

***IN THE HIGH COURT OF DELHI AT NEW DELHI**

Date of decision: 2nd July, 2010.

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CS(OS) No.2500/2007

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DUKE FASHIONS (INDIA) LTD.

..... Plaintiff

Through: Mr. Sandeep Sethi, Sr. Advocate with
Ms. Anuradha Salhotra, Mr. Sumit
Wadhwa, Ms. Bhavna Gandhi, Mr.
Amritesh Mishra & Ms. Reetika Walia,
Advocates.

Versus

GIRISH HOSIERY & ORS.

..... Defendants

Through: Mr. Amarjit Singh, Advocate with Mr.
Survinder Singh, Mr. Gurpreet Singh,
Ms. Navneet Momi, Ms. Supreet &
Mr. Dhruv Bhagat, Advocates.

AND

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CS(OS) No.1608/2008

GIRISH HOSIERY PVT. LTD.

..... Plaintiff

Through: Mr. Amarjit Singh, Advocate with Mr.
Survinder Singh, Mr. Gurpreet Singh,
Ms. Navneet Momi, Ms. Supreet &
Mr. Dhruv Bhagat, Advocates.

Versus

DUKE FASHIONS (INDIA) LTD.

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Through: Mr. Sandeep Sethi, Sr. Advocate with
Ms. Anuradha Salhotra, Mr. Sumit
Wadhwa, Ms. Bhavna Gandhi, Mr.
Amritesh Mishra & Ms. Reetika Walia,
Advocates.

CORAM :-

HON'BLE MR. JUSTICE RAJIV SAHAI ENDLAW

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| 1. | Whether reporters of Local papers may be allowed to see the judgment? | No |
| 2. | To be referred to the reporter or not? | No |
| 3. | Whether the judgment should be reported in the Digest? | No |

RAJIV SAHAI ENDLAW, J.

1. The applications for interim relief in the two suits are for adjudication.
2. CS(OS) No.2500/2007 was instituted first against M/s Girish Hosiery, Mr. Kanwar Singh, Mr. Inderpreet Singh & M/s Punjab Agencies Pvt. Ltd. for restraining them from infringing the trademark "Duke" of the plaintiff therein viz. M/s Duke Fashions (India) Ltd. (hereinafter called as "Duke Fashions") and also for the reliefs of injunction, passing off, infringement of copyright, accounts etc. On application, being I.A. No.14687/2007 in the said suit, the defendants were restrained from using the mark "Duke" or from passing off their goods under the said mark as that of M/s Duke Fashions. The defendant no.1 M/s Girish Hosiery was initially sued through its proprietor Mr. Narayan Poddar and on it being disclosed that Mr. Narayan Poddar was no more on the date of institution of the suit, vide order dated 22nd May, 2008, Mr. Dilip Poddar was permitted to be substituted in place of Mr. Narayan Poddar as proprietor of the defendant no.1 M/s Girish Hosiery. Upon it being subsequently disclosed that M/s

Girish Hosiery, initially a proprietorship, had been converted into a partnership firm and that the business of the said partnership firm had been taken over by M/s Girish Hosiery Pvt. Ltd., vide order dated 9th January, 2009 the said M/s Girish Hosiery Pvt. Ltd. was added as a defendant. The defendants have filed I.A. No.9887/2008 under Order 39 Rule 4 of the CPC. Thus I.A. No.14687/2007 & I.A. No.9887/2008 are for adjudication in this suit.

3. M/s Girish Hosiery Pvt. Ltd. subsequently instituted CS(OS) 1608/2008 for restraining Duke Fashions from infringing its trademark or from passing off its goods under the trademark as that of M/s Girish Hosiery Pvt. Ltd. and for the ancillary reliefs of accounts, delivery etc. Along with the said suit, application for interim relief being I.A. No.9607/2008 has also been filed and which is also for adjudication. Besides, the aforesaid applications for interim reliefs, application being I.A. No.178/2009 of M/s Girish Hosiery Pvt. Ltd. under Section 124(1)(ii) of the Trademark Act in CS(OS) No.1608/2008 is also for consideration.

4. Duke Fashions instituted the suit claiming to be a pioneer in T-shirt culture in the country and engaged in the business of manufacturing and marketing of high quality thermal wears, *inter alia* under the brand name “Duke”; it was disclosed in the plaint that the mark “Duke” was initially registered in the name of members of the Jain family and in which Duke

Fashions had acquired rights by way of assignment deed dated 25th October, 1998; though in the plaint the various registrations in the name 'Duke' or similar names were cited but without giving the dates of registration and only citing the dates till when the said registrations were renewed / valid; in the said list registrations in Class 25 (with which the present suit is concerned) i.e. Clothing, knitwears were also cited, besides those in Classes 1, 8, 13, 15, 16, 17, 23, 24, 26, 28 & 35; Duke Fashions though also gave particulars of its sales all over India and in Delhi and the advertising and publishing expenses for sale of its goods under the trademark "Duke" from the year 1999 to 2007 but without giving the figures of sale and publicity expenses of goods under Class 25 separately; Duke Fashions claiming to have learnt in or around last week of November, 2007 of use of "Duke" by Girish Hosiery (which shall include all the defendants in CS(OS) No.2550/2007 including Girish Hosiery Pvt. Ltd.) and further claiming to be 'shocked' on making enquiries and having learnt of the registration of the trademark "Duke Girish" (as distinct from "Duke") by the "defendants" instituted the suit claiming the reliefs as aforesaid.

