

MANU/DE/4833/2009

Equivalent Citation: 2010(44)PTC103(Del)

IN THE HIGH COURT OF DELHI

CS (OS) 870/2009

Decided On: 13.08.2009

Appellants: **Eicher Goodearth Pvt. Ltd.**
Vs.

Respondent: **Laxman Marketing Pvt. Ltd. and Ors.**

Hon'ble Judges/Coram:

S. Ravindra Bhat, J.

Counsels:

For Appellant/Petitioner/Plaintiff: Pratibha M. Singh, Bitika Sharma and Archana Sahadeva, Advs.

For Respondents/Defendant: Manoj Kumar Garg, Sanlosh Kumar and Abhinav Anand, Advs. for Defendant No. 1

Subject: Intellectual Property Rights

Disposition:

Application allowed

Case Note:

Intellectual Property Rights - Infringement of trade mark - Held, in present case, Defendants' explanation about coining of phrase EICHER was prima facie not only unpersuasive it appeared to be fantastic, if not dishonest - Trademark EICHER, as Plaintiff had been able to show from materials, was known in trade and perhaps was even well-known - That Plaintiff did not chose to manufacture bulbs was not; relevant - What it sought to achieve by this litigation was protection of mark - Defendants' explanation for coining of term was not convincing and had to be prima facie rejected - Fact that others who were known to Defendants, and were infringing mark in question and that Plaintiff refrained from faking action was not a ground for denial of relief - Interim injunction made deserved to be confirmed.

ORDER

S. Ravindra Bhat, J.

I.A. Nos. 6400/2009 (Under Order 39 Rule 1 and 2) and 7498/2009 (Under Order 39 Rule 4) in CS(OS) 870/2009

1. The Plaintiff sues the Defendants for permanent injunction to restrain them from using the trademark "EICHER". The Plaintiff submits having been in business since 1959 and refers to a group of companies, including Eicher Motors Limited, Eicher Goodearth Investments Limited, Eicher Investments Private Limited etc, which are part of a conglomerate that was operating since 1959. It is claimed that the annual turn-over of the group in 2007-2008 was to the tune of US\$ 458 million.

2. According to the Plaintiff, the group employs more than 2500 employees in its manufacturing facilities and marketing offices across the country and has a very strong marketing network of 142 dealers, distributors and 308 vendors. It is claimed that the Plaintiff was a pioneer in the tractor industry in the 1960s and its reputation and goodwill is wide-spread across the world. The Plaintiff has set-out the particulars of the trademarks owned by the group and the Plaintiff's registrations, in para 8 of the suit. Pertinently. The Petitioner claims ownership of the trademark "FICHER" in respect of clauses 10 with effect from 01.11.1990 (in respect of Class 12 with effect from 02.04.1969). It is submitted that the Plaintiffs trademarks/logos are registered in several countries: the list is disclosed in para 10

3. The Plaintiff claims that the brand mark "EICHER" is a well-known mark under the Trademarks Act. It is submitted that the mark is associated with the products of the "EICHER" group and the Plaintiff as well. The Plaintiff alleges that the Defendants are marking their products and goods, which are primarily bulbs under the trademark "LXMAN EICHER". which is an infringing activity. The Plaintiff has disclosed that the Defendants had moved the Trademarks authority for registration of the mark "LAXMAN EICHER", in 1999. It is contended that the cause of action arose in this case in 2004 and is still continuing.

manupatrz 4. The Plaintiff has relied upon copies of its registration certificates in respect of various marks: these include the copy of the registration in Class 11 with effect from 01.01.1990. It has also relied upon several documents, including print-outs of its website in support of the goods and services offered by it to the general public under the trademark "EICHER". It also relies upon a copyright registration obtained with effect from 30.07.1993.

5. This Court had by an ex-parte order dated 13.05.2009. injunctioned the Defendants from using the mark "LAXMAN EICHER" or "EICHER" or any mark 'deceptively similar to Plaintiffs mark.

6. The Defendants have entered appearance and filed an application for vacation of stay. It is contended that the word "ETCHER" is not coined or arbitrary and has been borrowed from a German company. The Defendant claims user of the impugned mark since 1999. According to it. "EIGHER" is a coined term as far as it is concerned in relation to bulbs. The Defendants explain the innovation as follows "E" - Efficiency. "I" Industrial; "C" Commercial; "H" Household; "E" Energy and "R" Resources.

7. It is submitted that in relation to bulbs, this coined term is a bona fide use by the Defendants. Although not registered, the Defendant claims that its claim for registration is pending since 1999 and that its application was published in the Trademark Journal in 2002, to which the Plaintiff has objected. Learned Counsel submitted that the Plaintiff is enjoying a unjustified injunction since the parties are dealing in mutually exclusive goods and services. It is submitted that "EIGHER", as claimed by the Plaintiff is primarily in respect of automobiles, automotive and related ancillary services whereas the Defendants' products are entirely different and are electrical installations or bulbs. In the circumstances, the Defendants say the Plaintiff should not be granted any injunctive relief.

