

IN THE HIGH COURT OF DELHI AT NEW DELHI

CS(OS) No. 1592/2006

M/s Marc Enterprises Pvt. Ltd. ..Plaintiff
Through Mr.Pankaj Kumar, Mr.
VikasKhera, Mr.Harshvardhan,
Advocates

- versus -

M/s Victor Industries Defendants
Through none

CORAM:-

HON'BLE MR JUSTICE KAILASH GAMBHIR

1. This is a suit for permanent injunction restraining infringement, rendition of accounts, damages and delivery up of all the impugned goods. The plaintiff is a Private Limited Company duly registered under the Companies Act, 1956, having its registered office in Delhi. The plaintiff Company is also engaged in the business of manufacturing Electrical accessories & fittings, Electrical equipment, Electrical Appliances, Electrical & Electronic Apparatus & Instruments, and Domestic Wares etc. It is the case of the plaintiff Company that the plaintiff company since 1981, bonafidely and in due course of trade and business adopted, coined, conceived and created the trademark 'MARC'. The plaintiff trade mark /label/ logo MARC is depicted in unique style, font and placing of

alphabets. The art work involved therein is an original artistic works within the meaning of Indian Copyright Act, 1957 and plaintiff is the owner and proprietor thereof. The plaintiff is carrying on an extensive business/ trade under this trade mark/ logo/ label and the goods bearing the same have been practically distributed in major parts of the country. The plaintiff has been dealing with his said copyright in his said trademark /label/ logo *inter alia* Section 14 of the copyright Act in respect of his said goods and business. The Plaintiff holds registration in respect of trademark 'MARC', the table below gives the classification of the items bearing the said trademark and the respective category under which they have been registered under the Trademark Act, 1999:

REGISTRATION NO	CLASS/ GOODS	STATUS	REGISTRATION DATE
420735B	09/ insulated electric wires and cables, television, receiving sets, switches, fuses, cut out plugs, socket, push buttons, fuse bosses, connectors, electric press, volt records, tape records, cassettes, electronic instruments, chokes, electric transformers, electric bells and buzzers, stabilizer, electric starters, adopters,	Registered	16.04.1984

	voltage stabilizer, electric terminal, domestic electrical appliances, instruments, electric accessories and parts thereof, electrical coil holders, conduit pipes.		
420736	11/ toasters, Hot plate for cooking, electric tandoors, electric pressure cookers, electric ovens, milk cookers, electric bulbs, holders, table cookers, electric bulbs, holders, table lamps, fans, refrigerators, room air conditioners, geysers, room heaters, electric hot acses, ventilators, room coolers, desert coolers, Heating elements, lighting fixtures and fittings, installations, fluorescent tubes.	Registered	16.4.1984
420737B	07/ Washing machines, mixing and grinding machines for kitchen use, sewing machine, hair drying machine, water pumps, electric motors (not for land vehicles) all being goods included in class 7	Registered	16.4.1984

2. The Plaintiff further submits that the abovementioned registered trademark is renewed from time to time and it is still subsisting, legal and valid. It is further submitted that the plaintiff has been continuously promoting his said goods and business under his said trade mark through different means and modes including advertisements and publicity in leading newspapers, distribution of trade literature, trade hoarding and boards etc. The Plaintiff's claims to have enjoyed a solid enduring and first class reputation in the markets and in support of the same the Plaintiff had also enumerated and furnished sales figures of their business for the last 10 years. Their Sales Figure as appearing at page 6 of the plaint right from 1981 upto 2004 indicate their business has flourished over the years and the sales have rapidly increased to Rs.14- Rs.15 crores. The plaintiff's business turnover being Rs.14, 65, 02,583 in the year 2003-2004, the plaintiff claim to have maintained the highest standards of business and trade of the said goods and business. The Plaintiff has already expended enormous amounts of money in the publicity/advertising/marketing thereof.

3. It is further submitted that in or about November, 2005, the plaintiff company came across an advertisement in the monthly magazine vidyutbazaar.com, wherein the defendants had prominently displayed the impugned trade mark alongside

impugned goods and solicited dealer's enquiry. The Defendants M/s Victor Industries having Regd office at 2/206, Ashirwad Industrial Estate, Ram Mandir Road, Goregaon(W)., Mumbai 400104 is apparently engaged illegally in the business of Electrical goods including electrical switches and accessories under the trademark MARC, However the Plaintiff also made a submission that the exact constitution of the whereabouts of the Defendant is not known to the Plaintiff and they shall be called upon to disclose the same. The said goods of the Defendants are same/similar as to that of the Plaintiff and the impugned trademark is identical and deceptively similar to the trademark /label/ logo of the Plaintiff in each and every respect including the get up, make up , artistic manner/font etc.

