

MANU/DE/2939/2012

Equivalent Citation: AIR2013Delhi40, 2012(51)PTC308(Del)

IN THE HIGH COURT OF DELHI

I.A. No. 5464/2010 in CS (OS) No. 803/2010

Decided On: 02.07.2012

Appellants: **M/s Marvel Tea Estate India Ltd.**

Vs.

Respondent: **M/s Nusun Genetic Research Ltd.**

Hon'ble Judges/Coram:

Hon'ble Mr. Justice Manmohan Singh

Counsels:

For Appellant/Petitioner/Plaintiff: Ms. Pratibha M. Singh, Adv.

For Respondents/Defendant: Ms. Sunita K. Sreedharan, Adv.

Subject: Intellectual Property Rights

Acts/Rules/Orders:

Code of Civil Procedure, 1908 (CPC) - Rule 1, Code of Civil Procedure, 1908 (CPC) - Rule 2; Code of Civil Procedure, 1908 (CPC) - Section 151; Trade Marks Act, 1999 (47 Of 1999) - Section 28, Trade Marks Act, 1999 (47 Of 1999) - Section 29, Trade Marks Act, 1999 (47 Of 1999) - Section 29(1), Trade Marks Act, 1999 (47 Of 1999) - Section 29(4), Trade Marks Act, 1999 (47 Of 1999) - Section 31

Disposition:

Application allowed

Citing Reference:

Discussed 22

Case Note:

Intellectual Property - Infringement of Trademark - Section 29 of Trade Marks Act, 1999 - Plaintiff sought for interim injunction restraining infringement of trade mark, rendition of account against Defendant from in any way using word "Marvel" from marketing, selling, offering for sale, advertising directly dealing in goods hybrid rice or use same with any prefix amount to infringement of plaintiff's trade mark - Hence, this Application - Whether, Defendant was guilty of infringement of registered trademark of Plaintiff's trademark MARVEL - Held, as per Section 29(4) of Act, said protection qua different goods was earmarked by Legislature for trademarks which were either highly reputed or well known or famous trademarks and enjoy either high level of distinctiveness or marks which were inherently distinctive in nature or had become distinctive due to their repute; use of which would cause detrimental to distinctive character and repute of trademark only when ingredients of Section 29(4) were satisfied conjunctively which was sub Sections (a), (b) and (c) infringement qua Section 29(4) in relation to different goods was attracted - However, in order to prove case for infringement of trade mark, Plaintiff had to show that essential features of registered trade mark which had been adopted by Defendant had been taken out from Plaintiff's registration - Further, it was not disputed by Defendant that Plaintiff was holding registration of mark Marvel in respect of rice - Moreover, Defendant had not challenged trademark of Plaintiff by filing of rectification Application - Thus, case of infringement of trademark was made out - Application allowed.

Intellectual Property - Similarity between Trademarks - Whether, trademarks used by Plaintiff and Defendant were deceptively similar - Held, Defendant was using essential feature of mark MARVEL was admittedly in respect of goods, i.e. hybrid rice used by Defendant - Further, even most of invoices filed by Defendant show that trademark MARVEL was used exclusively - Moreover, law pertaining to the essential feature of mark was quite and clear - Thus, issue of deceptive similarity between trademarks was decided in favour of Plaintiff - Application allowed.

Intellectual Property - Passing off goods - Trade Marks Act, 1999 - Whether, Defendant was passing

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off its goods as that of Plaintiff - Held, cause of action involved combination of distinctiveness of Plaintiff's name or mark and an injurious use by Defendant of name or mark or similar name or mark, sign, picture or get-up does or does not amount to passing off was in substance question of evidence - However, Plaintiff had been able to make out prima facie case of passing off also - An ex-parte ad interim injunction was granted whereby Defendant was restrained from manufacturing or trading any goods in class 30 of Act under impugned trade mark MARVEL - Moreover, said order had not been vacated so far but Defendant had informed Court that since interim order was not extended after order passed, Defendant had been using same as it was passed till next date - Thus, as no arguments were addressed by counsel for Plaintiff, no order was passed accordingly - Application allowed.

Intellectual Property - Entitlement - Whether, Defendant was entitled to any benefit of user since 2007 as produced in Court - Held, there was no continuous evidence available on record or advertisement in newspaper to establish that Plaintiff was aware about user of Defendant, if any from year of user as claimed by Defendant - Further, Plaintiff had been able to make out strong prima facie case for affirmation of interim order earlier passed and balance of convenience also lies in favour of Plaintiff and against Defendant - Moreover, in case interim order was not passed, Plaintiff would have suffered irreparable loss and injury because Defendant was using same trademark MARVEL in respect of hybrid rice in which Plaintiff had got registration and was already having unique goodwill and reputation in relation to trademark MARVEL in respect of tea business - Thus, till disposal of suit, Defendant was restrained from manufacturing, selling, offering for sale, advertising, directly or indirectly dealing in all goods falling in class 30 and 31 bearing mark MARVEL as and/or any other trade mark, as might be identical with and/or deceptively and confusingly similar to Plaintiff's registered trade mark "MARVEL" - Application allowed.

Ratio Decidendi

"Party shall be restrained from manufacturing, selling, offering for sale, advertising, directly or indirectly dealing in goods which infringes right of other party."

JUDGMENT

Manmohan Singh, J.