5. M/s Girish Hosiery has contested the suit filed by Duke Fashions *inter alia* on the following pleas:

- (i) that it / its predecessor is the registered proprietor of "Duke Girish" since 29th October, 1974 and that in use since 1968 i.e. since much

prior to the claim of Duke Fashions of adoption and / or use of the trademark “Duke”; (ii) that it / its predecessor has been continuously / exclusively and extensively been using the trademark “Duke” since the year of adoption i.e. 1968; (iii) that the registration of the trademark “Duke Girish” was granted to it with a disclaimer to the exclusive use of the word “Girish” and thus the essential feature of its trademark was ‘Duke’ alone; (iv) that M/s Girish Hosiery being a registered proprietor of the trademark with respect whereunto suit was filed, the suit insofar as on the ground of infringement is barred by Section 28(3) of the Trade Marks Act, 1999; (v) that the suit is also barred under Section 30(2)(e) of the Act; (vi) that the suit for the relief of passing off also is not maintainable because M/s Girish Hosiery and / or its predecessor have been using trademark since prior to adoption / registration by Duke Fashions; (vii) that it has extensively used the trademark “Duke” and spent huge amounts on popularizing the same; (viii) M/s Girish Hosiery also pleaded copyright registration of its label “Duke” since 1978 i.e. much prior to that of Duke Fashions; (ix) that the registrations by Duke Fashions in Classes other than Class 25 are not relevant for the purposes of the present suit; (x) Duke Fashions has intentionally suppressed from the Court that the examination report issued on 4th April, 1983 when Duke Fashions had applied for registration of the trademark “Duke” in Class 25 had mentioned the prior registration of “Duke Girish”; Duke Fashions was

thus since then aware of the registration “Duke Girish” with respect where to suit was filed and in the plaint has falsely expressed ‘shock’ of learning of the registration for the first time only in the last week of November, 2007; it is pleaded that Duke Fashions is not entitled to any discretionary interim relief on this ground alone; (xi) Duke Fashions at the time of obtaining *ex parte* relief also did not inform the Court of the disclaimer of the exclusive use of word ‘Girish’ of which it must have learnt on enquiry as pleaded in the plaint and for which suppression also Duke Fashions is not entitled to the interim relief; (xii) that the documents and advertisements relied on by Duke Fashions are all of just prior to the institution of the suit and do not disclose a long standing use of the trademark “Duke “ in Class 25 by the Duke Fashions; (xiii) Duke Fashions is not entitled to interim relief on the ground of laches, acquiescence and waiver i.e. of inspite of learning of registration by M/s Girish Hosiery on receiving the examination report issued on 4th April, 1983 as aforesaid having instituted the suit only in the year 2007; (xiv) that registration in favour of Duke Fashions is in violation of Section 11 & 12 of the Act and for which Girish Hosiery Pvt. Ltd. prior to being made party to the suit No.2500/2007 and prior to institution of CS(OS) No.1608/2008 had already applied under Section 124.

6. Duke Fashions in its replication has *inter alia* pleaded that Girish Hosiery had not been using its trademark since long prior to the application for registration by Duke Fashions. It has sought to explain away the alleged suppression of knowledge of trademark of the defendants in 1983 by contending that the events leading to registration of its trademark were not relevant. The other alleged suppression of disclaimer of exclusive use of “Girish” is sought to be explained by pleading that such disclaimer does not change the registration from “Duke Girish” to “Duke” alone. It is contended that it is Girish Hosiery which, after Duke Fashions had popularized the trademark mischievously attempted to pass off its goods as that of Duke Fashions.

7. There is no need to detail the pleadings in the suit being CS(OS) No.1608/2008, as the same are materially the same as detailed above. The variance, if any, would be noted in the contentions of the counsels.

8. The hearing on the applications itself had spread over a long period of time and further since considerable time has elapsed since conclusion of hearing, and to do justice to the submissions made, it is deemed expedient to list out the same also in detail.

9. The senior counsel for Duke Fashions has contended:

(i) That Girish Hosiery has not been using its trademark “Duke Girish” since 1974 and for this reason only did not oppose the registration applied for by Duke Fashions in 1981; (ii) It is only now, just prior to the institution of the suit, when Duke Fashions has built tremendous goodwill and market for its goods under the name “Duke” that Girish Hosiery with *mala fide* intention intended to pass off its goods as that of Duke Fashions; (iii) Registration of the mark “Duke Girish” without its use is of no consequence; (iv) that besides the relief of infringement for which the suit was filed, the suit for the relief of passing off is in any case maintainable. Reliance is placed on Section 27 (2) of the Act. It is contended that prior use is superior and Girish Hosiery had abandoned the mark by its non user; (v) that it is clearly made out from the documents that Girish Hosiery had adopted the trade packaging / dress of Duke Fashions; (vi) What Girish Hosiery is using now is not what was registered as far back as in 1974; (vii) Similarities in the packaging adopted by Girish Hosiery in 2007 with that of Duke Fashions are pointed out; (viii) that though Duke Fashions has given figures of its sales as well as of amount spent on publicity, Girish Hosiery has failed to plead the same; (ix) Duke Fashions since the year 1981 had applied for and obtained as many as 34 registrations of the mark “Duke” and Girish Hosiery had not opposed even one of those; a clear case of acquiescence, waiver and estoppel is made out; (x) the earlier advertisement of the year

