. Thus the plaintiff's products have gained huge popularity in India.

Relying on the three categories of compensation provided in *Rookes vs. Barnard [1964] 1 All ER 367* about the issue of when punitive damages or when exemplary damages could be granted. The three categories are:

1. Oppressive, arbitrary or unconstitutional actions of the servants of the government.
2. Wrongful conduct by the Defendant, which has been calculated by him for himself, which may well exceed the compensation payable to the claimant;
3. Any case where exemplary damages are authorized by the statute.

The later decision in *Caseell & Co. Ltd. v. Broome 1972 AC 1027* upheld the categories mentioned under the above-mentioned case, but made important clarifications. The Court found that the impugned judgment by the Single Judge in a trademark infringement case, *Times Incorporated v. Lokesh Srivastava, 116 (2005), DLT 659*, relevant.

The Court declares that the reasoning and the formulation of the law, enabling the courts to determine punitive damages in the above-mentioned cases have no authority & accordingly are overruled. To award punitive damages the court should follow the categorization indicated in *Rookes* and further grant damages only after being satisfied that the damages awarded for the wrongdoing is inadequate in the circumstances. The danger of not following it step by step

reasoning would be ad-hoc judge centric award for damages, without discussion of the extent of harm or injury suffered by the Plaintiff.

In finality, the court based on the evidences produced by the Plaintiff awarded damages of Rs.8,63,790 from Defendants No. 1, 3, 4 and 5 combined.

➤ **Conclusion**

The Delhi High Court in this judgement declared “Red Sole” to be a well-known trademark. This gave rise to a lot more unanswered questions in the well-known trademark jurisprudence. Secondly, this judgment also analyses the circumstances and tests to be undertaken before awarding punitive damages in lieu of previous judgements. The final amount payable also raised some questions regarding profit margins and basis of the calculations.

Cipla Limited [Plaintiff]

Versus

M/s Cipla Industries Pvt. Ltd. and Ors. [Defendants]

Citation: AIR 2017 Bom 75

➤ **Parties:**

1. The Plaintiff, Cipla Industries is the proprietor of the trademark “CIPLA”, and is in the business of manufacturing pharmaceutical products.
2. The Defendant, Cipla Industries Pvt. Ltd. is in the business of manufacturing household articles.

➤ **Brief Facts:**

1. The Plaintiff has registered its trademark “CIPLA” under class 5 of Schedule IV of Trademark Rules, 2002. Whereas, the Defendant Cipla Industries Pvt. Ltd. is the proprietor of a trademark ‘CIPLA PLAST’ under class 21.
2. The Plaintiff filed a case before the Bombay High Court to restrain the Defendant from using its trade mark as a trade/corporate name by seeking a permanent injunction for infringement under section 29 of the Trademarks Act.
3. The case was first heard by the Learned Single Judge, Justice Patel of the Bombay High Court who relied on the ratio as given by the Raymond case, but however after noting certain observations forwarded the matter for reconsideration to a larger bench.

➤ **Issues:**

1. Where a party is found to be using a registered trade mark as a 'name', as a corporate or trading name or style, though in respect of goods dissimilar to the ones for which the trade mark is registered, is the proprietor of the registered trade mark entitled to an injunction on a cause of action in infringement under Section 29(5) of the Trade Marks Act, 1999?
2. Whether Section 29(4) and 29(5) operate in separate and mutually exclusive spheres?

➤ **Applicable Law/ rule:**

Section 29 (4) and 29 (5) of the Trademarks Act, 1999.

29. Infringement of registered trademarks.—

(4) A registered trade mark is infringed by a person who, not being a registered proprietor or a person using by way of permitted use, uses in the course of trade, a mark which—

- (a) is identical with or similar to the registered trade mark; and
- (b) is used in relation to goods or services which are not similar to those for which the trade mark is registered; and
- (c) the registered trade mark has a reputation in India and the use of the mark without due cause takes unfair advantage of or is detrimental to, the distinctive character or repute of the registered trade mark.

