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Judgment reserved on : 20th July, 2012

Judgment delivered on : 24th July, 2012

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SIMLA CHEMICALS PVT. LTD.

..... Plaintiff

versus

SUN SOAP INDUSTRIES & ORS.

..... Defendants

Advocates who appeared in this case:

For the Plaintiff : Mr. Amarjeet Singh

For the Defendants : None.

CORAM:

HON'BLE MR. JUSTICE V.K.JAIN

V.K. JAIN, J.

1. This is a suit for permanent injunction, rendition of accounts and delivery up of the infringing material.

The plaintiff Company is engaged in the business of manufacture and sale of *inter alia* hair fixers, hair gels, hair shampoos, perfumery, cosmetics, hair lotions, bleach creams preparations, moisturizers etc. It is alleged that the mark SIMCO was coined by the predecessors in interest of the plaintiff and adopted in respect of the goods manufactured by them, in the year 1948. It is alleged that the mark SIMCO is distinctive to the plaintiff to such an extent that the purchasing public and the members of the trade identify and recognize the goods bearing the said mark with the plaintiff Company. The following registrations are held by the plaintiff Company in respect of the said trade mark:-

Trade Mark	Trade Mark No.	Class
SIMCO	198401	3
SIMCO	184033	3
SIMCO	978627	1
SIMCO	978631	5
SIMCO	978634	8
SIMCO	978636	10
SIMCO	978638	12
SIMCO	978641	15
SIMCO	978645	19
SIMCO	978649	23
SIMCO	978650	24
SIMCO	978653	27
SIMCO	978654	28
SIMCO	978655	29
SIMCO	978656	30
SIMCO	978657	31
SIMCO	978658	32
SIMCO	978659	33
SIMCO	978660	34

It is also alleged that use of the mark SIMCO and any other mark deceptively similar thereto in respect of goods of any kind is bound to create confusion and deception in the minds of purchasers and members of the trade.

2. The defendants were engaged in the business of manufacture and sale of bleaching preparations and other substances for laundry use; cleaning; polishing, souring and abrasive preparations; soaps; perfumery, essential oils, cosmetics, hair lotions and other cognate and allied goods. Defendant No.1 is stated to be the proprietorship concern of defendant No.2. It is alleged that the defendants have adopted the mark SIMCO of the plaintiff in respect of the same or similar goods, which is dishonest and *mala fide*. The intention of the defendants in using the mark of the plaintiff is to encash upon the goodwill and reputation of the plaintiff's trade mark, which the said mark enjoys in the market, by giving impression as if their goods originate from the plaintiff or are in some manner connected with it. In October, 2007, the attention of the plaintiff was drawn to the publication of an application for registration of the trade mark SIMCO in class 3, in favour of the defendants, in respect of bleaching preparations and other substances for laundry use; cleaning, polishing, souring and abrasive preparations; soaps; perfumery, essential oils, cosmetics, hair lotions and other goods mentioned for sale in southern states. The plaintiff opposed the aforesaid application and at the time of filing this suit, the proceedings in this regard were stated to be pending. The

plaintiff has sought an injunction restraining the defendants from using the mark SIMCO and/or any other mark identical and/or deceptively similar to the said mark in respect of bleaching preparations and other substances for laundry use; cleaning, polishing, souring and abrasive preparations; soaps; perfumery, essential oils, cosmetics, hair lotions and other goods covered by plaintiff registrations or any goods of same or similar description. They have also sought an injunction against manufacture, sale, offering for sale dealing in bleaching preparations and other substances for laundry use; cleaning, polishing, souring and abrasive preparations; soaps; perfumery, essential oils, cosmetics, hair lotions and/or any other cognate or allied goods under the impugned mark SIMCO or any other mark deceptively similar thereto.