1990 of Duke Fashions filed with the list of documents is pointed out;

(xi) *Mala fides* of Girish Hosiery are sought to be shown from the adoption of an e-mail I.D. deceptively similar to that of Duke Fashions; (xii) It is contended that Duke Fashions, though owner of other trademarks also, is not using any other trademark except “Duke” and thus the sale figures and publicity expenses cited are of trademark “Duke” only and of no other trademark; it is however admitted that there is no other averment to the said effect in the pleadings; (xiii) From the documents of Girish Hosiery, it is pointed out that the mark is not “Duke” as of Duke Fashions but of “Girish Duke Calcutta”; (xiv) it is further pointed out from documents filed by Girish Hosiery that sales in the year 2005-06 were only of Rs.2.46 lacs in comparison to the sales of Duke Fashions of over Rs.40 crores; (xv) from yet other documents filed by Girish Hosiery, it is pointed out that the mark earlier being used was “Girish” and not “Duke”; (xvi) It is contended that invoices from 1987 to 1999 filed by Girish Hosiery to show use of the trademark are fabricated being in favour of one party only, in the same handwriting, prepared on the same day and through the same broker and not containing any sales tax number; on enquiry, it is informed that though local sales tax in West Bengal was exempted but the Central Sales Tax was leviable and since the sales in the said invoices were from Calcutta to Delhi, the fact that no sales tax element was shown clearly established that the invoices were

fabricated; (xvii) the advertisements filed by Girish Hosiery are pointed out to be of the same year i.e. 1996 and 1997 and of a local newspaper limited to West Bengal only; (xix) from the date of issuance (1st January, 1992) of certified copy of the Duke Fashions trade mark bearing No.383896, filed by Girish Hosiery, it is contended that Girish Hosiery since 1992 had knowledge of the registration in favour of Duke Fashions but still neither took any action nor opposed any subsequent registrations applied for by Duke Fashions; (xx) Attention was invited to Duke Fashions' invoices since February, 1992 and to affidavits of various trade persons filed stating that they associate the trade mark "Duke" with Duke Fashions only; (xxi) it is pointed out from the documents filed by Girish Hosiery that the first document of use filed is from the year 1983 onwards and which is also suspect as aforesaid; from the same, it is contended that the use *prima facie* shown by Girish Hosiery is from after the date of registration by Duke Fashions; it is urged that prior user scores over prior registration and Duke Fashions is entitled to interim relief on this ground alone; (xxii) Argument of abandonment of the trademark issued to Girish Hosiery is urged; (xxiii) Deception is attributed to Girish Hosiery for dropping "Girish" from its mark since 2007 onwards; (xxiv) A compilation of the following judgments is also handed over:

- (i) ***Usha International Ltd. Vs. Usha Television Ltd.*** 1987 PTC 240A.
- (ii) ***Century Traders Vs. Roshan Lal Duggar & Co.*** AIR 1978 (Del.) 250
- (iii) ***Corn Products Refining Co. Vs. Shangrila Food Products Ltd.*** 1960 (1) SCR 968.
- (iv) ***N.R. Dongre Vs. Whirlpool Corporation*** MANU/DE/0700/1995.
- (v) ***Pioneer Nuts & Bolts Pvt. Ltd. Vs. Goodwill Enterprises*** MANU/DE/0814/2008.
- (vi) ***Amritdhara Pharmacy Vs. Satya Deo Gupta*** AIR 1963 SC 449.
- (vii) ***Om Prakash Gupta Vs. Parveen Kumar*** MANU/DE/1199/2000.
- (viii) ***Sona Spices Pvt. Ltd. Vs. Soongachi Tea Industries Pvt. Ltd.*** MANU/DE/3457/2006.

- (ix) ***Radhika Agro Industries Pvt. Ltd. Vs. Paawan Agro Foods Ltd.*** MANU/DE/1335/1998.
- (x) ***Cluett Peabody & Co. Inc Vs. Arrow Apparels*** 1998 PTC (18) 156.
- (xi) ***Evergreen Sweet House Vs. Ever Green*** 2008 (38) PTC 325 (Del.).
- (xii) ***Metropol India (P) Ltd. Vs. Praveen Industries India (Regd.)*** 1997 (43) DRJ (DB).
- (xiii) ***N.R. Dongre Vs. Whirlpool Corporation*** 1996 (7) JT SC 555.
- (xiv) ***Winthrop Products Inc. Vs. Eupharma Laboratories Ltd.*** 1998 PTC (18) 213 (Bom).
- (xv) ***Midas Hygiene Industries Pvt. Ltd. Vs. Sudhir Bhatia*** 2004 (28) PTC 121 (SC).