1. By this order, I propose to dispose of the pending application under Order XXXIX, Rules 1 and 2 read with Section 151 CPC, being I.A. No.5464/2010, filed by the plaintiff seeking interim injunction restraining the infringement of trade mark, rendition of account against the defendant from in any way using the word "Marvel" from marketing, selling, offering for sale, advertising directly dealing in goods Hybrid Rice or use the same with any prefix amount to infringement of plaintiffs' trade mark.

2. The case of the plaintiff is that:-

(a) The plaintiff is part of Marvel Group of Companies engaged in the business of manufacturing and marketing of goods like tea, soaps, detergent, bleaching preparation, bearing the trade mark Marvel.

(b) The trademark was adopted and conceived the said trade mark Marvel in the year 1994. In the application it is averred that the plaintiff had come to know the illegal trade of the defendant's goods. Defendant was using the trade mark "Nusun Marvel" in their goods and the same were being sold and no formal billing was made.

(c) It is further averred in the application that the plaintiff conducted a public search on the web site of the Trade Marks Registry and thereafter it was revealed that defendant had applied for registration of trade mark Nusun Marvel on 2nd June, 2009 vide application No. 1824521 wherein the defendant has claimed to be a user since 1st June, 2005. The plaintiff further alleges that the defendant had been selling/manufacturing goods under Class 30, 31 in a clandestine manner.

(d) The plaintiff further states that the defendant by adopting plaintiff's trademark is causing a loss to the good will of the plaintiff's reputation. It is also causing a deception in the minds of the general public and thereby creating confusion amongst them. It is also alleged by the plaintiff that plaintiff's goods and defendant's goods are so deceptively similar and thus it is creating a confusion amongst the general consumers. The plaintiff's business and defendant's business are similar. Therefore, an order of injunction is sought by the plaintiff to restrain the defendant from using the impugned trademark "NUSUN MARVEL".

2. The defendant-company is an INR 700 crore seed company engaged in research and development of hybrid seeds for commercial use. The defendant has 190 products in field crops and vegetables with sales in

3. The defendant obtained seed licence under the Seed (Control) Order, 1983 from the Department of Agriculture.

4. In June, 2009, the defendant filed a trademark applications for "NUSUN MARVEL" in classes 30 and 31 which are now pending for registration.

5. The defendant's mark "NUSUN MARVEL" is a composite mark which was adopted by the defendant with honest and bonafide intentions. The mark MARVEL, an ordinary English word, used along with the dominant mark NUSUN which is essential feature of the name of the defendant's company to lend further distinctiveness to the mark as well as providing a source indicator of the goods.

6. It is alleged by the defendant that the plaintiff and the defendant are not engaged in the same line of business. They conduct their respective businesses through different trade channels. The business of the plaintiff is in the sourcing and marketing of tea which is a fast moving consumer goods (FMCG), whereas the defendant's seeds are sold to farmers through seed distributors periodically in every sowing season. The goods produced by defendant are meant to be used for paddy and the same do not come under the category of FMGC. Rather there is caution statement mentioned on the product of the defendant "CAUTION: TREATED WITH POISON (THIRAM + DELTAMETHRIN) DO NOT USE FOR FOOD, FEED OR OIL PURPOSE". Hence, the question of confusion between plaintiff's goods and defendant's goods does not arise. Both sets of goods are distinguishable easily and even illiterate persons will be able to understand the difference between the two products.

7. The defendant states that no damage would be caused to the reputation of the plaintiff, if the defendant is allowed to use the goods for paddy seeds under the mark "NUSUN MARVEL" as it is not adversely affecting any rights of the plaintiff. The plaintiff's reputation, if any, is limited i.e., in relation to "tea" as admitted by them that they have been using the mark MARVEL in relation to tea since 1994.

8. The defendant alleges that they are selling the products all over India (especially Northern India) legally with proper receipts and bills. Hence, no question of infringement and passing off arises as the defendant has been using the said trademark 1999. The defendant has obtained a Centralized Seed License granted on 12th May, 1999 to sell seeds including paddy. The license has been granted under the Seeds Act of 1996 and Seed (Control) Order 1983. The defendant also submits that the whole process takes at least 6 to 8 months and involves a lot of paper works and approval. Hence, the defendant has been a bonafide user of the said trademark.

9. The defendant also submits that the plaintiff's goods is tea and the same falls under Class 30 and the goods of defendant's falls under Class 31. Both are completely different and there can be no confusion. Moreover defendant's goods are purchased exclusively by farmers, whereas plaintiff's products are consumed by general public and used every day.

10. I have heard learned counsel appearing on behalf of both parties. It is pertinent to mention here that earlier the same plaintiff filed the suit being CS(OS) No.2482/2009 along with the interim application being I.A. No.16747/2009 against the third party i.e. P.M. Batra (Prop) M/s Gurukripa Traders who was using the trade mark "MARVEL TOUCH" in respect of spices and wheat flour etc., the goods falling under Class-30. The interim application in the said matter was heard by this Court and after hearing, the defendant was restrained from manufacturing, selling, offering for sale and dealing in the goods like Dhania, Mirthi, Haldi, Atta, Maida etc. The defendant in the said matter filed the appeal before the Division Bench against the order passed on 31st October, 2011. I have been informed by the learned counsels for both the parties that the said appeal was disposed of as defendant agreed not to use the mark Marvel. On the basis of giving an undertaking, the appeal was disposed of.