(5) A registered trade mark is infringed by a person if he uses such registered trade mark, as his trade name or part of his trade name, or name of his business concern or part of the name, of his business concern dealing in goods or services in respect of which the trade mark is registered.

➤ **Decision of the Full Bench:**

1. The full bench considered the issues of the present case, the findings of the single judge and the questions raised by him and the decision of the division bench of the Bombay High Court in the case of *Raymond Limited v. Raymond Pharmaceuticals* which had similar facts.
2. In *Raymond Limited v. Raymond Pharmaceuticals*, the division bench did not grant any injunction to the Plaintiff and held that in the case of a trade/corporate name infringing the registered mark of a proprietor the goods must not be dissimilar. It also held that infringement in relation with identical/similar/dissimilar goods are dealt with in sub-section (1), (2) and (4) of section 29 respectively and 29(5) is a specific provision dealing with such matters pertaining to infringement by a trade/corporate name.
3. The full bench after considering each and every reason given by the single judge and after giving its own reasons, finally upheld the order given by the division bench in the Raymond's case. The court after examining the legislative intent of the section stated that the language clearly provides for a specific and separate provision in cases where a trade/corporate name infringes a registered trademark and thus it must prevail independently. The court relied on the principle laid down in the case of *Vijay Narayan Thatte v. State of Maharashtra* and held that when the language of the statute is clear, then the literal rule of interpretation is to be applied and that this rule can be departed from only in the case of an ambiguity.
4. Finally, the court examined the Delhi High Court's judgment relied on by the Plaintiff i.e. *Bloomberg Finance v. Prafful Saklecha*. In this case the Delhi High Court gave a contrary view from that in the Raymond's case

and held that even if the firm with a similar trade name or corporate name is dealing in dissimilar goods, then also such registered mark shall be entitled for protection and that Section 29 (4) and 29 (5) must be construed harmoniously. After due examination, the Bombay High court in the present case stood stiff on its stand and came to the conclusion that 29 (4) and 29 (5) are distinct and must be dealt separately and exclusively.

5. Therefore, the full bench refuted the observations put forward by the single judge in the present case by giving the following reasons:

(a) For well-known trademarks, the evidence must be produced in order to prove the reputation of the mark in India, that it has a distinctive character and the element of likelihood of confusion in the minds of the consumers in order to get the remedy of infringement in case of dissimilar goods. But, for the purposes of Section 29 (5) of the TM Act, no such requirements are needed and thus the remedy is straightforward and easy, if the necessary elements are satisfied.

(b) Section 29 (8) is not applicable to the present set of facts of the case and therefore must not be discussed.

(c) If the definition of the mark is construed which includes the word “name” in it and the infringement by a trade name is construed in regards to such name then section 29 (1) and (2) will apply for similar goods and Section 29 (4) will be applied for dissimilar goods and the remedy being provided by Section 29 (5) will become otiose. Therefore, the word ‘name’ which is included in the definition of the mark cannot be deemed to include the ‘trade/corporate name’ in its purview.

6. Hence, after giving these detailed reasons as produced above the full bench of the Bombay High Court upheld the judgment of the division

bench in the Raymond's case and refuted the observations of the Single Judge.

Conclusion:

This judgment given by the Bombay High Court is a landmark judgment and detailed reasons were given to counter all the ambiguities arising from the different sources. The judgment rendered by the bench drew lights upon the legislative intent while interpreting the same. It canvassed the role of judiciary of not moving out of its ambit while performing the function of judicial review. The court kept itself within the limits of the powers conferred upon it and plainly construed the provision in its literal sense and restrained itself from entering into any ambiguities or derailing itself in order to unnecessarily harmonize the provisions of the Act. Hence, where a party is found to be using a registered trade mark as a 'name', as a corporate or trading name or style, though in respect of goods dissimilar to the ones for which the trade mark is registered, the proprietor of the registered trade mark is not entitled to an injunction on a cause of action in infringement under Section 29(5) of the Trade Marks Act, 1999.