3. The defendants were proceeded ex-parte vide order dated 24.04.2009. The plaintiff has filed affidavit of its Managing Director Mr. Kuldeep Singh by way of ex-parte evidence. In his affidavit by way of evidence, Mr. Kuldeep Singh has supported, on oath, the case set out in the plaint and has stated that the plaintiff-company is engaged in the business of manufacture and sale of *inter alia* Hair Fixers, Hair Gels, Hair Shampoos, Perfumery, Cosmetics, Hair Lotions, Bleach Creams Preparations, moisturizers etc. for the last more than five decades. He has further deposed that the defendant is engaged in the business of manufacture and sale of bleaching preparations and other substances for laundry use; cleaning,

polishing, souring and abrasive preparations; soaps; perfumery, essential oils, cosmetics, hair lotions and other cognate and allied goods.

4. A perusal of the certificate in respect of trademark registration number 198401 shows that the plaintiff is the proprietor of the trademark SIMCO in respect of preparation for fixing hairs under Class-3. The certificate of the registration in respect of trademark number 184033 would show that the plaintiff is the proprietor of a device bearing the word SIMCO on it, in respect of the perfumery, cosmetics and toilet preparation (non-medicated), included in Class-3. Ex.P-9 is the advertisement inserted by defendant no.2 Mr. S.S. Radha Krishna Raja, trading as Sun Soap Industries, published in Trademark Journal No.13070 dated June 16, 2007. This advertisement indicates that the defendant Mr. S.S. Radha Krishna Raja claimed to be manufacturer and merchant since 13.02.1997 in respect of bleaching preparations and other substances for laundry use cleaning, polishing, souring and abrasive preparations, soaps, perfumery, essential oils, cosmetics, hair lotions and other goods mentioned for sale in southern states only.

5. This was not the case of defendant no.2 while seeking registration of the trademark SIMCO that he was using the aforesaid trademark since prior to 15.3.1958. He claimed to be the user from a much later date. The benefit of Section 34 of the Trademark act, 1999 is available only to a person who is using the trademark which is identical with or resembles to a registered trademark, in respect

to the goods or services, in relation to which he or his predecessor in title has continuously used that mark from the date prior to the use of the registered trademark in relation to those goods or services by the proprietor of the registered trademark or his predecessor in title, or from a date prior to the date of registration of the trademark in respect to those goods or services in his name or in the name of his predecessor in title, whichever is earlier. The plaintiff claims to be the user of the trademark SIMCO in respect of hair fixer, hair gel, perfumery, cosmetics, bleach cream, hair lotion, shampoo, moisturizers etc since 1948. The registration of the trademark SIMCO to the plaintiff was granted on 15.03.1958, which was much earlier than 13.2.1997, a date from which the user was claimed by the defendant no.2. In any case, the defendant have not come forward even to claim user of the impugned mark by him and allege that the plaintiff in fact has not been using the impugned mark and had sought registration only with a view to squat on the said mark.

6. Section 29(1) of the Trademarks Act, 1999, to the extent it is relevant, provides that a registered trademark 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 trademark 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.

7. Subject section (2) of Section 29 of the said Act, to the extent it is relevant, provides for a registered trademark 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 its identity with the registered trade mark and the similarity of the goods or services covered by such registered trade mark or its similarity to the registered trade mark and the identity or similarity of the goods or services covered by such registered trade mark; or 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.

It would thus be seen that before a registered trade mark can be said to have been infringed under Section 29(1) of the Act:

- (a) The person using the impugned mark should not be either its registered proprietor or a permitted user;
- (b) The impugned mark should be either identical with or deceptively similar to the registered trade mark;
- (c) The impugned trade mark should be used in relation to the goods or services covered by the registered trade mark; and

(d) The impugned mark should be used in such a manner that it is likely to be taken as if it is being used as trade mark.

8. The following are the pre-requisite conditions to constitute infringement under sub Sec.2 of Sec.29 of the Act:

a. The person using the impugned mark should not be either its registered proprietor or a permitted user

b. The impugned trade mark should be identical to the registered trade mark and should be used in respect of goods or services which are similar to the goods or services in respect of which the registered trade mark has been obtained/OR, the impugned trade mark should be similar to the registered trade mark and should be used in respect of goods or services which are identical or similar to the goods or services covered by the registered trade mark/OR the impugned trade mark should be identical to the registered trade mark and should be used in respect of goods or services which are identical to the goods and services covered by the registered trade mark.

c. the user should be such as is likely to cause confusion on the part of the public or should be such that the impugned trade mark is perceived to be associated with the registered trade mark.