10. The counsel for Girish Hosiery has contended:

- (i) Duke Fashions was earlier marketing thermal wears under the trademark “Neva” and used “Duke” for thermal wears in 2007 only as borne out from the plaint in CS(OS) No. 2500/2007; a *mala fide* shift

in the written statement in CS(OS) No.1608/2008 is urged; (ii) The date of application of Girish Hosiery for registration is 29th October, 1974 pleading adoption / use since 1968; there was no need at that time to falsely plead the date of adoption / use and thus the case of Girish Hosiery / its predecessor having adopted the mark “Girish Duke” since 1968 has to be believed; (iii) the essential feature of the mark of Girish Hosiery is “Duke” because of the disclaimer of “Girish” – registration is thus confined to “Duke” only; there is a change in the law relating to disclaimer from the 1958 Act in the 1999 Act; registration of Girish Hosiery being of prior to the 1999 Act was under the 1958 Act and the effect of disclaimer there under will have to be seen. Attention is invited to Section 17 and Section 28(3) of the 1958 Act; (iv) thus none other can use “Duke”, the same being an essential feature of the mark of Girish Hosiery; (v) Duke Fashions has in the replication admitted knowledge of the disclaimer but intentionally did not disclose the same at the time of obtaining the *ex parte* relief; (vi) Attention is invited to para 11 of the written statement filed by Duke Fashions in CS(OS) No.1608/2008 where sales of Girish Hosiery though stated to be negligible are admitted. It is urged once such sales are admitted, Duke Fashions cannot urge abandonment and that there is no law that one with larger volume of sales is entitled to restrain the one with smaller volumes / quantum of sale; (vii) Duke Fashions prior to its first registration of mark “Duke”

had knowledge of the prior registration of “Girish Duke” and should not have adopted the infringing mark “Duke”; (viii) Duke Fashions registration mark has the caricature of the face of a man wearing a hat with a smoking pipe in his mouth, just like Girish Hosiery’s mark has the prefix “Girish”; it is further pointed out that though in the registration of Duke Fashions “Duke” is spelt out in small letters but Duke Fashions is using capital letters in its publicity and packaging material; on the contrary, Girish Hosiery has registration mark as “Duke” with a capital ‘D’; (ix) It is averred that Duke Fashions had manufactured the affidavits in order to show its user since prior to the date of which documents have been filed – affidavits though of different persons have same signatures and inconsistent age; it is contended that Duke Fashions having indulged in such practices are not entitled to any discretionary relief; (x) It is urged that documents filed by Duke Fashions, being a letter dated 28th October, 1982 to show use since then is office copy of a letter to ESIC and does not show use of the trademark and else there is nothing to show use since prior to 1992; (xi) though Girish Hosiery is entitled to protection under Section 34 being a prior user, Duke Fashions is not entitled to benefit thereof; (xii) Duke Fashions had learnt in 1983 of registration in the name of “Girish Duke”, if desirous of sale using the mark “Duke” and if contending that Girish Hosiery / its predecessor had abandoned the mark “Girish Duke”, ought to have applied for

cancellation of “Girish Duke” on ground of abandonment; (xiii) Attention is invited to Rules 38 & 39 of the 1959 Rules; (xiv) Duke Fashions in its written statement in CS(OS) No.1608/2008 has taken a plea of Section 28(3) which is against its argument, that because Girish Hosiery’s mark is “Girish Duke”, there was no similarity; (xv) the subsequent registration in favour of Duke Fashions is bad and in the face of the bar contained in Sections 11 & 12 (1) of the old Act. Reliance in this regard is placed on para 12 of the ***Century Traders Vs. Roshan Lal Duggar & Co.*** AIR 1978 Delhi 250; (xvi) Reliance is placed on Section 31 to urge the plea of *prima facie* validity of the mark; (xvii) It is contended that the plea by Duke Fashions of abandonment by Girish Hosiery / its predecessor of their mark is falsified in view of the documents filed and moreover no such plea was taken in the plaint in CS(OS) No.2500/2007 or in written statement in CS(OS) No.1608/2008 and on the contrary sale by Girish Hosiery though negligible is admitted; (xviii) If non availability of documents is deemed to point to abandonment, on the same parity, Duke Fashions is also deemed to have abandoned its registration for having not filed any documents of sale till the year 1992; (xix) Duke Fashions inspite of knowledge in 1983 of registration of “Girish Duke” used the trademark “Duke” at its own risk and peril; (xx) for the argument of abandonment, action under Section 46 ought to have been taken; (xxi) Reference is made to:

- (a) ***Consolidated Foods Corporation Vs. Brandon & Company Private Ltd.*** AIR 1965 Bombay 35 followed by the Division Bench of this Court in ***Century Traders Vs. Roshan Lal Duggar & Co.*** (supra).
- (b) ***N.R. Dongre Vs. Whirlpool Corporation*** AIR 1995 Delhi 300 on honest adoption.
- (c) ***Parle Products (P) Ltd. Vs. J.P. & Co., Mysore*** 1972 (1) SCC 618.
- (d) ***M/s National Chemicals & Colour Co. Vs. Reckitt & Colman of India Limited*** AIR 1991 Bombay 76.
- (e) ***Rupa & Co. Ltd. Vs. Dawn Mills Co. Ltd.*** 1999 PTC (19) 334

On what is deceptive similarity and what are the essential features of trademark.
- (f) ***Om Prakash Gupta Vs. Parveen Kumar*** 2002 (2) RAJ 505 (Del) where non disclosure of the disclaimer in plaintiff's mark was held to be misrepresentation leading to dismissal of application for interim relief.