Pidilite Industries Limited [Plaintiff]

Versus

Poma-Ex Products [Defendants]

Citation: 2017 (72) PTC 1 (Bom)

➤ **Parties:**

1. The Plaintiff, Pidilite Industries Limited is proprietor of the mark 'FeviKwik'.
2. The Defendant, Poma-Ex Products is a proprietor of the mark 'Kwikheal' which is allegedly in infringement of the Plaintiff's mark.

➤ **Brief Facts:**

1. The Plaintiff, Pidilite Industries Limited registered its mark in 1987, written in a stylized manner under Class 1 in respect of "adhesive for domestic, technical and industrial purposes". In 2008, the Plaintiff applied for and obtained registration of FEVIKWIK Distinctive Packaging under class 16. The Plaintiff has registered its trademark FEVIKWIK through four trademark registrations and produced the certificates.
2. The Defendant, Poma-Ex Products has been in continuous and extensive use of the mark 'Kwikheal' since July 2011 and got its registration in 2014.
3. The Plaintiff while going through the website of the trademark registry in 2014 became aware of the Defendant's mark being a registered trademark. Soon after, the Plaintiff sued Defendants over infringement of trademark and passing off.

4. The High Court passed an ad-interim injunction on 5th May, 2014 to restrain the Defendants from selling their infringing product on prima-facie findings.
5. Evidence was produced to show that the Defendant has blatantly violated the order of the High Court and even after the ad-interim injunction, it was found selling its goods with the similar packaging and trade dress as that of the Plaintiff.

➤ **Issues**

1. Whether 'Kwikheal' has infringed the registered word mark of the Plaintiff i.e. fevikwik?
2. Whether registration of the mark 'Kwikheal' was valid or not?
3. Whether 'Kwikheal' has infringed the registered distinctive packaging or the trade dress of the Plaintiff's mark 'Fevikwik'?
4. Whether there exists a prima-facie case in favour of the Plaintiff and in whose favour the balance of convenience lies after comparing the marks of the Defendant with the Plaintiff.

➤ **Decision of the Bombay High Court**

1. The Bombay High Court after considering and comparing the marks, their registration and prior usage minutely examined the situation and arrived at the conclusion with the help of various case laws.
2. By placing reliance on the judgment of "*Rahul Uttam Suryavanshi v. Sunil Manikchand Kasliwal*", the court held that the word 'kwik' used as a suffix and prefix in both the marks of the Plaintiff and Defendant cannot be said to be a commonly used word by the public or common to trade.

Therefore, it cannot be said that the word is common to trade and the Defendant cannot infringe the mark. Also its descriptive nature cannot be claimed by the Defendant as it has received the registration on the word itself. Moreover the case of “*Cadila Pharmaceuticals Limited v. Sami Khatib of Mumbai and Anr.*” was relied upon by the court and it was held that the word ‘kwik’ is not common to trade and there exists an element of likelihood of confusion or deception if it is used by both the Plaintiff and the Defendant.

3. The Plaintiff also questioned the validity of the registration of the trademark of Defendant and relied on “*Lupin Ltd. v. Johnson and Johnson*” which supported the contention that court can go into the validity of the registration of the Defendant at the interlocutory stage for rendering a prima facie finding of the issue.
4. After questioning the validity of the registration of the Defendant’s mark, the Plaintiff stated that even if the mark of the Defendant is found to be valid, then also it is liable for infringement of its distinctive packaging as it is not using its registered trademark but is using a label on its packaging which is similar to the distinctive packaging of the Plaintiff’s product with similar combination of colours of yellow and blue as well as other styles.
5. Also, in this case, the Defendant has removed the word "POMA-EX" from its label deliberately even though it has kept the remaining ingredients identical. The court relied on the case of *Heinz Italia and Anr. v. Dabur India Ltd.* where the Supreme Court granted an injunction after observing that “mere fact that the respondent had time and again made small changes in their packaging is an attempt to continue to mislead the purchaser and to make it more difficult for the appellants to protect

their mark, which the record showed that the same had acquired an enviable reputation in the market which was sought to be exploited by the respondent.” It was also held in this case by the Supreme Court that “in an action for passing off, the Plaintiff has to establish prior user to secure an injunction and that the registration of the mark or similar mark in point of time, is irrelevant. Also, in case of registered trademarks a passing off action is maintainable”