4. The plaintiff through their counsel issued upon the defendant cease and desist notice dated 28.02.2006 and the defendants replied to the alleged notice via email which is further alleged to be vague, baseless, and illegal by the Plaintiff. It is further submitted by the plaintiff that on carrying on an inquiry in the market and trade and during the enquiry it was revealed that the defendants have just recently, in the end of November have started using the impugned trademark/ label/ logo on its vendible articles i.e. the impugned goods. The plaintiff came to know that the defendants are conducting business in a clandestine and surreptitious manner,

without issuing any formal bills and invoices against the sales of their impugned goods. It is also the case of the Plaintiff that he is carrying on the said business throughout the country using the above referred trademark, which is also being illegally manufactured and marketed by the defendant bearing the offending label. The adoption of the mark 'MARC' in respect of identical products cannot be a mere coincidence and indicates a dishonest and fraudulent intention from the outset on the part of the defendant to derive pecuniary benefits from using the impugned mark/label. The plaintiff, thus, claims infringement of its registered and well known trademark "MARC". The plaintiff has sought injunction restraining the defendants from using the trademark "MARC" or any other mark deceptively similar to the trademark of the plaintiff. The plaintiff has further sought for an injunction restraining the defendants from passing off the plaintiff's trademarks "MARC" and from applying and obtaining registration in respect of the impugned trademark or any deceptive variation thereof. The plaintiff has also sought damages besides seeking rendition of accounts and delivery up of the infringing packaging material etc.

5. The defendants have failed to appear to contest the present suit despite being duly served.

6. The plaintiff has filed affidavit of Sh. Pramod Jain, authorized Signatory of the plaintiff company, by way of ex parte evidence. In the ex parte evidence adduced by the plaintiff, Mr Pramod Jain has supported on oath, the case setup by the plaintiff company in the plaint. He has also tendered documents Ex.PW1/1 to Ex. PW1/10 in evidence filed with the plaint. The plaintiff engaged themselves in the business of manufacturing electrical accessories and fittings etc. since 1981. The plaintiff in the year 1981 bonafidely, in the course of trade and business adopted, coined, conceived and created the Trade mark "MARC" and began their operations in the year 1981 and their business has since grown in leaps and bounds, as a result, the Plaintiff has achieved remarkable success as well as goodwill. The Plaintiff got registered their trade mark with the registrar of Trade mark in 1984. The Plaintiff's trade mark/ label/ the logo MARC is depicted in unique lettering style within the meaning of Indian Copyrights Act, 1957. He has also stated that the trademark/label is being used by the plaintiff openly, continuously and extensively since the year 1981 and it has acquired a secondary meaning connoting and denoting to the members of trade and customers at large that the said trademark is exclusively identified with the plaintiff. He has also mentioned that the defendant was offering services from premises having their registered office at 2/206 Ashirwad Industrial Estate, Ram Mandir

Road, Goregaon (W)., Mumbai-400104. It is further submitted by the plaintiff that it is apparent that the defendant is illegally engaged in the business of Electrical goods including electrical switches and accessories under the Trade mark MARC, which is exhibited as EX.PW1/D-1.

7. ThePW1/1 filed the ex parte evidence affidavit on 03.10.2008 and placed certain documents on record, Ex.PW 1/1 is the copy of registration certificate and by virtue of the said registered trademark the plaintiff has exclusive rights over the same inter alia within the meaning of Section 29 Trademarks Act 1999 .The plaintiff has also filed number of applications for the registration of trademark/ label/ logo MARC in different classes of wider specification of goods which is exhibited as Ex. PW 1/2,in favour of the Plaintiff, Representation/brochure of the trademark exhibited as Ex. PW 1/3(colly). The Plaintiff had further filed supplementary evidence by way of affidavit along with the certified copies of certain original documents marked as Ex. PW 1/B. Ex. PW1/7 is the certified copy of the Central Excise Registration Certificate etc. Ex.PW1/5 is the certified copy of the Trademark Registration Certificate bearing no. 911681 in class 09. Whereas, the renewal certificate bearing no.420736 is exhibited as Ex. PW1/6. The letters from Bureau of Indian Standards are also filed with the list of

documents filed along with the plaint and are exhibited as Ex. PW1/8.