- (g) *The Registrar of Trade Marks Vs. Ashok Chandra Rakhit Ltd.* AIR 1955 SC 558 on the effect of disclaimer.
- (h) *Jai Prakash Gupta Vs. Vishal Aluminium Manufacturing Company* 1996 PTC (16) 575
- (i) *Bimal Govindji Shah Vs. Panna Lal Chandu Lal* 1997 PTC (17) 347
- (j) *Radhika Agro Industries Pvt. Ltd. Vs. Paawan Agro Foods Ltd.* 1998 PTC (18) 151

On the proposition that the dubious character of document is not to be decided at the stage of deciding the application for interim relief.

- (k) *Glaxo Operations U.K. Ltd. Vs. Samrat Pharmaceuticals* AIR 1984 Delhi 265
- (l) *Dr. Ganga Prashad Gupta & Sons Vs. S.C. Gudimani* 1986 PTC 17
- (m) *Amar Singh Chawla Vs. Rajdhani Roller Flour Mills Pvt. Ltd.* 1990 PTC 220.

All on the proposition that use, inspite of knowledge of other's trademark, is at own risk and peril.

- (n) ***Ansul Industries Vs. Shiva Tobacco Company*** 2007 (34) PTC 392 (Del) on the aspect of delay / laches. It is contended that while it is borne out that Duke Fashions knew of the mark of "Girish Hosiery" in 1983 there is nothing to show that Girish Hosiery knew of the mark of Duke Fashions.
- (o) ***Power Control Appliances Vs. Sumeet Machines Pvt. Ltd.*** 1995 PTC 165 to contend that if Duke Fashions felt that Girish Hosiery / its predecessor was not using its mark, they should have applied for cancellation.
- (p) ***Winthrop Products Inc. Vs. Eupharma Laboratories Ltd.*** 1998 PTC 18 (Bom.) where use inspite of knowledge of earlier registration in favour of another was held to be dishonest.
- (q) ***Biochem Pharmaceutical Industries Vs. Pharma Synth Formulations Ltd.*** 2000 PTC 361.

It is explained that at the relevant time no Central Sales Tax also was leviable on the hosiery goods. It is further contended that sporadic use by Duke Fashions, as made out from the documents filed, would be of no avail

particularly when Girish Hosiery / its predecessor are admittedly the prior inventor and user of the mark “Duke”, admitted by Duke Fashions also to be a coined name, having no relation to the goods in Class 25.

It is thus contended that it is Duke Fashions which is liable to be restrained and the *ex parte* order against Girish Hosiery is liable to be vacated.

11. The senior counsel for Duke Fashions in rejoinder contended:

(i) That though Duke Fashions has objection even to use by Girish Hosiery of the trademark “Duke” in conjunction with ‘Girish’ but Girish Hosiery cannot be permitted to split up its trademark “Girish Duke” as is being sought to be done; (ii) there is no distinction in Section 17 of the old Act and under the new Act read with Section 18(4) thereof; (iii) If Girish Hosiery / its predecessor was keen to have separate mark of “Girish and Duke”, they could have applied therefor and cannot now be permitted to urge that its mark is “Duke” and not “Girish Duke”; (iv) the entire mark has to be compared with the infringing mark despite disclaimer and the disclaimed portion cannot be obliterated for applying the test; (v) The very fact that predecessor of Girish Hosiery, in 1974 could not satisfy that “Girish Duke” had acquired distinctness showed that there was not much use

since 1968 till registration in 1979; (vi) there is nothing to show that even thereafter till 5th December, 1981 when Duke Fashions / its predecessor applied for registration there was any use of “Girish Duke”; on the contrary, Duke Fashions / its predecessor claimed use since 1978; (vii) Duke Fashions inspite of the examination report of 1983 (supra) showing prior registration of “Girish Duke” could get registration only because the Registrar was satisfied under Section 12(3) of honest concurrent use of “Duke” by the predecessor of “Duke Fashions” since the year 1978; the non-filing of any objection by Girish Hosiery / its predecessor also shows that they were not prejudiced by registration of “Duke” and which could only be either because “Duke” was not considered as deceptively similar to “Girish Duke” or they were not in a position to establish prior use or they were no longer interested in mark “Girish Duke” and waived their right to object; Girish Hosiery thus cannot claim any right to the mark “Duke”; on enquiry, as to on what basis Duke Fashions claim to be entitled to restrain use of “Girish Duke Calcutta”, the senior counsel replied that it was not necessary for Duke Fashions/ its predecessor to apply for striking off of the registration of Girish Duke before getting its mark registered and now it is not in public interest that both marks i.e. “Duke” and “Girish Duke” should be used since it is likely to cause confusion; (viii) that Duke Fashions mark has the only word ‘Duke’ while Girish Hosiery’s mark, besides having “Duke” has the

word 'Girish' and 'Calcutta' also; (ix) the documents of Girish Hosiery do not show that the word 'Duke' was being used as the trademark; (x) the invoices from 1987 to 1999 filed by Girish Hosiery are fabricated as all are signed by one Sh. Shridhar Poddar who is stated to have joined the firm from the date after the date of the invoices; (xi) the plea of Girish Hosiery of Central Sales Tax being not leviable is false since Duke Fashions during the same time was paying the Central Sales Tax; (xii) Mala fides were averred in Girish Hosiery not disclosing the title of Girish Hosiery Pvt. Ltd. in the mark immediately.

