

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

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Judgment reserved on: 3.12.2012
Judgment pronounced on: 14.12.2012

+ **CS(OS) 1519/2008**
DELHI PUBLIC SCHOOL SOCIETY Plaintiff
Through: Mr. Ankur Aggarwal, Adv.

versus

D.P.S. TRUST Defendant
Through: None

CORAM:
HON'BLE MR. JUSTICE V.K.JAIN

V.K. JAIN, J.

1. The plaintiff is a society registered under the Societies Registration Act, 1860 and was established with objects *inter alia* to establish schools or other educational institutions and to impart education to boys and girls. A logo was created by the plaintiff society to distinguish its institutions. The logo comprises *inter alia* a distinctive design with words 'Delhi Public School' (in stylized form) on the bottom, words 'service before self' (in stylized form) on the top and a hand holding a *mashaal* in the centre. The plaintiff society has established various schools under the name 'Delhi Public School' and thus the name 'Delhi Public School' as also the logo created by the plaintiff society are identified exclusively with the plaintiff. The plaintiff claims registration of the logo created by it under the Trademarks Act in Class 16,35,36,41 and 42. The plaintiff also holds

registration of the word mark 'Delhi Public School' in Class 36, 35, 16 and 42. The plaintiff is running eleven core schools besides 118 other schools. The plaintiff, therefore, claims exclusive rights to use the name 'Delhi Public School'/'DPS' and the logo created and got registered by it.

2. The defendant no.1 is a trust registered under the Trust Act under the name 'DPS Trust', though it has nothing to do with the plaintiff society. It is alleged that the defendant is using the mark 'DPS' and 'Delhi Public School', thereby creating confusion in the minds of general public about the source and affiliation of its institutions. It is alleged that the defendants are thereby trying to ride upon the goodwill and reputation of the plaintiff with ulterior motive and malafide intentions, since a common man would, in ordinary circumstances, presume that the institutions of the defendant originate from the plaintiff. It is also alleged that the quality of the educational services being provided by the defendant under the mark 'DPS' is nowhere comparable to the quality of education being imparted by the plaintiff through its schools. The plaintiff is accordingly seeking an injunction restraining the defendants from offering any service, advertising or using the mark 'DPS' and 'Delhi Public School' or any other mark/name which is identical or deceptively similar to the name being used by the plaintiff. The plaintiff has also sought damages amounting to Rs.20,50,000/- besides rendition of account in

respect of the profits earned by the defendant by passing off its services as those of the plaintiff.

3. The defendant was proceeded *ex parte* vide order dated 13.03.2012.

4. The plaintiff has filed affidavit of its Secretary Mr. R. Taneja by way of evidence. In his affidavit Mr. Taneja has supported on oath the case set out in the plaint and has stated that the logo in question was designed/created by the plaintiff society in order to distinguish its institutions and the name 'DPS' and the aforesaid logo have come to be identified with the plaintiff's society. He has further stated that all the schools established by the plaintiff society are known as 'Delhi Public School' and are also referred to as 'DPS'. He has further stated that the defendant trust has nothing to do with the plaintiff society, has been carrying on business in a clandestine manner using the identical name, logo and the crest mark and had also issued advertisements advertising its products. On enquiry by the plaintiff, it was found that not only was the defendant running in the name of 'DPS' but it was also inviting franchisees under the name 'DPS Kids'.

5. Vide Supplementary Affidavit dated 5th December, 2012, Shri Rajiv Taneja has proved certified copies of various registrations in favour of the plaintiff. Ex.PW-1/3 is the certificate of registration of the trade mark DPS in favour of the plaintiff society in class 36; Ex.PW-1/G is the registration of the distinctive logo of the plaintiff which is being used by all the schools run by it. Ex.PW-1/H is the

registration of the aforesaid logo in class 41 in respect of education, providing of training etc. Ex.PW-1/I is the registration of the aforesaid logo in class 42 in respect, *inter alia*, of computer programming, scientific and industrial research; Ex.PW-1/J is the registration of the word mark DPS in class 16 in respect of paper card board and goods made from paper and card board, printed matter, stationary, paint brushes, teaching material etc. Ex.PW-1/K is the registration of the word mark DPS in class 35. Ex.PW-1/L is the registration of the logo of the plaintiff in class 16 in respect of paper card board printed matter, stationary, paint brushes, teaching material etc. Ex.PW-1/M is the registration of the logo of the plaintiff in class 35. Ex.PW-1/N is the registration of the word mark ‘DPS’ in class 41, *inter alia*, in respect of computer programming, scientific and industrial research etc.