8. The deposition of PW-1 Pramod Jain, coupled with Ex. PW-1/4 shows that the plaintiff has established and flourished since the time he adopted the trademark MARC. The invoices, the renewal certificates of registration certificate MARC have also been exhibited along with the Plaintiff's evidence, and the sales figures adhered in the plaint by the plaintiff, shows that they have had a large turnover in the years 1999-2000, 2003-04, from the sales being rendered by them and they incurred huge expenditure during those years on advertising the services being offered by them, through various advertisements and publicity in the newspaper, is also marked as Mark 'F' in the list of documents, at pages 25-84 wherein certain invoices of sale are also attached. Since the defendant has chosen to remain ex parte and has not come forward to controvert the oral and documentary evidence produced by the plaintiff, this Hon'ble Court finds no reason to disbelieve the claim of the plaintiff that the trademark 'MARC', on account of its continuous and extensive use by the plaintiff through various agencies set up by him and the expenses incurred by him in promoting the trademark, it has come to be associated with the plaintiffs and the services being offered under the brand name MARC have come to be identified as the whole sellers of electrical

goods and services being offered by the plaintiff. I see no reason to disbelieve the claim of the plaintiff that they have been recognized in providing comprehensive impugned goods through a team of dedicated and well trained professionals.

9. The Registration Certificate dated 13.10.1989 marked as Ex. PW 1/ 1 in the list of documents, issued by Registrar of Copyrights, shows that the plaintiff is the registered owner of the work. Annexed to the certificate, Page 2 of the same, which in fact, is an annexure to the document, shows that the copyright has been claimed and registered in the artistic work involved in writing the words MARC which have been written in a particular unique style and particular getup, using a distinctive font for the purpose. The sketch of electrical goods like geyser and other fittings drawn by the plaintiff has been shown and marked as Ex. PW 1/ 3 at pages 1 and 4 in the list of documents, shows the comparison of the two marks exhibited as Ex PW1/3 and PW-1/D-1 respectively, It is, therefore, difficult to dispute that the work in respect of which copyright has been granted to the plaintiff is a result of an idea conceived by them expressed in a unique way, using a lot of skill, labour and ingenuity in the process and, therefore, qualifies as an artistic work within the meaning of Section 2(c)(i) of Copyright Act. The work of the plaintiff has been recognized by Registrar of Copyright, by granting requisite registration in their favour. Prima

facie, registration of such a work under Copyright Act covered at least substantial evidence of it being an artistic work within the meaning of the Act. No one can claim copyright in general in the picture or sketch of a mark depicting the designs of electrical goods in their exclusive way. However, a lot of skill and labour is involved in conceiving, conceptualizing and producing such a work and, therefore, a particular picture or sketch may constitute an artistic work in which copyright can be claimed by its author. No one has a right to reproduce any such work using the essential features of that work.

10. It is not necessary that in order to constitute infringement of a copyright, the impugned work should be an exact or verbatim copy of the original work and it will be sufficient if it is shown that though not a verbatim copy of the original work, the impugned work resembles to it in a substantial degree by extensive use of the main feature, which are found in the work in respect of which copyright is claimed. In fact any intelligent person copying a work, in which the copyright vests in another person, would make some changes here and there so as to claim that his work does not constitute infringement of the work in which a copyright subsists in favour of another person. But, such rather minor dissimilarities between the work of the plaintiff and the impugned work would not deprive the plaintiff of injunction in case degree of resemblance in

the two works is substantial and there is an attempt to encash upon the goodwill of a well-established work.

11. In Parle Products (P) Ltd. v. J.P. & Co., Mysore,

AIR 1972 SC 1359, Supreme Court inter alia observed as under:-

"According to Karly's Law of Trade Marks and Trade Names (9th Edition Paragraph 838) "Two marks, when placed side by side, may exhibit many and various differences, yet the main idea left on the mind by both may be the same. A person acquainted with the one mark, and not having the two side by side for comparison, might well be deceived, if the goods were allowed to be impressed with the second mark, into a belief that he was dealing with goods which bore the same mark as that with which he was acquainted. It would be too much to expect that persons dealing with trademarked goods, and relying, as they frequently do, upon marks, should be able to remember the exact details of the marks upon the goods with which they are in the habit of dealing. Marks are remembered rather by general impressions or by some significant detail than by any photographic recollection of the whole. Moreover, variations in detail might well be supposed by customers to have been made by the owners of the trade mark they are already acquainted with for reasons of their own"

12. It is therefore clear that in order to come to the conclusion whether one mark is deceptively similar to another, the broad and essential features of the two are to be considered. They should be placed side by side to find out if there are any differences in the design and if so, whether they are of such character as to prevent one design from being mistaken for the other. It would be enough if the impugned mark bears such an overall similarity to the registered mark as would be likely to mislead a person usually dealing with one to accept the other if offered to him.