12. Both counsels contend that since both hold registrations, no case for infringement by either against the other is maintainable. Both further agree that the validity of the registrations cannot be gone into by this Court and will have to be decided by the appropriate authority only.

13. In view of the aforesaid contentions, the matter falling for adjudication at this interim stage can be divided into following parts:

A. Whether Duke Fashions is entitled to continue use of its trademark "Duke" during the pendency of the suit and whether it is entitled to restrain Girish Hosiery altogether from using any trademark with the word 'Duke' or is disentitled from restraining

Girish Hosiery from at least using its registered trademark “Girish Duke Calcutta”.

B. Whether Duke Fashions is liable to be restrained from using its registered trademark “Duke” for the reason of Girish Hosiery being the prior registrant and / or user of the trademark “Girish Duke Calcutta”.

14. I have in *Clinique Laboratories LLC Vs. Gufic Limited* 2009 (41) PTC 41 (Del) held that a suit for infringement of registered trademark lies against another registered proprietor of identical or similar trademark and in such suit, while staying the further proceedings pending decision of the registrar on rectification, an interim order including of injunction restraining the use of the registered trademark by the defendant can be made by the Court, if the Court is *prima facie* convinced of invalidity of registration of the defendant's mark. Though the said judgment is informed to be under appeal, I find two other Single Judges of this Court in *Mrs. Rajnish Aggarwal Vs. Anantam* MANU/DE/3169/2009 & in *Siel Edible Oils Limited Vs. Khemka Sales (P) Ltd.* MANU/DE/0596/2010 to have not disagreed with the said view after considering the same.

15. I am of the view that Duke Fashions is not entitled to restrain Girish Hosiery from at least using its registered trademark for the following reasons:

(i) Duke Fashions, if not at the time of adopting the mark “Duke”, at least at the time of registration thereof, as far back as in the year 1983 became aware of the trademark of Girish Hosiery / its predecessor. Duke Fashions notwithstanding the said knowledge, way back in the year 1983, without altering its trademark in any manner proceeded with the registration and claims to have made heavy investments in the said trademark. Though Duke Fashions has not informed as to whether the Registrar had applied its mind as to the effect if any of the registered trademark of Girish Hosiery on the application of Duke Fashions for registration and / or the reasons which prevailed with the Registrar for granting registration to Duke Fashions inspite of the registration in favour of the Girish Hosiery, the fact remains that as far as Duke Fashions was concerned, it did not feel that the prior registration of the trademark of Girish Hosiery would cause any confusion or hindrance in its use of the trademark “Duke” or that Girish Hosiery would be able to by use of its trademark, pass off their goods as that of Duke Fashions. Duke Fashions having proceeded on the said premise is now estopped from contending that by Girish Hosiery using their prior registered trademark, Duke Fashions would suffer in any manner whatsoever.

(ii) I also find merit in the plea of Girish Hosiery of Duke Fashions having concealed from this Court the factum of its knowledge since

1983 of the prior registered trademark of Girish Hosiery. The pleading of Duke Fashions of “shock” on learning just prior to the institution of the suit of the registration of the trademark in favour of the Girish Hosiery was directly contrary to the actual fact of knowledge of the same since 1983. Duke Fashions has admitted the said knowledge and the explanation given of being not required to disclose the events forming part of registration of its trademark is not found satisfactory. Even though Duke Fashions is an assignee of the original registrant of the trademark but an assignee before taking assignment of rights in a trademark is expected to inspect and examine all documents of registration and which would include examination of the report received on application for registration having been filed. Thus, it cannot be said that Duke Fashions did not have the knowledge of the same. In any case, it has not been so pleaded. This was a relevant factor for this Court to determine whether *ex parte* injunction was to be granted or not. If it was disclosed by Duke Fashions that it had knowledge since 1983 of the registration of the trademark in favour of Girish Hosiery / its predecessor, this Court may have taken the same into consideration while granting / not granting *ex parte* order or may have confined the *ex parte* injunction to use other than as per its registration.

(iii) The explanation now given by Duke Fashions of Girish Hosiery having not used the registered trademark is an afterthought. It is not the plea of Duke Fashions that notwithstanding its knowledge in the year 1983 of the prior registration of the trademark in favour of the Girish Hosiery / its predecessor, it went ahead with the registration and use of the trademark for the reason of Girish Hosiery / its predecessor having abandoned the same. The said explanation came only when Girish Hosiery pleaded the said knowledge.

(iv) Thus notwithstanding the question of similarity or not, Duke Fashions merely on the ground of estoppel is not entitled to restrain Girish Hosiery, the holder of the following trademark:



from using the said trademark. The *ex parte* injunction to the extent of restraining Girish Hosiery from using its registered trademark shall stand vacated with effect from four weeks hereafter.