9. It is also a settled proposition of law, which was reiterated by Supreme Court in **Kaviraj Pandit Durga Dutt Sharma v. Navaratna Pharmaceutical**

Laboratories, PTC (Suppl) (2) 680 (SC), that if the defendant resorts to colourable use of a registered trade mark, such an act of the defendant would give rise to an action for passing off as well as for infringement. In an action based upon infringement of a registered trade mark if the mark used by the defendant is visually, phonetically or otherwise so close to the registered trade mark of the plaintiff that it is found to be an imitation of the registered trade mark, the statutory right of the owner of the registered trade mark is taken as infringed. In such a case, if it is found that the defendant has adopted the essential features of the registered trade mark of the plaintiff, he would be liable.

It is thus settled proposition of law that in order to constitute infringement the impugned trademark need not necessarily be absolutely identical to the registered trademark of the plaintiff and it would be sufficient if the plaintiff is able to show that the mark being used by the defendant resembles his mark to such an extent that it is likely to deceive or cause confusion and that the user of the impugned trademark is in relation to the goods in respect of which the plaintiff has obtained registration in his favour. It will be sufficient if the plaintiff is able to show that the trademark adopted by the defendant resembles its trademark in a substantial degree, on account of extensive use of the main features found in his trademark.

10. In the case before this Court, the work SIMCO is the most prominent conspicuous and distinctive feature of the device registered in favour of the plaintiff. Anyone seeking to buying or purchasing goods being manufactured by the plaintiff company would ask for SIMCO goods and a person referring to the mark of the plaintiff company, would call it SIMCO only. If any person comes across, goods which are similar to the goods being manufactured by the plaintiff company, and are being sold under the mark SIMCO, he is likely to be deceived into believing that the mark used on the goods before him is the mark of the plaintiff company and consequently, the goods he is being offered or he has come across are the goods manufactured by the plaintiff company. The defendant in this case has not attempted to even camouflage his mark by using some prefix or suffix or by replacing some letter or changing the order in which the letters have been, used in the trade mark of the plaintiff or by adding or subtracting some letters to/from the mark of the plaintiff. He has blatantly lifted the whole of the word SIMCO from the trade mark of the plaintiff and sought to get it registered in respect of the products which are identical at least or similar to the products for which registration has been obtained by the plaintiff. It is therefore difficult to dispute that the impugned mark is deceptively similar to the trade mark registered vide registration No. 184033. Of course, the impugned trade mark is absolutely identical to the word trade mark SIMCO registered vide registration No. 198401 in

respect of preparation for fixing hairs under clause 3. The defendant obviously intended to use the impugned mark as a trade mark as is evident from his attempt to obtain its registration and claiming use since 13.02.1997. Therefore, if the plaintiff has been able to prove that the defendant was seeking to use the impugned trade mark in relation to the same goods in respect of which it has obtained the registration of the trade mark, it would be a clear case of infringement under Sec.29(1) of the Trade Marks Act.

11. Coming to identical/similar nature of the goods, as noted earlier, registration No. 184033 is in respect of perfumery, cosmetic and jelly preparation (non-medicated). The defendant was seeking registration in respect of perfumery and cosmetic which are absolutely identical goods.

12. The next item for which registration was sought by the defendant is ‘essential’ oils. ‘Essential Oil’; has been defined as follows, in Wikipedia:

“An essential oil is a concentrated hydrophobic liquid containing volatile aroma compounds from plants. Essential oils are also known as volatile oils, ethereal oils or aetherolea, or simply as the "oil of" the plant from which they were extracted, such as oil of clove. An oil is "essential" in the sense that it carries a distinctive scent, or essence, of the plant. Essential oils do not form a distinctive category for any medical, pharmacological, or culinary purpose.