13. The above referred observations in *Parle Products Case (supra)* made by the Hon'ble Supreme Court in respect of a trademark would equally apply in the case for infringement of a registered trademark as well. The plaintiff has, thus, been able to prove infringement of her copyright as also that the defendant by using the mark "MARC" is passing off their sale / services in the electrical upholstery related services as those being offered by the plaintiff. The case of the plaintiff finds further strength from the fact that the defendant irrespective of being duly served upon him, failed to contest his case, proves the prima facie malafide intentions of the defendant.

14. The relief of rendition of account was also pressed during the course of arguments by the plaintiff. The plaintiff has also claimed damages to the tune of Rs.20lacs. No actual damages have been proved by the plaintiff and the only prayer made during the course of arguments was to award punitive damages. At this stage the plaintiff invited my attention to the decision of this Court in **Asian Paints (India) Ltd V. Balaji Paints and Chemicals & Ors. 2006 (33) PTC 683 (Del)**. In the case of Asian Paints (Supra), this Court observed that

"11. The learned counsel for the plaintiff submits that apart from the relief claimed for in paras (a) to (d) of para 33 of the plaint, the plaintiff is also entitled to damages. In this behalf, learned counsel

for the plaintiff has relied upon the judgments of this court in **Relaxo Rubber Limited and Anr. v. Selection Footwear and Anr. 1999 PTC (19) 578, Hindustan Machines v. Royal Electrical Appliances 1999 PTC (19) 685 and CS (OS) 2711/1999 L.T. Overseas Ltd. v. Guruji Trading Co. and Anr. decided on 7.9.2003**. In all these cases, damages of Rs.3 lakhs were awarded in favour of the plaintiff. In **Time Incorporated v. LokeshSrivastava and Anr. 2005 (30) PTC 3 (Del)**, it was observed that apart from compensatory damages even punitive damages were awarded to discourage and dishearten law breakers who indulge in violation with impunity. In a recent judgment in **Hero Honda Motors Ltd. v. Shree Assuramji Scooters 125 (2005) DLT 504** this court has taken the view that damages in such a case should be awarded against defendants who chose to stay away from proceedings of the court and they should not be permitted to enjoy the benefits of evasion of court proceedings. The rationale for the same is that while defendants who appeared in court may be burdened with damages while defendants who chose to stay away from the court would escape such damages. The actions of the defendants result in affecting the reputation of the plaintiff and allendeavour shall be made for a larger public purpose to discourage such parties from indulging in acts of deception.

12. A further aspect which has been emphasised in **Time Incorporated case (supra)** is also material in the present case. The object is also to relieve a pressure on the over-loaded system of criminal justice by providing civil alternative to criminal prosecution of minor crimes. The result of the actions of defendants is that plaintiffs, instead of putting its energy for expansion of its business and sale of products, has to use its resources to be spread over a number of litigations to bring to book the offending traders in the market. In view of the aforesaid, I am of the considered view that the plaintiff would also be entitled to damages which are quantified at Rs.3 lakhs."

15. A party which chooses to stay away from the Court proceedings cannot escape from his liability, on account of the failure of the availability of account books. Also, the Court needs to take note of the fact that a lot of energy and resources are spent in

litigating against those who infringe the trademark and copyright of others and try to encash upon the goodwill and reputation of other brands by passing off their goods and/or services as those of that well-known brand.

16. In the backdrop of the said facts, this Hon'ble Court is of the view that the Plaintiffs have a bonfide case in their favour, and the aforesaid submissions clearly stipulate the defendant's malafide intent and lust for money by copying the Plaintiff's mark without putting any effort or hard work of his own. Therefore, without sowing the seeds, the defendant has no right to enjoy the flavour of the ripened fruit. At the same time, such law breakers shall be discouraged from indulging in such acts of deception and be made to pay heavy punitive damages. In the present case, the defendant has categorically infringed upon the legal right of the plaintiff to use the trade mark "MARC" in respect of electrical fittings and accessories, whereby, it is transpired that the reputation and goodwill of the plaintiff have suffered at the very outset for years.

17. For the reasons given in the preceding paragraphs, a decree for permanent injunction is hereby passed, thereby restraining the defendants from using the words MARC as a part of its corporate name, further restraining the defendant from printing, publishing, marketing, selling, advertising, soliciting, offering for sale,

advertising or displaying directly or indirectly or using or dealing in any mode or manner in electrical goods including electrical switches and accessories or/ goods of same nature as described under the impugned trade mark “MARC” registered vide registration no. 420735B in class 9, 420736 in class 11, and 420737B in class 7 of the Trade marks Act as well as the Copyright of the Plaintiff’s Trade mark ‘MARC’ (logo) in the artistic features and lettering style of the same.

18. The plaintiff is also entitled to a decree of punitive damages against the defendants which I quantify at Rs. 5,00,000/-.

19. Decree sheet be prepared accordingly.

KAILASH GAMBHIR, J

July 24, 2012