6. Ex.PW1/D is the logo of defendant trust. A perusal of the logo of the plaintiff with the impugned logo would show that they are almost identical. The shape of the two logos is absolutely identical. The words ‘Service before Self’ are written on the top of both the logos. The words ‘Delhi Public School’ is written at the bottom of the logo of the plaintiff as well as the logo being used by the defendant. One hand holding a burning torch (*mashaal*) is in the centre of both the logos.

7. A perusal of the material of the defendant which has been exhibited as Ex.PW1/D(Colly) would show that the defendant is using the name ‘Delhi Public

School’ as well as the name ‘DPS’ on its stationary and other documents, though the word ‘kids’ or ‘Trust’ has been used with the word ‘DPS’.

8. A perusal of Section 29 of Trade Mark Act, to the extent it is relevant for our purpose would show 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.

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 the undisputed 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. As noted earlier, the logo being used by the plaintiff Society is registered in various classes including class 41 in respect of education. The defendant is using a logo which is identical to the registered logo of the plaintiff and since the defendant is running a school, which is also the service in which the plaintiff Society is engaged, the impugned logo is being used by the defendant for rendering identical services. The defendant, therefore, has clearly infringed the registered logo of the plaintiff Society by using the same for providing educational services.

11. The defendant is using not only the logo but also the word mark 'DPS' of the plaintiff. The defendant is running School in the name 'DPS Kids', Delhi Public School. By using the word 'DPS' as part of composite name 'DPS Kids', the

defendant has virtually lifted and incorporated whole of the trademark 'DPS' of the plaintiff as a part of its trademark/trade name. Same is the position with respect to the name of the defendant which is 'DPS Trust'. Though the word mark 'DPS' is not registered in favour of the plaintiff Society in respect of educational services, it is registered in its name in respect of goods such as printed matter, goods made from paper and card board, stationary, adhesive for stationary instructional and teaching material etc. as also in respect of school canteens computer programming, scientific and industrial research. As a part of its activity of running a School, the defendant is likely to use the word 'DPS' in respect of teaching material to be distributed to the students, books and exercise books/note books, school stationary, etc. Since the plaintiff holds registration of the word mark in respect of these goods, any such use by the defendant would cause infringement of the registered trade mark 'DPS' of the plaintiff.

12. A perusal of the brochure of the defendant would show that it has its office in Delhi at C-4/77, Sector-6, Rohini. Since the defendant must be undertaking its activities and its registered office in Delhi, it is obvious that the impugned trademarks are being used by the defendant in Delhi as well.

13. The law relating to passing off was recently summarized as under by me in CS(OS) 258/2012 decided on 3rd December, 2012:

“The law relating to passing off, which is an action in Common Law is by now well settled. Every person, whether natural or juridical, is entitled to carry and promote his business, under such mark or trade name as he may choose to adopt for the purpose so long as such use does not give rise to a belief that the said business is being carried by some other person or has some business association or connection with that person. No one is entitled to use a trademark or a trade name which is likely to deceive the members of the public and divert the business of another person to him, on account of use of such trade mark/trade name. If a trademark/trade name has acquired a reputation in the mark, use of an identical or similar mark by other person for carrying his business is likely not only to be detrimental to the business of the person who adopted and built the mark, but is also likely to mislead and deceive the members of the public. Such use, besides being injuries to the owner of the trademark is also likely to create confusion with respect to origin/source of the goods since a person coming across goods and/or services in respect of which the impugned mark is used, may, on account of use of the same or similar trademark/trade name, believe that the goods/services being offered to him emanate from the owner of the trademark/trade name in question and that is why they were being sold under that trade mark/trade name. Everyone is entitled in law to work for and build a commercial goodwill for his business, but no one has a right to trade upon the goodwill and reputation of another person and exploit the same to his advantage.”