Essential oils are generally extracted by distillation. Other processes include expression, or solvent extraction. They are used in perfumes, cosmetics, soaps and other products,

for flavoring food and drink, and for adding scents to incense and household cleaning products.”

It would thus be seen that ‘essential oils’ are raw material for perfumery. In **Corn Products Refining Co. v. Shangrila Food Products Ltd.** 1960 (1) SCR 968 the respondent before the Supreme Court was a manufacturer of biscuits. It applied for registration of mark Gluvita in respect of goods specified in class 30. The appellant before the Supreme Court, a company registered in USA, had obtained registration of mark Glucovita in respect of Dextrose, a substance used as a food or an essential ingredient in food. The appellant opposed the application of the respondent. The registrar having held against the appellant, the matter was taken to the High Court. The learned Single Judge of the high Court set aside the order of the Deputy Registrar. The Division Bench of the High Court, however, decided against the appellant. The matter was then taken to the Supreme Court by way of Special Leave. During the course of arguments, it was contended before the Supreme Court that since the goods of the parties were not of the same description, there was no risk of confusion or deception, despite similarity of the two marks. Rejecting the contention, the Supreme Court held that since there was evidence that Glucose was used in the manufacture of biscuits, it would establish a trade connection between two companies namely Glucose by the appellant and biscuits produced by the respondent. The Court felt that an average purchaser would, therefore, be likely to think that the respondent’s Gulvita biscuits were made with

the appellant's Glucovita Glucose. In this regard, the Court referred to In re: an application by Edward Hack 58 R.P.C. 91, where the goods in question were chocolates and laxatives and it was proved that laxatives were often made were chocolate coatings. The Court also referred to In re: an application by Ladislav Jellinek 63 R.P.C. 59, where the goods were shoes and shoe polish and it was observed that shoe polish was being used for shoes, there was trade connection between them and that this might lead to confusion or deception, though the goods were different.

In **Surjit Singh v. M/s Alembic Glass Industries Ltd.** AIR 1987 Delhi 319, the petitioner before this court applied for registration of word YEAR in respect of perfumery and cosmetic. This was opposed by the respondent company which was manufacturing glassware including jars and bottles. The order of the Registrar rejecting the application was challenged by this Court. It was contended before this Court that since the goods in respect of which registration was sought by the petitioner were altogether different from the goods of the respondent, there was no tangible danger of causing confusion nor was there any possibility of deception and the goods not being similar, the registration should not have been refused. Rejecting the contention, it was held that the respondent company had ample resources to start manufacture of perfumery and cosmetics which the petitioner was manufacturing and selling in bottles and glass containers and if the trade mark

YERA appears on the bottles and glass containers there was a likelihood that a common man who goes to buy these perfumery and cosmetics would be led to believe that these goods have been manufactured by the respondent company.

In the case before this Court, since essential oils are the main ingredient for perfumery, and both the essential oils as well as perfumery are generally sold in glass bottles, trade connection definitely exists between the two goods since the customer is likely to believe that the essential oil, being sold under the trade mark SIMCO, had been manufactured by the plaintiff company. Therefore, there was no escape from the conclusion that essential oils are similar goods to perfumery in respect of which registration has been granted to the plaintiff in clause 3.

As regards similarity of marks, the Supreme Court had in **Corn Products** (*supra*), observed that absolute identity of the two competing marks or their close resemblance was only one of the tests for determining the question of likelihood of deception or confusion. Trade connection between different goods is another such test. The Court was of the view that these are independent tests and there is no reason why the test of trade connection between different goods should not apply where the competing marks closely resemble each other. In the case before me, on account of trade connection between essential oils and perfumery, it cannot be disputed that essential oils are a product similar to perfumery.

13. The next product in respect of which registration has been sought by the defendant is hair lotion. Contention of the learned counsel for the plaintiff is that hair lotions are cosmetics, and therefore, covered under registration No. 184033. In this regard he referred to the definition of 'cosmetic' given in the Drugs and Cosmetics Act, 1940. Section 3(aaa) of the said Act defines cosmetic to mean any article intended to be rubbed, poured, sprinkled or sprayed on or introduced into, or otherwise applied to, the human body or any part thereof for cleansing, beautifying, promoting attractiveness, or altering the appearance and includes any article intended for use as a component of cosmetic.