11. Ms. Prathiba M. Singh, learned counsel for the plaintiff has relied upon the said judgment passed by this Court which is now reported in MANU/DE/4140/2011 : 2012 (49) PTC 82 (Del.). She submits that the present case is covered by the said judgment, as the defendant in the present case is also using the essential feature of the mark "MARVEL" in respect of hybrid rice, the goods which fall in class 30 in which the plaintiff has got the registered trademark "MARVEL" in relation to various goods including rice. One such registration has been granted in favour of the plaintiff bearing No.439740 as of 22.04.2004 in respect of many goods including rice. The learned counsel has not denied that at present, the plaintiff is using the mark MARVEL in respect of rice, but the plaintiff has very much intention to use the same in due course. Therefore, the said item has been reserved by the plaintiff for future purposes. She further submits that even for initiating the action for infringement on the basis of a registered trademark, the user is not required. As far as the case of passing off is concerned, the learned counsel for the plaintiff submits that the good "tea" used by the plaintiff extensively and the mark used by the defendant in respect of hybrid rice, are allied and cognate goods. As per settled law actual confusion and deception is not required in an action for infringement of trademark and passing off. As the plaintiff has unique goodwill and reputation of the trademark Marvel in all parts of India, therefore, the plaintiff has been able to establish its case for infringement of trademark as well as for passing off, the interim order already passed be confirmed. The counsel has also denied the user of 1999 as claimed by the defendant.

manupatra 12. Pleadings of the parties and documents filed by the parties have been examined by this Court. Some material facts are necessary to be referred here which read as under:-

(i) The relevant registered trademarks of the plaintiff:

(a) Trade Mark : MARVEL

Registration No.625297 as of 15.04.1994 in Class-30 in respect of "Tea"

(b) Trade Mark : MARVAL

Registration No.1280137 as of 22.04.2004 in Class-30 in respect of "Tea, Coffee, Cocoa, Rice, Sugar, Salt, Pulses, Spices, Sauces, Noodles, Maida, Suji, Besan, Honey, Ices, Bread, Biscuit, Confectionery, Cake, Namkeen, Pastry, Treacle, Yeast, Baking Powder, Vinegar and Mustard"

(ii) The year-wise sale and publicity expenses of the goods of the plaintiff:

Year	Sales (Rs.)	Publicity Expenses
1994-95	9431	9431
1995-96	88504	88504
1996-97	36225303	196033
1997-98	88966345	849429
1998-99	200111762	7692091
1999-2000	282242688	7719160
2000-01	292161864	12681548
2001-02	393051349	30179775
2002-03	386528147	46231752
2003-04	441041928	69714184
2004-05	451242200	47680348
2005-06	54,95,89,547	63,43,597
2007-08	867264705	-Not given-
2008-09	1159531705	-Do-
2009-10	1077152419	-Do-

(iii) It is submitted by the plaintiff that on account of superior quality of goods of the plaintiff and due to continuous use of the trade mark "MARVEL" and its copyright in the pouches, boxes/carton, the goods of the plaintiff have acquired tremendous reputation and goodwill in the public and trade and the goods of the plaintiff are demanded and recognized by the purchasing public at large. The aforesaid trade mark and copyright in the packing, pouches, tin and goods is exclusively associated with the plaintiff in the minds of purchasing public and they purchased the goods of plaintiff bearing the trade mark "MARVEL" as a guarantee of excellence plaintiff's manufacture and none-else. It has no obvious meaning and cannot be identically copied.

13. The scanned copy of one of the brochure of the plaintiff's products is as under:

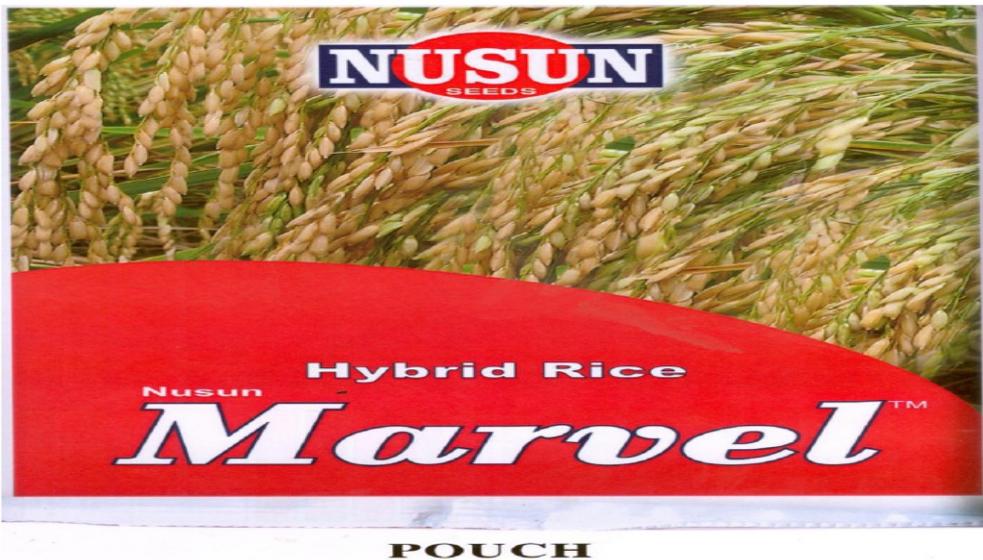


14. The learned counsel for the defendant has relied upon the two sides of colour brochures used by the defendants. It appears from the bottom of back side of the brochures supplied by the counsel for the

manupatra defendant that the defendant's main trademarks in relation to seeds are "Vibha Seeds, Nusun Seeds, and Sinnova", the scanned copy of which is as under:-



Front side brochure/pouch supplied by the counsel shows that in fact, the defendant is using the mark "NUSUN" in respect of the seeds in the following manner, the scanned copy of the same is reproduced here as under:-



A perusal of the bottom part of this brochure shows that the mark "NUSUN" is written in a very small font than the mark "MARVEL" which is used in respect of hybrid rice.