8. The Defendants next contend that the injunction being a discretionary remedy, should not be granted in the circumstances of the case because the Plaintiff chose to approach the Court belatedly. It is emphasized that the Plaintiff was aware of Defendants' existence and the use of the impugned mark and chose to approach the Court five years later. It is pointed out that the Defendants' efforts to have the mark registered was objected to by the Plaintiff, which reveals its knowledge.

9. Learned Counsel contended that the Defendants are also having significant turn-over. Which have risen steadily over the years. The averments in the application to the effect that such figures have been to the tune of Rs. 1.95 crores and Rs. 1.75 crores for the last three years has been pointed out.

10. The above discussion would show that the bone of contention in this case is with regard to use of the mark "EIGHER". The Defendants do not deny that the Plaintiff is the registered owner of the trademark by the Trademark Act, 1999, which came into force from 2003. The old law has been to a certain extent reshaped in the light of the declarations of law by the Supreme Court in various previous judgments. While the Act protects bona fide prior user or even honest concurrent user and in certain circumstances, two registrations are permitted, yet, the predominant intention of Section 29, which deals with the subject of infringement is to protect lawfully acquired registration of trademark. This theme is brought home by Sections 29(2) and 29(4), in tune with the judgment reported as Kaviraj Pandit Durga Dutt Sharma v. Navaratna Pharmaceutical Laboratories, MANU/SC/0197/1964 : AIR 1965 SC 980 : PTC (Suppl) (2) 680 (SC) ; Ruston and Hornsby Ltd. v. Zamindara Engineering Co., PTC (Suppl) 1175 (SC); it is no longer possible for an alleged infringer to say that the trademark, if established to be closely similar or identical with a registered trademark cannot be injunctioned since it pertains to dissimilar goods or services.

11. The consistent view of the Courts in this regard has been that wherever the Plaintiff is able to establish its prior claim in respect of a trademark, injunctive relief even at an interim stage should be ordinarily granted [this is what Midas Hygiene Industries Pvt. Ltd. v. Sudhir Bhatta and Ors., MANU/SC/0186/2004 : 2004 (28) PTC 121 (SC) held unless (here is a compelling reason for departure. In this case, the Plaintiff has been prima facie able to establish that it is a registered owner of the trademark since 01.01.1990. The averments in the suit also arc to the effect that the mark has been used since 1960 for varied goods and services. Clause-11 in which registration is concededly held, also involves electrical installations. The Defendants' arguments here that die Plaintiff is not producing bulbs or similar appliances, is ex-facie unsubstantial because Section 29(4) explicitly states that if a registered proprietor establishes that someone unauthorisedly appropriates or uses the registered trademark even in relation to dissimilar goods, infringement is deemed. There are several judgments in substantiation of this proposition [Mahendra and Mahendra Paper Mills Ltd. v. Mahindra and Mahindra Ltd., 2002 (24) PTC 121 (SC); Honda Motors v. Charanjit Singh, 2003 (26) PTC 1; Kirloskar Diesel Record Pvt. Ltd. v. Kirloskar Proprietary Ltd., MANU/MH/0033/1996 : AIR 1996 (Bom) 149 : 1997 (17) PTC 469 (Bom); Durga Dutt Sharma v. N.P. Laboratories, MANU/SC/0197/1964 : AIR 1965 SC 980 : PTC (Suppl) (2) 680(SC); Tube Investments of India Ltd. v. Trade Industries, 1997 (17) PTC 655; Larsen and Toubro Ltd. v. Lachmi Narain Trades and Ors., 2008 (36) PTC 223 (DB) and the decision of this Court in Larsen and Toubro Ltd. v. Laxmi Industries and Anr. in CS (OS). 686/2004, decided on 11.08.2009].

12. In this case, the Defendants' explanation about the coining of the phrase "EICHER" is in the opinion of the Court prima facie not only unpersuasive it appears to be fantastic, if not dishonest. The trademark "EICHER", as the Plaintiff has been able to show from the materials, was known in the trade and perhaps was even well-known since 1960s. That the Plaintiff did not chose to manufacture bulbs is not; relevant. What it seeks to

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achieve by this litigation is protection of the mark. The Defendants' explanation for the coining of the term is not convincing and has to be prima facie rejected. So far as the question of delay, or use of the mark "EICHER" by other parties is concerned, here too. there is authority that delay in approaching the Court is not fatal in infringement actions. Likewise, the fact that others who are known to the Defendants, and are infringing the mark in question and that the Plaintiff refrained from taking action is not a ground for denial of relief.

13. For the above reasons, the Court is of the opinion that interim injunction made on 13.05.2009 deserves to be confirmed. The Defendants shall be bound by it till further orders.

14. I.A. No. 6400/2009 is allowed in the above terms; for the same reasons. I.A. No, 7498/2009 is dismissed.

CS(OS) 870/2009

List before the Joint Registrar on 03.11.2009; he shall ensure that the parties complete pleadings in the suit and pending applications. The Joint Registrar shall also ensure that the parties exchange affidavits clearly indicating which of the documents of the other party are admitted/denied.

List before the Court on 17.03.2010, for framing issues.

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