6. It was held by the court that there exists a prima-facie case as the balance of convenience lies in favour of the Plaintiff after comparing the mark "FEVIKWIK" with the mark of the Defendant "KWIKHEAL" which is prima facie deceptive or misleading.

➤ **Conclusion**

This judgment reiterates the order in *Heinz Italia and Anr. v. Dabur India Ltd.* about passing off action being maintainable in already registered trademarks. Further, it held that in cases where the infringing mark is registered, prima facie remedy can be granted to the prior user of the mark who has gained reputation in the market if it is found that the infringing mark is deceptive in nature and causing confusion in the minds of the public.

Sandisk [Plaintiff]

Versus

Ramjee & Ors. [Defendants]

Citation: Case no. CS(OS) 3205/2014- Delhi High Court

➤ **Parties:**

1. The Plaintiff, SanDisk LLC is involved in the business of flash memory storage solutions under the trademark 'SanDisk'.
2. The Defendants Mr. Ramjee, Mr. Munna Kumar and Mr. Vikas Jain were identified by the Local Commissioners as people selling counterfeit SanDisk Micro SD memory cards in Delhi.

➤ **Brief Facts:**

1. The memory cards of the Plaintiff bearing the mark 'SanDisk' are used in mobile phones, computers and other consumer electronics. Plaintiff claims registration of its trademarks in more than 150 countries with respect to the mark 'SanDisk' and also claims registration of the word 'SanDisk' and 'SanDisk' Logo.
2. In the month of October 2014, the Plaintiff came to know that there are counterfeit SanDisk Micro SD memory cards which are being sold by unknown persons on the stalls set up all across the pavements in the Sunday markets at Daryaganj, Old Delhi. These counterfeit memory cards had an identical packaging to that of Plaintiff's and they were also bearing the trademark 'SanDisk' on them which was completely identical to that of the Plaintiff's mark.

3. As the Defendants couldn't be identified by the Plaintiff, therefore they were initially recognized by the Plaintiffs and arrayed as John Does.
4. Therefore, a suit was filed by the Plaintiff against the Defendants before the Court seeking a permanent injunction restraining infringement of trademark of the Plaintiff by the Defendants.

➤ **Issues**

1. Whether such acts of the Defendants amount to infringement of the Plaintiff's mark?
2. Whether the evidence produced before the court was sufficient to grant remedy for infringement to the Plaintiff?

➤ **Decision of the Court**

1. Firstly, the Court appointed the Local Commissioners and ordered them to investigate into the matter so that more information can be brought on record and the John Does be identified.
2. After the John Does were identified, the Defendants were named and summons were issued against them at the interim stage after prima facie consideration of the evidence.
3. The Defendants did not appear and the court proceeded ex-parte against them.
4. The photographs of the counterfeit products when compared with those of the Plaintiff's products made it clear that the infringing products were identical and similar to the Plaintiff's products in all aspects.

5. The court found out that the infringement by the defendants have caused huge losses to the plaintiff both monetary and reputation.
6. Therefore, a permanent injunction was granted to restrain the Defendants, their goods were ordered to be destroyed and damages be provided to the Plaintiff.

➤ **Conclusion**

This judgment crystallized the position of John Doe Orders in India and allowed/instructed for further investigation to identify the Defendants to meet the end of justice.