The dictionary meaning of cosmetic are as follows:

1. Intended to adorn or beautify the body esp. the face. 2. Intended to improve only appearances superficially improving or beneficial.

It would thus be seen that if a product is intended to be applied to any part of the human body, for the purpose of looking more attractive, it would be cosmetic within the meaning of the Drugs and Cosmetic Act, 1940. Since the Trade Mark Act, does not define 'cosmetic', it would only be appropriate to borrow the definition given in the Drugs and Cosmetic Act, 1940. Since hair lotion is a product applied to hair which is a part of human body and the purpose of applying hair lotion is to look attractive or beautiful, it is certainly a cosmetic product.

14. The Defendant had also sought registration in respect of cleaning preparations, polishing preparations, abrasive preparations, bleaching preparations and other substances for laundry use. The learned counsel for the plaintiff submitted that cleaning preparations comprise products such as Antiseptic Mint Cleanser, Mild Gentle Deep Cleansing, Cleansing Gel, Make up remover, Toner Nail Paint Remover Face and Hand Wet Wipes and Shampoo. The polishing preparations, according to him, comprise – Body polish, Nail Paint, Make up Stuff, Hair Colors, Face/body Bleach (Haldi bleach, fruit bleach), Serum, Suns Screen Lotion, Conditioner and Hair Oil. The scouring preparations, he submitted, comprise –Astringent Lotion, Facials, Face Scrubs and Face Packs, Face Wash, Mud and clay facial masks, Peel of facial masks, Moisturizing facial masks. The abrasive preparations, he stated, comprise Vanish: stain removal and Godrej Ezee (protects clothes from shrinking and color fading).

Though there is no material before the Court to verify whether the products enumerated by the learned counsel for the plaintiff constitute cleaning preparation, polishing preparation, scouring preparation and abrasive preparation or not, in case they are products intended to be rubbed, poured, sprinkled or sprayed on or introduced into, or otherwise applied to, the human body or any part thereof for cleansing, beautifying, promoting attractiveness, or altering the appearance, they would certainly be ‘cosmetic’ within the meaning of Section 3(aaa) of the Drugs

and Cosmetic Act 1940 and therefore, covered under registration No. 184033 in favour of the plaintiff company. In that case, the use of the impugned trade mark on any such product would constitute infringement of the registered trade mark of the plaintiff company. As regards the bleaching preparations and other substances for laundry use, learned counsel for the plaintiff fairly conceded that these products are not covered under the registration obtained by the plaintiff.

15. The defendant was also seeking registration in respect of soaps. It is difficult to dispute the contention of the learned counsel for the plaintiff that a soap is toilet preparation and since the registration of the plaintiff covers toilet preparations, use of the impugned mark on the soap would constitute infringement of the registered trade mark of the plaintiff.

Since the impugned mark is similar to the registered trade mark of the plaintiff and was used/sought to be used by the defendant in respect of identical or at least similar goods, such user also constitutes infringement under Section 29(2) of the Trade Marks Act.

16. Since there is no proof of actual use of the impugned mark by the defendants, the next question which comes up for consideration is as to whether the plaintiff had any cause of action to file this suit.

In *Jawahar Engineering Company and Others* versus *Jawahar Engineers*

Private Limited, (1983) PTC 207, the Division Bench was of the view that when an injunction is sought, it is not necessary that the threat should have become the reality before the injunction and it can even be sought for a threat, which is yet to materialize. It was further held that since the plaintiffs had learnt that the defendants had applied for registration of trade mark in Delhi, they could claim for injunction to prevent any sale of the infringing products in Delhi and in that case, Delhi Courts would have jurisdiction, whether any sale in Delhi has taken place or not.