(v) However, it is clarified that Girish Hosiery shall on such vacation be entitled to use the trademark strictly as per the registration and not by making any alterations thereto.

(vi) Duke Fashions however, in the event of Girish Hosiery upon such vacation of the *ex parte* interim order choosing to use their registered trademark will be entitled to by public advertisements and / or otherwise inform its customers / dealers / retailers etc. of the manufacturer of the goods bearing the said trademark and / or the goods bearing the said trademark being different from its own goods so as to prevent anyone from being misled into confusing the trademark of one for the other. Similarly Girish Hosiery shall also be entitled to by advertisements etc. inform the customers / public at large to be aware of the distinction between the two trademarks.

(vii) I am conscious of the confusion which is likely to prevail and which will thereby affect the members of the public owing to the simultaneous use of the two trademarks in relation to the same goods and particularly when the same is by way of interim arrangement and subject to the final decision in the suit which may be otherwise. However, in view of the conduct aforesaid of Duke Fashions, it would be inequitable to proceed in any other fashion.

16. I next take up the limb as to whether Duke Fashions is entitled to restrain Girish Hosiery from using the trademark Duke in any other manner than as per its registration as dealt with hereinabove. In my view Duke Fashions is entitled to so restrain Girish Hosiery for the following reasons:

(i) Though the registration in favour of Girish Hosiery is depicted in paragraph 15(iv) hereinabove, but Girish Hosiery at the time of institution of the suit was complained against and found to be using the trademark not as per its registration but as under:



(ii) Duke Fashions at that time was using the following trade mark:



(iii) The use as aforesaid by Girish Hosiery is found intended to take advantage of the goodwill of Duke Fashions' trademark and to pass off its goods as that of Duke Fashions.

(iv) Girish Hosiery has been unable to place any material to show that it was using the trademark in the manner aforesaid since prior to the use by Duke Fashions. Duke Fashions is found to be the prior user of the trademark as depicted in para (ii) above and the use by Girish Hosiery of the trademark as depicted in para (i) hereinabove is found deceptively similar to the prior user by Duke Fashions.

(v) None of the documents filed by Girish Hosiery viz. invoices / bills bear the mark/label/design depicted in paragraph (i) hereinabove nor is the word “Duke” found printed even on the said bills. The said bills bear the mark / label “Girish” only. Only the goods purportedly sold under the said bills / invoices are described as of “Duke” make / variety.

(vi) Duke Fashions is therefore found right in contending that Girish Hosiery, after Duke Fashions had popularized its thermal / inner wear in the name and style of “Duke” with the label as aforesaid, adopted a deceptively similar label intended to pass off its goods as that of Duke Fashions.

(vii) The comparative aspects are not discussed in this para, being the subject matter of the entitlement of Girish Hosiery to injunct Duke Fashions.

17. Coming to the aspect whether Girish Hosiery, on account of prior registration, is entitled to injunct Duke Fashions from use of its registered trademark “Duke”, in my considered opinion the answer to the same must be in the negative for the following reasons:

(i) The contention of Girish Hosiery of being entitled to use “Duke” alone as its trademark on account of disclaimer imposed on it while granting registration as depicted in para 15(iv) above is not found to be correct. The reliance in this context on Section 17 is also not found to be apposite. The proviso to Section 17 of the old Act clearly provides that disclaimer obtained therein shall not affect any rights of the proprietor of the trademark in the registration. Girish Hosiery inspite of disclaimer with respect to “Girish” did not opt to delete “Girish” from its trademark but went ahead with the registration with “Girish” and “Calcutta” forming an integral part thereof. Subsequent use of the trademark by Girish Hosiery also shows the prominent use of “Girish” on invoices. “Girish” & “Calcutta” forming part of the trademark were sought to be dropped only after Duke Fashions had established its trademark in relation to hosiery and thermal wears and in relation to the identical goods. The Supreme Court in *The Registrar of Trade Marks Vs. Ashok Chandra Rakhit Ltd.* AIR 1955 SC 558 relied on by the senior counsel for Duke Fashions has held that the purpose of requiring disclaimer is to define the rights of the

proprietor under the registration so as to minimize, even if it cannot wholly eliminate, the possibility of extravagant and unauthorised claims being made on the score of registration of the trademarks and that where a distinctive label is registered as a whole, such registration cannot possibly give any exclusive statutory right to the proprietor of the trade mark to the use of any particular word or name contained therein apart from the mark as a whole. It was further reiterated that the label does not consist of each particular part of it, but consists of the combination of them all. The senior counsel for Duke Fashions in this regard also relies on the judgment of the Bombay High Court in *Pidilite Industries Ltd. Vs. S.M. Associates* 2004 (28) PTC 193 and with which I respectfully agree, reiterating that disclaimer does not affect the significance which a mark conveys to others when used in the course of trade; disclaimers do not go into the market place, and the public generally has no notice of them. The matter which is disclaimed is not necessarily disregarded when question of possible confusion or deception of the public, as distinct from the extent of a proprietors exclusive rights, are to be determined. In that case, the whole of the mark including the disclaimed portion was considered to determine the question of confusion/deception. The counsel for Girish Hosiery has not been able to show any judgment taking a contrary view. The judgments cited do not lay down that the proprietor of a registered trademark with a disclaimer with respect to