Icon Health and Fitness [Plaintiff]

Versus

Sheriff Usman and Anr [Defendants]

Citation: Case No. CS (Comm.) 216/2016 Delhi High Court

➤ **Parties:**

1. The Plaintiff, Icon Health and Fitness is a developer, manufacturer and marketer of fitness equipment including wearables, treadmills, elliptical trainers, stationary bicycles, weight machines and benches, and yoga and Pilates equipment.
2. Defendant No. 1 Sheriff Usman, is the proprietor Smart Infocomm Ventures Pvt. Ltd. and Smart Infocomm Pvt. Lt. Defendant No. 2 is a company registered in United Arab Emirates are also operating a fitness related App similar to that of the Plaintiff.

➤ **Brief Facts:**

1. The Plaintiff started his business in the year 1977 is using the name ICON Health & Fitness, Inc. since the year 1994.
2. The Plaintiff is using its mark “iFit” for fitness devices such as wearable and software applications for fitness devices and has its registration in various countries of the world and has also applied for its registration in India. Also, the website www.ifit.com provides information and is operative since 1999. IFIT branded apps are available on mobile stores such as the App Store and Google Play. Since 2011, IFIT brand mobile app has hundreds of thousands of logins and thousands of downloads by Indian users. IFIT branded fitness devices are also available on popular e-commerce portals such as Amazon.

3. In 2015, the Plaintiff became aware of the Defendant's Company's fitness related App by using the similar name "Ifit" on the App Store and Google Play Store. It was also discovered that the app featured in e-commerce portals like Amazon. The Defendants were using an identical mark as that of the Plaintiff for identical devices and software and for identical class of consumers.
4. Aggrieved by this the Plaintiff approached the Court asking for a permanent injunction to restrain the Defendants from infringing their mark "IFIT".

➤ **Issues**

1. Whether Delhi High Court has territorial jurisdiction to try the suit since the Defendants are residing in United Arab Emirates?
2. Whether the defendants are liable for passing off?

➤ **Decision of the Delhi High Court**

1. The court on the issue of territorial jurisdiction held that it had jurisdiction for the present matter relying on the case of *World Wrestling Entertainment v. M/s. Reshma Collection & Ors.* was relied upon to answer this question. It was held that "even though the Defendants are not residing in Delhi, the Defendants are offering their fitness apps and bands through App Store, Google Play Store and e-commerce portals like www.amazon.in, which can be accessed and operated from all over India, including from Delhi. Thus, it can be said that the Defendants are carrying on business or working for gain in Delhi and this Court has territorial jurisdiction to try and decide the present suit."
2. Furthermore, the case of *Prius Auto Industries Ltd. & Ors. v. Toyota Jidosha Kabushiki Kaisha* was relied upon, where it was held that in

order to prove trans-border reputation two elements are needed to be satisfied i.e. reputation in foreign jurisdictions of the trade mark & knowledge of the trade mark due to its reputation abroad in a domestic jurisdiction. Therefore, from the documents produced by the Plaintiff, it is evident that it enjoys trans-border reputation.

3. The matter was therefore proceeded ex-parte as the Defendants did not appear before the Court. The remedy of passing off was granted in the favour of Plaintiff.

➤ **Conclusion**

This judgment holds that the territorial jurisdiction is to be decided based upon the reputation in foreign jurisdictions of the trade mark and the accessibility of such mark in India and Delhi.

Rajat Agarwal & Ors.[Plaintiffs]

Versus

Spartan Online Pvt. Ltd. & ors. [Defendants]

Citation: Case no. C.S. No. 35 of 2017 of Calcutta High Court

➤ **Parties:**

1. Plaintiff No. 1, Rajat Agarwal was the director in Defendant Company.
2. The Defendants, Spartan Online Pvt. Ltd and its shareholders.