15. Now, coming to the documents filed by the defendant. It is alleged that the defendant has been using the mark MARVEL/NUSUN MARVEL in respect of a variety of paddy/rice seeds since 1999. Annexure-4 filed along with the list of documents filed by the defendant which is a brief profile of the defendant taken from its website shows that the trademarks of the defendant are "Vibha, Nusun and Sinnova". The mark MARVEL in respect of the seeds is not mentioned in the said print. Most of the documents show that the defendant's main trademark is "Vibha Seeds" and appears from the documents that the defendant is known in the market as "Vibha Seeds". At one place, it is mentioned the mark MARVEL as one of the variety mark. The said document is available at page-88 of the list of documents. In nut-shell, most of documents show the defendant's profile. The defendant's main trademarks are "Vibha Seeds" and "Nusun Seeds" and various variety/quality marks are mentioned in the category of Nusun Seeds, the same are mentioned as Sigma, Legend, Fame & Reyflo, Glow, Marvel Crown & Giant, Sarpanch and Pushti. In Annexure-5 which is licence granted to the defendant in 1999 under the Seeds Act, 1966, the various varieties/hybrids marks are mentioned, like Sunflower: Max, Reyflo; Maize: Amaze, Prince, Legend, Bliss etc. In Annexure-6, the defendant has given a consolidated statement of sale figures for three years i.e. from 2007 to 2009. The defendant has also filed the list of purchase orders for advertisement banner and other promotional material bearing the trademark NUSUN MARVEL. The said orders are from the date of April, 2010 where the trademark MARVEL is mentioned in the said purchase orders for promotional material with regard to posters. The defendant has also filed few invoices from the year 2007 bearing the trademark MARVEL which have been issued by the defendant to various parties throughout India in respect of goods in question.

16. No doubt, as per record some evidence from the year 2007 is available about the use of mark MARVEL. But, after having gone through the documents, there is no clear and cogent evidence about the use of mark Marvel to show that it has been using the trademark MARVEL in relation to their goods since the year 1999 as claimed by the defendant. Even the defendant has not filed even a single piece of document about its advertisement on record to claim the user of the mark MARVEL. The present suit has been filed the year 2010. The defendant's counsel has not denied the fact that the plaintiff is holding the registration of the trademark MARVEL in respect of rice, except it is argued by the learned counsel for the defendant that the plaintiff is not dealing in rice at present. The similar arguments were dealt by this Court in the earlier case and

manupatra the matter was decided between the parties.

17. Learned counsel, appearing on behalf of the plaintiff, states that the mark MARVEL has no meaning in the dictionary. It has been adopted by the plaintiff in 1994. The plaintiff has no objection if the defendant may use the word "Marvelous" in relation to its product.

18. In view of the above said facts and circumstances, the following four issues are involved in the matter:-

- (i) Whether the defendant is guilty of infringement of the registered trademark of the plaintiff's trademark MARVEL?
- (ii) Whether the two trademarks MARVEL and NUSUN MARVEL are deceptively similar?
- (iii) Whether the defendant is passing off its goods as that of the plaintiff?
- (iv) Whether the defendant is entitled to any benefit of the user since 2007 as produced in the Court?

19. The law relating to infringement of a registered trademark has been envisaged u/S 29 of the Trade Marks Act, 1999 and exclusive rights granted by virtue of registration under Section 28 which reads as under:-

29. Infringement of registered trade marks -

Infringement of registered trade marks.-

(1) 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 is identical with, or deceptively similar to, the trade mark in relation to goods or services in respect of which the trade mark is registered and in such manner as to render the use of the mark likely to be taken as being used as a trade mark.

(2) 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 because of-

- (a) its identity with the registered trade mark and the similarity of the goods or services covered by such registered trade mark; or
- (b) its similarity to the registered trade mark and the identity or similarity of the goods or services covered by such registered trade mark; or
- (c) its identity with the registered trade mark and the identity of the goods or services covered by such registered trade mark, is likely to cause confusion on the part of the public, or which is likely to have an association with the registered trade mark.

(3) In any case falling under clause (c) of sub- section (2), the court shall presume that it is likely to cause confusion on the part of the public.

(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.

28. Rights conferred by registration -

(1) Subject to the other provisions of this Act, the registration of a trade mark shall, if valid, give to the registered proprietor of the trade mark the exclusive right to the use of the trade mark in relation to the goods or services in respect of which the trade mark is registered and to obtain relief in respect of infringement of the trade mark in the manner provided by this Act.

(2) The exclusive right to the use of a trade mark given under sub-section (1) shall be subject to any conditions and limitations to which the registration is subject.

(3) Where two or more persons are registered proprietors of trade marks, which are identical with or nearly resemble each other, the exclusive right to the use of any of those trade marks shall not (except so far as their respective rights are subject to any conditions or limitations

entered on the register) be deemed to have been acquired by any one of those persons as against any other of those persons merely by registration of the trade marks but each of those persons has otherwise the same rights as against other persons (not being registered users using by way of permitted use) as he would have if he were the sole registered proprietor.

By mere reading of these provisions, it is clear that a registered trademark is infringed by a person who not being a registered proprietor, uses in the course of trade a mark which is identical or deceptively similar in relation to the goods or services which are identical or similar to that in respect of which the trademark is registered without the permission of the trademark owner.