In **Mars Incorporated vs. Kumar Krishna Mukerjee & Ors.** 2003 (26) PTC 60 (Del), the defendant sought to incorporate a company named MARS FOODS PVT LTD, though mark was the registered trademark of the plaintiff company. The question which came up for consideration before this Court was as to whether a person who has not suffered any damage in respect of trade either due to competition or due to deceptive or confusing similarities of the trademark adopted by the defendant has any right to challenge the act of the defendant in seeking to incorporate a company under a name which included the name of the registered trademark of the plaintiff company. The defendant in that case had been incorporated as a company but had not commenced operations by manufacture of sale of goods. Upholding the right of the plaintiff to maintain cause of action on account of apprehension of infringement of its trademark, this Court inter alia

observed as under:-

“To expect the aggrieved party to wait and watch for the opening of business or manufacturing or sale of goods under the apprehended infringement of trade mark is too much. A stitch in time always saves nine and that is what is the essence of *Quia Timet* Action...

...Let us assume that infringer has no past history of either squatting or hoarding the domain name, trade name and comes out with advertisement for the first time for registering its Corporate name by adopting the similar name or deceptively or confusingly similar name without immediate intention to start its business. Whether or not the plaintiff whose name is sought to be infringed has a remedy to forestall the defendant from adopting its name or from opening up of the business under the plaintiff's trade name. the answer in any eventuality is in affirmative.

The plaintiff has the same degree of right to protect its trade name from infringement as it has against infringement of registered name or in an action of passing off in respect of manufacturing or selling or offering to sell the goods by the defendants under the plaintiff's trade name. The genesis is the underneath intention which is not difficult to fathom. Why one should choose or pick up the name or mark which has already become famous and well known and whose reputation and goodwill is all pervading and is obviously hard earned. The only intention or object is to thrive upon the goodwill and reputation and confuse the purchasers of his goods into believing that the defendants' goods or business in one way or other is connected with the plaintiff. Obvious

object is to cash on exploit the goodwill, reputation, name and trade mark of the plaintiff...

...It is immaterial whether or not there is a real or tangible possibility of starting a business. Such a threat will even loom large over the head of the plaintiff and therefore entitle him to resort to *Quia Timet* Action as the intentions are bad, designs are dubious. There is no other object of such a defendant than to hoard the trade mark and black mail the plaintiff in order to use it in future. Thus, in both the cases, the action and proposed activities are manifestly *mala fide* and calculated to deceive the public or would be purchasers as to the connection of the defendants with the plaintiff.

As the saying goes, the evil should be nipped in the bud so is the nature of *Quia Timet* Action where the injury or damage has been caused.”

In **KRBL Limited vs. Ramesh Bansal & Anr.** 2009 (41) PTC 114 (Del),

the plaintiff was registered proprietor of the trademark/label “India Gate”, which it was using for selling rice. The defendant applied for registration of the same mark in respect of salt. The right of the plaintiff to maintain a *quia timet* action was upheld by this Court.

Considering the proposition of law laid down in these cases, the plaintiff certainly had a cause of action, as soon as the defendant applied for registration and his application was advertised.

17. For the reasons stated herein above, the suit is decreed to the extent that defendant No. 2, who is the proprietor of defendant No. 1, is restrained from using the impugned mark in respect of perfumery, cosmetics, including essential oils, toilet preparations, including bathing soaps, hair oils, and such cleaning preparations, polishing preparations, scouring preparations and abrasive preparations as are cosmetic within the meaning of Section 3 of Drugs and Cosmetics Act, 1940. Defendant No. 2 is also restrained from manufacturing, distributing, selling, offering for sale, advertising or storing any perfumery, cosmetics, including essential oils, toilet preparations, including bathing soaps, hair oils, and such cleaning preparations, polishing preparations, scouring preparations and abrasive preparations which bear the impugned mark or any other mark which is identical or deceptively similar to the registered trademarks of the plaintiff. He shall also pay the costs of the suit to the plaintiff-company.

Decree sheet be drawn accordingly.

V.K.JAIN, J

JULY 24, 2012
‘sn’/raj/bg