➤ **Brief facts:**

1. The Plaintiffs and the Defendants entered into a joint venture agreement to establish and operate an online poker gaming business under the domain name 'www.spartanpoker.com'. The business was established in Calcutta, even when the company was Maharashtra based. This was done as the West Bengal Gambling and Prize Competitions Act, 1957 deems poker as an exception to gambling activities.
2. The Plaintiff No.1 was the director of the Defendant No. 7 company and thereby registered the domain name of the website 'www.spartanpoker.com' in furtherance of the joint venture agreement.
3. The Defendant Company did all the needful which were required in order to set up the business by arranging all the infrastructure necessary and also applied to get the mark "Spartan" registered with the trademark registry.

4. Disputes arose within the company and Defendant No. 7 Company in its board of directors meeting decided to remove Plaintiff No. 1 from the post of the director.
5. After this the Plaintiff no. 1 leveled oppositions against the trademark application of the Defendant. Moreover, the Plaintiff got the domain name “spartanpoker.com” blocked and therefore, the Defendants resorted to the use of “thespartanpoker.com”.
6. Plaintiff filed a petition to restrain the Defendants from using its trademark.

➤ **Issues:**

1. Whether the Defendant Company can use the mark to the exclusion of the Plaintiffs?
2. Whether the Plaintiff is the rightful owner of the mark or the domain name “Spartanpoker.com”?
3. Whether the Plaintiff is liable for infringement of such domain name or mark?

➤ **Decision of the Calcutta High Court**

1. ARGUMENT ON BEHALF OF THE PLAINTIFF - The Plaintiffs claimed that their rights were violated as the domain name was registered by Plaintiff No. 1 and that starting of a new similar website for business as compared to their initial joint venture was a breach of the joint venture agreement between the parties as the methodology, trade secrets, functioning of the website, expertise of Plaintiffs, etc. was misused by the Defendants. Furthermore, the Plaintiff’s stake in the Defendant No. 7

Company and the assets, profits, goodwill, trademarks, logo and website cannot be misused for any other business by the Plaintiff.

2. Moreover the use of the words in the domain name 'The Spartan Poker' was identical/similar to 'Spartan Poker', which would create confusion in the minds of the public and hence deceive them. For substantiating their claims the Plaintiffs relied on the case of *Satyam Infoway Ltd. v. Siffynet Solutions (P) Ltd.* and *Suresh Dhanuka v. Sunita Mohapatra* and submitted that "a domain name was recognizable as a trademark, and therefore any use of such domain name would amount to trademark infringement."
3. ARGUMENTS ON BEHALF OF THE DEFENDANTS - The Defendants argued that they had coined the term 'Spartan' and were the actual owners of the mark as they had made the applications for the trademarks. Also, it was contended by the Defendants that the Plaintiffs were mere employees of the company and the remuneration was provided for the services that they offered. Even though the registration was done by Plaintiff No. 1, in his name, still the domain name registered was done for the company and its business and not for his personal use.
4. DECISION - It was held that the Defendant Company is a joint-venture of the Plaintiffs and Defendant Nos. 2 to 5, and thus it cannot use the said mark "Spartan" to the exclusion of the Plaintiffs and deny the benefits of earnings to the petitioners by using the said mark.
5. Also, it was held that the facts of the case are different from that of the case of *Satyam Infoway Ltd. v. Siffynet Solutions (P) Ltd.* and the said domain name "spartanpoker.com" could not be identified with the Plaintiff No. 1,

6. The court observed the utility of the domain names in protecting the identity of the business and its uniqueness and it must be peculiar and unique as it is an exclusive representation of identity of business running through the internet.

7. Therefore, the Court did not restrain the Defendant Company from the use of 'www.thespartanpoker.com', and vacated the interim order. The Defendants were however asked to disclose all their transactions and accounts starting from 15th March, 2015 when the website was launched and till date.

➤ **Conclusion**

The judgment strikes a balance in the ongoing dispute between the parties and that too by adjudicating upon the undisputed facts and circumstances. The judgment holds that the Defendants shall not be restrained from using the domain name for which they have also applied for registration and the matter is yet to be heard before the trademark registry.

-DISCLAIMER-

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