20. So far as infringement qua different goods is concerned, separate enactment of Section 29(4) makes it clear that the strict rigors are prescribed as against the ordinary case of similar goods wherein a registered proprietor has to establish that the registered trademark has reputation in India and is of such a nature wherein the use of the mark by the other side without due cause would tantamount to taking unfair advantage or detrimental to the distinctive character or repute of a trademark.

21. A reading of Section 29(4) of the Act would reveal that the said protection qua different goods is earmarked by the Legislature for the trademarks which are either highly reputed or well known or famous trademarks and enjoy either high level of distinctiveness or the marks which are inherently distinctive in nature or has become distinctive due to their repute; the use of which will cause detrimental to the distinctive character and repute of the trademark only when the ingredients of Section 29(4) are satisfied conjunctively which is sub sections (a), (b) and (c) the infringement qua Section 29(4) in relation to different goods is attracted.

23. It is settled law that in order to prove the case for infringement of trade mark, the plaintiff has to show that the essential features of the registered trade mark which has been adopted by the defendant has been taken out from the plaintiff's registration. Only the marks are to be compared by the Court and in case the registration is granted in favour of the plaintiff, he acquires valuable right by reason of the said registration. The following are the judgments which are relevant to be referred for the purpose of infringement of the trade mark:

i. Kaviraj Pandit Durga Dutt Sharma v. Navaratna Pharmaceutical Laboratories MANU/SC/0197/1964 : AIR1965SC980 - at 989- 990 page wherein it was held that:

The action for infringement is a statutory remedy conferred on the registered proprietor of a registered trade mark for the vindication of the exclusive right to the use of the trade mark in relation to those goods

if the essential features of the trade mark of the plaintiff have been adopted by the defendant, the fact that the get-up, packing and other writing or marks on the goods or on the packets in which he offers his goods for sale show marked differences, or indicate clearly a trade origin different from that of the registered proprietor of the make would be immaterial

ii. In the case of American Home Products v. Mac Laboratories MANU/SC/0204/1985 : AIR 1986 SC 137 in Para 36 it was held as under:

When a person gets his trade mark registered, he acquires valuable rights by reason of such registration. Registration of his trade mark give him the exclusive right to the use of the trade mark in connection with the goods in respect of which it is registered and if there is any invasion of this right by any other person using a mark which is the same or deceptively similar to his trade mark, he can protect his trade mark by an action for infringement in which he can obtain injunction.

iii. In the case of National Bell Co. v. Metal Goods Mfg. Co. AIR 1971 SC 898 903 it was held as under:

On registration of a trade mark the registered proprietor gets under Section 28 the exclusive right to the use of such trade marks in relation to the goods in respect of which the trade mark is registered and to obtain relief in respect of any infringement of such trade mark.

iv. M/s Avis International Ltd. vs. M/s Avi Footwear Industries and another, reported in AIR 1991 Delhi 22, the relevant paras of which read as under:

14. At this stage of the case, we have no affidavit against another affidavit, and in view of the statutory provisions of Ss. 28 and 31 of the Trade and Merchandise

Marks Act, it would be appropriate to rely upon contentions of the plaintiffs.

17. In my view, the statutory monopoly which has been conferred upon the plaintiffs in connection with use of the mark AVIS for any other consideration in relation to grant or non-grant of an injunction, especially when the matter is at an interlocutory stage.

23. So in the present case, it is not disputed by defendant that the plaintiff is holding the registration of the mark Marvel in respect of rice. The defendant has not challenged the trademark of the plaintiff by filing of rectification application. Thus, in view of settled law, prima facie, case of infringement of trademark is made out.

24. The judgment passed in the case of Midas Hygiene vs. Sudhir Bhatia and Ors., reported in MANU/SC/0186/2004 : 2004 (28) PTC 121 (SC) Para-5, it was held as under:

The grant of injunction also becomes necessary if it prima facie appears that the adoption of the Mark was itself dishonest.

25. As regards issue No.2 as to whether the trademark used by the defendant is deceptively similar or not, it appears that the defendant is using the essential feature of the mark MARVEL is admittedly in respect of the goods, i.e. hybrid rice used by the defendant. Even, most of the invoices filed by the defendant show that the trademark MARVEL is used exclusively. The law pertaining to the essential feature of the mark is quite and clear. The Division Bench of this Court in the case of M/s. Atlas Cycle Industries Ltd. vs. Hind Cycle Ltd., reported in ILR 1973 Delhi 393 has dealt with some issues in great details. The findings given by the Bench are reproduced as follows:

In an action for an alleged infringement of a registered trade mark, it has first to be seen whether the impugned mark of the defendant is identical with the registered mark of the plaintiff. If the mark is found to be identical, no further question arises, and it has to be held that there was infringement. If the mark of the defendant is not identical, it has to be seen whether the mark of the defendant is receptively similar in the sense that it is likely to deceive or cause confusion in relation to goods in respect of which the plaintiff got his mark registered. For that purpose, the two marks have to be compared, 'not by placing them side by side. but by asking itself whether having due regard to relevant surrounding circumstances, the defendant's mark as used is similar to the plaintiff's mark as it would be remembered by persons possessed of an average memory with its usual imperfections', and it has then to be determined whether the defendant's mark is likely to deceive or cause confusion.