any part thereof is entitled to dissect the trademark and to use the part other than that with respect where to disclaimer has been given and claim rights therein as a registered proprietor. The rights therein can be claimed only under the common law and not as a registered proprietor. Reference in this regard can be made to *Super Cassettes Industries Ltd. Vs. Union of India* MANU/DE/1083/2010, *Rich Products Corporation Vs. Indo Nippon Food Ltd.* MANU/DE/0371/2010 and *Bawa Masala Co. Vs. Gulzari Lal Lajpat Rai* 11(1975) DLT 270 (DB).

(ii). Girish Hosiery in spite of several registrations by Duke Fashions of the trademark and / or similar names did not file any objections. A proprietor of a registered trademark is required in law to be vigilant and to keep a track of the applications being filed for registration and to object to applications for registration of marks which are found to be deceptively similar or infringing the registered mark. But for the registered proprietor and the public at large being required to keep such vigil, there was no occasion for the Act and the Rules providing for advertisement before registration and adjudication of objections to registration. Girish Hosiery in the present case right from the year 1981 till the institution of its suit in the year 2008 i.e. for 27 years maintained quietus and permitted Duke Fashions to increase its investments in the trademark "Duke".

(iii) It is not the case of Girish Hosiery that it did not know or was not aware of Duke Fashions mark. In fact Girish Hosiery in 2007 adopted the mark which has been found deceptively similar to that of Duke Fashions particularly considering the graphic of a fruit with a swirling 'D' above the word 'Duke' and which is found similar to the stylized 'D' in the trademark of Duke Fashions, shows that Girish Hosiery was in fact aware of the trademark of Duke Fashions.

(iv). The counsel for Girish Hosiery has also not been able to give any explanation of the certified copy of the registration of Duke Fashions obtained on 1st January, 1992 filed by Girish Hosiery with its documents. The same also shows that Girish Hosiery at least since 1992 if not earlier was aware of the trademark of Duke Fashions.

(v) Girish Hosiery is thus found to have acquiesced in Duke Fashions at its cost developing the market for the goods under the trademark "Duke" and to thereafter take advantage of the same and to pass off its goods as that of Duke Fashions.

(vi). Duke Fashions is found to be advertising not only thermals but also jackets, sweaters, sweatshirts, tracksuits, shirts & trousers i.e. a complete range of clothing under the trademark "Duke" besides goods falling in other classes. Girish Hosiery having allowed Duke Fashions to have developed a

wide range of goods under the trademark “Duke” if not for over 20 years as claimed by Duke Fashions but for at least 10 years of which there is prima facie evidence before this Court, cannot now restrain Duke Fashions.

(vii) Girish Hosiery was never in the business of thermals and from the documents filed is found to have been engaged in the business of vests, banyans and briefs only. It appears to have started manufacturing and selling thermal / inner wear in which Duke Fashions has established itself, only to ride the wave of success of Duke Fashions.

(viii) The volume of business of the two firms is clearly indicative of the aforesaid fact. Though the counsel for Girish Hosiery has relied on *Hindustan Pencils Pvt. Ltd. Vs. Prem Chand Gupta, trading as Universal Trading Co.* 1985 PTC 33 (Delhi) to the effect that a smaller trader is entitled to protection of his trademark but in the present case Girish Hosiery’s trademark is being protected as aforesaid and in view of Girish Hosiery having been found to have allowed Duke Fashions to develop a mark and thereafter ride on its goodwill, the said principle is not found applicable.

(ix) For the same reasons, the judgments cited by the counsel for Girish Hosiery to the effect that a prior user / adaptor of a coined mark is preferred in the case of honest concurrent user are not applicable. In the present case,

the user by Girish Hosiery of its trademark and in a manner deceptively similar to the mark of Duke Fashions is not found to be honest.

I thus do not find Girish Hosiery to be entitled to any interim relief against Duke Fashions. Consequently, IA No.9607/2008 in CS(OS) No. 1608/2008 is dismissed.

18. Accordingly, I.A. No. 14687/2007 and I.A. No. 9887/2008 in CS(OS) No. 2500/2007 are disposed of in aforesaid terms. However, nothing contained herein shall be deemed to be an expression of merits at the time of final disposal of the suit and is based on a *prima facie* view of the matter.

19. Coming now to the application being I.A. No. 178/2009 in CS(OS) No. 1608/2008 under Section 124 of the Act. It is found that both parties have pleaded invalidity of registration of the mark of the other. The application of Girish Hosiery for rectification is already pending. Since the matter has been gone into thread bare, issues have also been framed. In view of the pleas raised by Duke Fashions and on being satisfied of the question of invalidity being required to be adjudicated, it is deemed expedient to stay the proceedings in the suit to enable Duke Fashions to make the necessary applications, if so deemed appropriate, and for disposal

of the pending application of Girish Hosiery. The said application is accordingly disposed of.

**RAJIV SAHAI ENDLAW
(JUDGE)**

2nd July, 2010
gsr