14. Since the defendant is using the word mark ‘DPS’ as well as the registered distinctive logo of the plaintiff Society and is rendering services under the name ‘Delhi Public School’, which is the name under which the plaintiff Society is running its Schools, any person coming across the brochure/advertising material of

the plaintiff Company in respect of the school being run by it is likely to believe that the said school was being run by the plaintiff Society or at least had some kind of association such as that of a franchisee with the plaintiff Society and that is why it was using not only the mark 'DPS' and the distinctive logo of the plaintiff but also the name 'Delhi Public School'. The use of the name 'Delhi Public School' and/or the registered logo and the word mark 'DPS' of the plaintiff for providing educational services is certainly likely to create confusion in the mind of the general public with respect to the origin of the services being provided by the defendant. In fact, a person passing through the school of the defendant or coming across its advertisement is likely to be deceived into believing that the said School is being run by the plaintiff or its franchisee.

In *Ruston & Hornsby Ltd vs The Zamindara Engineering Co* AIR 1969 (2) SCC 727, it was held that if there is close resemblance between the two marks and they are deceptively similar to each other, the word 'India' added to one mark was of no consequence. On account of use of the name *BOURJOIS* as a part of domain name, the Internet users are likely to believe that <http://bourjois.co.in> is yet another website of the plaintiff-company, meant primarily for India and thus there is every possibility of confusion being created and those seeking to access the website of the plaintiff-company end up accessing the website of the defendants.

Therefore, not only the use of the registered logo of the plaintiff, even the use of the name DPS Trust and/or DPS Kids would constitute infringement of the registered trade mark 'DPS' of the plaintiff, besides constituting passing off. It would be pertinent to note here that the defendant has not come forward to contest the suit and tell the Court as to why it chose this trade name for providing education related service as a part of its business name and its trade mark. The plaintiff Society is running a number of highly reputed School, the students of which are well-known for their excellence in various walks of life. In fact, this is the aspiration of most of the parents that their child should get admission in a DPS School. The quality and standard of education being imparted in the Schools of the plaintiff Society is perceived to be very high. It is, therefore, obvious that by using the name DPS Trust and DPS Kids and the registered logo of the plaintiff besides the name Delhi Public School, the defendant is seeking to encash upon the goodwill and reputation which the brand DPS enjoys in this country in the field of school education. The use of the impugned marks and logos besides being injurious to the reputation which the schools of the plaintiff enjoy in public, is also likely to deceive innocent parents who may get their ward admitted in the school of defendant under a false impression that they were getting him/her admitted in one of the reputed schools being run by the plaintiff Society. If the quality of the education provided in the school of the defendant is not found to be of the same

standard as the quality of education in the schools of the plaintiff is perceived to be, this is likely to substantial impair the brand, equity, which the mark 'Delhi Public School' and DPS enjoy in this country. In fact it is difficult to dispute the contention of the learned counsel for the plaintiff that use of the impugned mark and the logo by the defendant is founded in dishonesty and acuted by *mala fide* so as to ride upon the goodwill which the schools of the plaintiff enjoy in the country. Refusing to injunct the defendant from using the impugned mark and logo would amount to ignoring such illegal and dishonest acts and encouraging practices aimed at defrauding the innocent parents who may get their children admitted in the School of the defendant under a false impression that it was a school being run by the plaintiff Society.

For the reasons stated hereinabove, a decree for perpetual injunction with costs is hereby passed restraining the defendant from using the registered logo, registered trade mark 'DPS' as well as the name Delhi Public School of the plaintiff Society for running a School or providing education related services. The defendant is further restrained from offering, promoting or advertising any School or education related services under the abovereferred name/trade mark or any other name/trade mark which is identical or deceptively similar to the trade marks 'DPS' and 'Delhi Public School or the logo of the plaintiff Society.