26. In Taw Manufacturing Coy. Lid. v. Notek Engineering Coy. Ltd. and another, reported in (1951) 68 RPC 271(2), the monopoly right claimed under the registered trade mark related to Motor Lamps and consisted of a pictorial device and the word "Taw". The device comprised of a representation of the full-faced view of a cat's head, wherein the eyes were drawn in the form of a motor ear headlamps and the whole was superimposed upon an open body motor ear viewed from the front in a manner as to substitute the cat's head for She bonnet and radiator as normally seen. The device that was the subject matter of challenge consisted of a square panel with informative particulars printed below. The panel depicted a full-faced view of a cat's head with the eyes drawn as motor car headlamps, beneath which was the caption "Let Notek be your eyes in fog and darkness". The disposition and lettering was such as to lead the render to lake particular notice of the device with the word "Notek" beneath it. The question for decision was whether there was infringement by the latter device of the former registered trade mark. The Court held:

A trade mark is infringed if a person other than the registered proprietor or authorised user uses, in relation to goods covered by the registration, one or more of the trade mark's essential particulars. The identification of an essential feature depends partly upon the Court's own judgment and partly upon the burden of the evidence that is placed before the Court.

27. In the case of Kedar Nath vs. Monga Perfumery & Flour Mills, Delhi-6, reported in MANU/DE/0014/1974 : AIR 1974 Delhi 12, under the similar circumstances, the Court held that the case of infringement of the trademark is made out. The two rival trademarks in the said case were SUDERSHAN and VIJAY SUDERSHAN. The relevant paras-13, 14 & 15 of the said judgment read as under:-

13. The certificate of registration of the trademark is Prima facie evidence of the validity thereof under Section 31 of the Act. The registration of the trade mark, if valid, elves to the registered proprietor of the trade mark under Section 28 of the Act the exclusive right to its use in relation to the goods in respect of which it is registered and further to obtain relief in respect of its infringement in the manner provided by the Act. Under Section 29(1) of the Act:

29. (1) A registered trade mark is infringed by a person who not being the registered proprietor of the trade mark or a registered user thereof using by way of permitted use uses in the course of trade a mark which is identical with, or deceptively similar to the trade mark, in relation to any goods in respect of which the trade mark is registered and in such manner as to render the use of the mark likely to be taken as being used as a trade mark.

14. xxxxxxxxxxxxxxxx

On an ocular examination it appears that there is close similarity and identity in the essential features of the two cartons. In my opinion the carton, mark and the label etc. of the defendant constitute a clear infringement of the plaintiff's registered trademark and of his statutory right to its exclusive use. The infringement of the registered trademark of the plaintiff committed by the defendant, being contrary to the provisions of Section 28, is illegal and defendant cannot be allowed to continue in its illegal activity. The balance of convenience is in favor of the plaintiff. The defendant has several other brands of dhoop and he can carry on his business of selling dhoop-batti in the other brands. As the defendant has failed to place material facts before the Court from which it can be inferred that the defendant has been using his trade mark since 1952, I have not considered it necessary to put the plaintiff on terms. The plaintiff has a statutory right to the exclusive use of the trademark. He complains of infringement. To protect his right in the property, far trademark is a property; an injunction should be issued in his favor.

15. I would, therefore, accept the application, I. A. 1032 of 1972 and grant a temporary injunction to the, Petitioner restraining the respondent, its servants, agents, representatives from manufacturing, selling or offering for sale or otherwise dealing in dhoop bearing the trade mark Sudershan with or without any prefix or suffix and from printing reproducing, using wrappers and cartons as are identical or deceptively similar to the wrappers and cartons of the petitioner.

28. In the case of James Chadwick & Bros. Lid. vs. The National Sewin Thread Co. Ltd.; MANU/MH/0063/1951 : AIR 1951 Bom 147 the Court ruled that in an action for infringement what is important is to find out what was the distinguishing or essential feature of the trade mark already registered and what is the main feature or the main idea underlying the trade mark. In Parle Products (f) Ltd. v. J.P. & Co. Mysore.: 1972 3 SCR 289 the SC took the same view. In view of the settled law as referred above, it is clear that two marks are deceptively similar to each other. Thus, issue No.2 is decided in favour of the plaintiff.

29. Now, coming to the third issue pertaining to the passing off, the following are the essential characteristics of an action of passing off:-

(A) In Erven Warnink B.V. v. J. Townend & Sons (Hull) Ltd., 1980 RPC 31, Lord Diplock stated the essential characteristics of a passing off action as under:

(1) misrepresentation, (2) made by a person in the course of trade, (3) to prospective customers of his or ultimate consumers of goods or services supplied by him (4) which is calculated to injure the business or goodwill of another trader (in the sense that this is a reasonably foreseeable consequence and (5) which causes actual damage to a business or goodwill of the trader by whom the action is brought or (in a quia timet action) will probably do so.

(B) The essentials of passing off action in Halsbury's Laws of England Vol. 38 (3rd Edition) para 998 as given below are worth noting:

998. Essentials of the cause of action

The plaintiff must prove that the disputed name, mark, sign or get up has become distinctive of his goods in the sense that by the use of his name or mark, etc in relation to goods they are regarded, by a substantial number of members of the public or in the trade, as coming from a particular source, known or unknown; it is not necessary that the name of the plaintiff's firm should be known.....The plaintiff must further prove that the defendant's use of name or mark was likely or calculated to deceive, and thus cause confusion and injury, actual or probable, to the goodwill and the plaintiff's business, as for example, by depriving him of the profit that he might have had by selling the goods which ex hypothesi, the purchaser intended to buy. Thus, the cause of action involves a combination of distinctiveness of the plaintiff's name or mark and an injurious use by the defendant of the name or mark or a similar name or mark, sign, picture or get-up does or does not amount to passing off is in substance a question of evidence; the question whether the matter complained of is likely to deceive is a question for the Court.