Besides injunction, the plaintiff has also claimed rendition of accounts and damages amounting to Rs.20,50,000/-. The plaintiff cannot get both, the rendition of accounts as well as a specific amount towards damages. I am, therefore, considering only the prayer for grant of damages.

The question of granting damages in such cases came to be considered by me in **Autodesk, Inc. & Another v. Mr. Prashant Deshmukh & Others: 183(2011)**

DLT 411 and the following view was taken:

“Regarding punitive damages in the case of ***Time Incorporated v. Lokesh Srivastava & Anr., 2005 (30) PTC 3 (Del)***, this Court observed that punitive damages are founded on the philosophy of corrective justice and as such, in appropriate cases these must be awarded to give a signal to the wrong doers that the law does not take a breach merely as a matter between rival parties but feels concerned about those also who are not party to the lis but suffer on account of the breach. In the case of ***Hero Honda Motors Ltd. v. Shree Assuramji Scooters, 2006 (32) PTC 117 (Del)***, this Court noticing that the defendant had chosen to stay away from the proceedings of the Court felt that in such case punitive damages need to be awarded, since otherwise the defendant, who appears in the Court and submits its account books would be liable for damages whereas a party which chooses to stay away from the Court proceedings would escape the liability on account of the failure of the availability of account books.

In ***Microsoft Corporation v. Deepak Raval MIPR 2007 (1) 72***, this Court observed that in our country the Courts are becoming sensitive to the growing menace of piracy and have started granting punitive damages even in cases where due to absence of defendant, the exact figures of

sale made by them under the infringing copyright and/or trademark, exact damages are not available. The justification given by the Court for award of compulsory damages was to make up for the loss suffered by the plaintiff and deter a wrong doer and like-minded from indulging in such unlawful activities.

In ***Larsen and Toubro Limited v. Chagan Bhai Patel*** MIPR 2009 (1) 194, this Court observed that it would be encouraging the violators of intellectual property, if the defendants notwithstanding having not contested the suit are not burdened with punitive damages.

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. If punitive damages are not awarded in such cases, it would only encourage unscrupulous persons who actuated by dishonest intention, in the case of a trademark use the well-reputed trademark of another person, so as to encash on the goodwill and reputation which that mark enjoys in the market, with impunity or in the case of a software use the pirated software thereby depriving the copyright owner of the revenue to which he is entitled by sale of licence to use that software and then avoid payment of damages by remaining absent from the Court, thereby depriving the plaintiff an opportunity to establish actual profit earned by him from use of the infringing mark/pirated software, which, if he is using the infringing mark/pirated software for business purposes, can be computed only on the basis of his account books. This would, therefore, amount to putting premium on dishonesty and give an unfair advantage to an unscrupulous infringer over those who have a bona fide defence to make and therefore come forward to contest the suit and place their case before the Court.”

The defendant is running a school using the highly reputed brand name of 'Delhi Public School'. As noted earlier, use of the name 'Delhi Public School', the word mark 'DPS' and the logo of the plaintiff is dishonest, actuated with greed to encash upon the brand equity which these names enjoy amongst the parents in this country. Delhi Public Schools being high coveted schools, the parents would leave no stone unturned to admit their wards in these school. On account of dishonest use of the trademark and logo of the plaintiff by the defendant, some innocent and gullible parents may admit their wards in the schools being run by the defendants and pay high fees and other charges which they would not pay for admission in an obscure school, under a mistaken belief that their child is studying in one of the schools being run by the plaintiff. It is, therefore, necessary to award adequate punitive damages to the plaintiff so that such dishonest tendencies may be curbed and innocent parents are not trapped into admitting their wards in schools such as the school being run by the defendant. I, therefore, pass a decree for recovery of Rs.10 lac as punitive damages in favour of the plaintiff and against the defendant.

Decree sheet be drawn accordingly.

The suit stands disposed of.

V.K.JAIN, J

DECEMBER 14, 2012/rd/BG/sn