The law does not permit any one to carry on his business in such a way as would persuade the customers or clients in believing that his goods or services belonging to someone else are his or are associated therewith. It does not matter whether the latter person does so fraudulently or otherwise. The reasons are two. Firstly, honesty and fair play are, and ought to be, the basic policies in the world of business. Secondly, when a person adopts or intends to adopt a name in connection with his business or services which already belongs to someone else it results in confusion and has propensity of diverting the customers and clients of someone else to himself and thereby resulting in injury.

In this case, the Apex Court further observed that:

Where there is probability of confusion in business, an injunction will be granted even though the defendants adopted the name innocently.

31. The judgment passed in the case of B.K.Engineering Co. vs. Ubhi Enterprises and Anr., reported in 1985 PTC 1, Para-57, it was held as under:-

Trading must not only be honest but must not even unintentionally be unfair.

32. In passing off action, it is held in various cases include in the case of Century Traders Vs. Roshan Lal Duggar, reported in MANU/DE/0153/1977 : AIR 1978 Delhi 250 (DB) referred by counsel for the defendants that actual deception is not necessary in order to establish the case of passing off.

33. As regards the goods, i.e. tea and hybrid rice, it is not disputed by the learned counsel for the defendant that the plaintiff is holding the registration in respect of rice. The counsel has also not disputed the fact that the plaintiff has been using the mark Marvel in extensive way and it has acquired goodwill and reputation in respect of tea business. In passing off action, the mark can be protected in relation to dis-similar goods in case of chance of likelihood of confusion and deception and a case with that regard is made out. The following decisions are referred in this regard:-

(a) L.R.C. International Limited and another v. Lilla Edets Sales Company Limited, reported in 1983 RPC 560, wherein an action of passing off held to a maintainable by a manufacturer of household gloves and plastic pants for babies, employing the trade mark "Marigold" against a party that had adopted the said trade mark for toilet tissues and prayer for interlocutory injunction to restrain this passing off was allowed upholding the contention that the goods were sold through the same shops on the same counter and bought by housewives and also taking into consideration the plea that the plaintiffs planned to extend the area of their operations by going in future in to manufacture of toilet tissues also and they were thus entitled to protection. In this case, the plea that when placed side by side, the respective trademarks could be observed to be not exactly similar was also rejected, on the view that where there is general similarity in details, particularly when the marks are not seen side by side, and when those similarities are striking then the party adopting the trade mark or trading style at a later point of time has to be restrained, and that it was not possible to imagine that confusion would not in fact result.

(b) Lego System Aktieselskab and Another v. Lego M. Lemeistrich Ltd., Fleet Street Reports (1983) 154, in which it was held that once it is shown that the plaintiff had acquired high reputation in the trade mark (Lego in the case) which were trading in toys and construction kits, there could be no limitation in respect of parties' field, and activities so far as passing off action was concerned and in case there was likelihood of a person being misled that the goods marketed by the defendant were products of the plaintiff or connected with them, injunction should issue. The contention as to actual damages being proved as an essential ingredient for getting relief was also rejected, although defendant's activity consisted of manufacturing of irrigation equipment including garden sprinklers for the reason that both sets of goods were made of coloured plastic material and it was held on the basis of judgment in the case of Advocate that as a necessary ingredient to found a cause of action in passing off, there was no limitation as to the relation of field of activity of the defendant to that of the plaintiff.

(c) In the case of Banga Watch Company vs. N.V. Philiphs, reported in MANU/PH/0145/1983 : AIR 1983 P&H 418, the plaintiff M/s. N.V. Philliphs was using the trade mark PHILLIPHS, which had become a household mark and acquired enviable reputation in India and throughout the world dealing in electrical and electronics goods. The defendant was using the trade mark PHILLIPHS in request of watches and clocks.

(d) In the case of Bata India Ltd. vs. Pyare Lal & Co., reported in MANU/UP/0168/1985 : AIR 1985 All. 242, the plaintiff was using the trade mark in respect of canvas, rubber, leather shoes, rubber footwear, etc., whereas the defendant started using the trade mark Bata and Batafoam in relation

to mattresses. The Court after discussing in detail the law on passing off action granted injunction in favor of the plaintiff despite the fact that the same trade mark was being used for different goods.

34. After having considered the abovementioned decisions and facts and circumstances in the matter, it appears to me that the plaintiff has been able to make out a prima facie case of passing off also.

35. One more aspect of the matter is that when the suit was listed first time before court along with interim application. An ex-parte adinterim injunction was granted on 28.04.2010 whereby the defendant was restrained from manufacturing or trading any goods in the class 30 of the Trade Marks Act under the impugned trade mark MARVEL. The said order has not been vacated so far but counsel for the defendant has informed the Court that since the interim order was not extended after the order passed on 28th April, 2010, therefore, the defendant has been using the same as it was passed till the next date. As no arguments were addressed by the learned counsel for the plaintiff in this aspect, hence no order is passed accordingly.

36. Lastly the learned counsel for the defendant has argued that there is a delay on the part of the plaintiff in bringing the action before this court. Let me mention here that no clear and cogent evidence has been produced by the defendant regarding user claimed except few invoices from the period 2007, 2008 and 2009 have been filed. No separate sale and advertisement figures have been filed bearing the mark Marvel so as advertisement material. Thus, it is very difficult to give the benefit of user as claimed by the defendant. Few decisions on the aspect of delay are referred as under:

a) In the case of Midas Hygiene Industries Pvt. Ltd. vs. Sudhir Bhatia and others, 2004 (Vol.28) PTC 121, relevant para-5 of the said judgment is as under:

5. The law on the subject is well settled. In cases of infringement either of Trade Mark or of Copyright normally an injunction must follow. Mere delay in bringing action is not sufficient to defeat grant of injunction in such cases. The grant of injunction also becomes necessary if it prima facie appears that the adoption of the Mark was itself dishonest.

b) In the case of Swarn Singh vs. Usha Industries (India) and Anr., AIR 1986 Delhi 343 (DB) it was held as under :

There is then the question of delay. Learned counsel for the respondents had urged that the delay is fatal to the grant of an injunction. We are not so satisfied. A delay in the matter of seeking an injunction may be a ground for refusing an injunction in certain circumstances. In the present case, we are dealing with a statutory right based on the provisions of the trade and Merchandise Marks Act, 1958. An exclusive right is granted by the registration to the holder of a registered trade mark. We do not think statutory rights can be lost by delay. The effect of a registered mark is so clearly defined in the statute as to be not capable of being misunderstood. Even if there is some delay, the exclusive right cannot be lost. The registered mark cannot be reduced to a nullity.....

c) In the case of Hindustan Pencils Pvt. Ltd. Vs. M/s India Stationery Products Co., MANU/DE/0383/1989 : AIR 1990 DELHI 19 it was held as under :

It was observed by Romer, J. in the matter of an application brought by J.R. Parkinson and Co. Ltd., (1946) 63 RPC 171 181 that "in my judgment, the circumstances which attend the adoption of a trade mark in the first instance are of considerable importance when one comes to consider whether the use of that mark has or has not been a honest user. If the user in its inception was tainted it would be difficult in most cases to purify it subsequently". It was further noted by the learned Judge in that case that he could not regard the discreditable origin of the user as cleansed by the subsequent history.

d) In the case of M/s. Bengal Waterproof Lim. Vs. M/s. Bombay Waterproof Manufacturing Co. MANU/SC/0327/1997 : AIR 1997 SC 1398 it was held as under :

20.....It is now well settled that an action for passing off is a common law remedy being an action in substance of deceit under the Law of Torts. Wherever and whenever fresh deceitful act is committed the person deceived would naturally have a fresh cause of action in his favour. Thus every time when a person passes off his goods as those of another he commits the act of such deceit. Similarly whenever and wherever a person commits breach of a

registered trade mark of another he commits a recurring act of breach or infringement of such trade mark giving a recurring and fresh cause of action at each time of such infringement to the party aggrieved. It is difficult to agree how in such a case when in historical past earlier suit was disposed of as technically not maintainable in absence of proper relief, for all times to come in future defendant of such a suit should be armed with a license to go on committing fresh acts of infringement and passing off with impunity without being subjected to any legal action against such future acts.

37. From the material produced by the defendant, it appears from the documents that the defendant has merely filed few invoices for the years 2007, 2008 and 2009 for use of the trademark MARVEL. There is no continuous evidence available on record or advertisement in the newspaper to establish that the plaintiff was aware about the user of the defendant, if any, from the year of user as claimed by the defendant. In any case, in an action for infringement the delay is not fatal.

38. Considering the overall facts and circumstances of the case, the plaintiff has been able to make out a strong prima-facie case for affirmation of the interim order earlier passed on 28th April, 2010. The balance of convenience also lies in favour of the plaintiff and against the defendant. In case the interim order is not passed, the plaintiff will suffer irreparable loss and injury because the defendant is using the same trademark MARVEL in respect of hybrid rice in which the plaintiff has got the registration and is already having a unique goodwill and reputation in relation to the trademark MARVEL in respect of tea business.

39. Having regard to all these circumstances, the present application is allowed. Thus, till the disposal of the present suit, the defendant is hereby restrained from manufacturing, selling, offering for sale, advertising, directly or indirectly dealing in all the goods falling in class 30 and 31 bearing the mark MARVEL as and/or any other trade mark, as may be identical with and/or deceptively and confusingly similar to the plaintiff's registered trade mark "MARVEL" which results in infringement of trade mark of the plaintiff so as to pass off or enable others to pass off the defendant's goods/product and/or business and/or services as and for the goods/products/business and service of the plaintiff and/or some way connected with the plaintiff. The application is accordingly disposed of.

40. However, the defendant is granted six months' time to dispose of the existing material, if any, bearing the trademark NUSUN MARVEL. The findings given herein are tentative which shall not have bearing in any manner when the matter would be considered by the Court after the trial.

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The issues in this matter have already been framed. Both the parties have already filed their respective affidavits as evidence. The matter is at the stage of trial which is expedited. Accordingly, Sh. S.K. Tandon (retired Additional and Sessions Judge, Delhi) (Mob. 9811719888), is appointed as a Court Commissioner to record the evidence of the parties. He shall make endeavour to complete the evidence of the parties within a period of 6-9 months. Let the matter be listed before the Court Commissioner on 2nd August, 2012 at 4:00 pm for directions regarding the recording of evidence of the parties in the High Court premises. His fee is fixed at Rs.60,000/- which shall be paid by the plaintiff. The remaining fee would be fixed, if necessary, depending upon the evidence and time consumed in the matter. The Dealing Assistant of the matter will produce the record of the case before the Court Commissioner on all the dates fixed by him for the purpose of recording the evidence of the parties. He be paid diet money as per rules, by the parties concerned. The parties are also granted liberty to take the assistance of the Registry for the purpose of summoning the witness(s). A copy of this order be sent to the Court Commissioner.