

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

+ C.S. (OS) No. 706/2000

Date of Decision: 22.07.2013

FENA LIMITED

.....Plaintiff

Through: Mr. Sachin Gupta, Mr. Shashi
Ojha, Advs.

Versus

M/S FINA EUROPE S.A & ORS

.....Defendants

Through: Mr. Sushant Singh, Mr. P. C.
Arya, Mr. V. K. Shukla, Mr.
Rupesh Pandey, Mr. Tejinder
Singh, Ms. Geetika Kapur, Ms.
Parveen Arya, Advs. For D1 and
D2.

CORAM:

HON'BLE MR. JUSTICE M.L. MEHTA

M.L. MEHTA, J.

1. The plaintiff has filed this suit seeking reliefs of permanent injunction restraining passing off and unfair competition, rendition of accounts and delivery up of all goods bearing the trade mark/trade name FINA.
2. The plaintiff, Fena Ltd. is a company registered under the Companies Act, 1956 having its office at New Delhi. The plaintiff's case is that it is engaged in the business of manufacturing and selling various consumer non-durables

including detergent cakes & powder, cleaning preparation, etc. since 1976, of which, the detergent sold under the trade name/trade mark FENA has gained extreme popularity. FENA is a coined word and not a dictionary word. The plaintiff avers that the trademark FENA is a registered trade mark under the Registration Nos. 306411 and 430692 with respect to Class 3 goods dated June 20, 1975 and December 4, 1984 respectively. And that these trademarks registrations were duly renewed and are subsisting till date. The plaintiff submits that on account of excellent quality, country wide marketing network and sustained advertising campaign, its goods have acquired goodwill and reputation not only throughout India, but also in the country where these goods are exported.

3. The plaintiff submits that in the month of May 1990, it came across an advertisement of trade mark FINA for registration in the Trade Mark Journal No. 980 dated April 1, 1990 on page No. 8. The plaintiff thereafter filed a notice of opposition with the Registrar of Trade Marks opposing this application of the defendant no. 1, being Opposition No. CAL-2221. The said proceedings were contested before the Trade Mark Registry, Kolkata. Vide Order dated March 4, 1997 the Registrar of Trade Marks was pleased to allow the opposition of the plaintiff and dismissed the Trade Mark No. 443079 of the defendant no. 1 for registration of the trade mark FINA under Class 3. An appeal was preferred by the defendant no.1 against the said Order before the

Calcutta High Court, being Appeal No. 274 of 1999; which was pending hearing at the time of filing of the suit. However, the appeal was subsequently withdrawn by the defendant no. 1 on June 6, 2007.

4. The plaintiff submits that it received a letter dated November 5, 1999 from the Advocates of defendant no. 1 wherein an objection was raised regarding the use of the trade mark FENA by the plaintiff, on the ground that the plaintiff and the defendant are dealing in the same or allied category of items and that the trademarks FENA and FINA are deceptively similar. Further, on December 20, 1999, the plaintiff's attorneys at Kolkata were served with suit papers by the defendant's attorneys in respect of a suit that had been filed by the defendant against the plaintiff pursuant to the legal notice dated November 5, 1999, praying for an interim injunction. The said suit was dismissed by the Calcutta High Court vide Order dated June 15, 2012 for non-prosecution.
5. The plaintiff claims to be the proprietor and prior user of the trade mark FENA in India and hence claims to have an exclusive right to use the said mark in respect of goods of its manufacture/sale. The plaintiff submits that in view of the legal notice dated November 5, 1999, issued by the defendant no. 1, it had no other option but to file the present suit as the defendant no. 1 was asserting its proprietary claim in the trade mark/trade name FINA pending proceedings initiated before the Calcutta High Court and

threatening the plaintiff not to use its trade mark FENA. And that the defendants cannot be permitted to assert its proprietary right and use the trade mark/trade name FINA in India. The plaintiff also submits that the use of the trade mark FINA in respect of soaps, detergents as well as goods which are cognate and allied in nature or have a trade connection by the defendants is bound to cause confusion and deception among members of the purchasing public. And that the use of the deceptively similar trade mark FINA by the defendants amounts to passing off of the defendants goods as that of the plaintiff's, and hence is liable to be enjoined from using the impugned trade mark.

6. The plaintiff submits that this Court has the jurisdiction to entertain this suit as the goods of the defendant bearing the impugned trade mark/trade name were being sold at Delhi, by defendant no. 3, who is carrying on business and working for gain in Delhi. The plaintiff claims that the cause of action has therefore, arisen within the territorial jurisdiction of this Court.
7. The defendant no. 1, FINA Europe S.A., a company incorporated under the laws of Belgium. Defendant no. 2, FINA India Petroleum Pvt. Ltd. is a company incorporated under the Companies Act, 1956 having its registered office in Mumbai, and is the subsidiary of defendant no. 1 in India. Defendant no. 3 is purportedly retailing and selling the defendants goods at Delhi. The right of defendant no.3 to file its written statement was closed

on August 9, 2002. Defendants no. 1 and 2 have filed a common written statement.

8. The answering defendants contend that this court does not have the jurisdiction to entertain or try the present suit, as neither of them are residing or carrying on business within the territorial limits of this Court. The defendants also submit that defendant no. 1 is the prior user of the trademark FINA in relation to petroleum products adopted internationally since the year 1920, and that the instant suit is not maintainable under Sec. 33 of the Trade and Merchandise Mark Act, 1958. The defendants also submit that the suit is not maintainable under Secs. 28 and 30 of the Trade and Merchandise Mark Act, 1958 because defendant no. 1 is the registered proprietor of the trademark FINA registered under No. 443075 dated September 18, 1985.
9. The Court framed the following issues for trial vide Order dated September 14, 2005:
 1. Whether the plaintiff is the proprietor of the trademark 'FENA', if so, to what effect? OPP
 2. Whether the user of trade mark/ trade name FINA by the defendant in relation to toiletries, cosmetic, detergents, cleaning and polishing preparations, lubricants or any other goods under the trade mark FINA is likely to cause confusion or deception amounting to passing off? OPP

3. Whether the defendant is prior user of the trade mark FINA and is the registered proprietor in India of the said trade mark, if so, to what effect? OPD
4. Whether the plaintiff is entitled to rendition of accounts, profits and/or damages, if so, how much? OPP
5. Whether this Court has jurisdiction to entertain and try the present suit? OPP
6. Relief.

10. Issue-wise findings are as follows:

11. Issue No 5:

Since this issue deals with the jurisdiction of this Court, it ought to be dealt with at the first instance. It was argued by the Ld. Counsel for the plaintiff that this Court had the jurisdiction to try the suit because the defendants No. 1 and 2 are carrying on business within the territorial limits of this Court through defendant no.3. In furtherance of this argument, the plaintiff has produced an invoice of one M/s Pal Motors & Industries (defendant no.3) that showed the sale of 'FINA 20x50'. On the other hand, the Ld. Counsel for the defendant has argued that the plaintiff could not attract the jurisdiction of this Court based on merely one bill/invoice. Relying on the judgment of this court in the cases of **Alberto Culver Co vs. Pioneer Products BA, 2010 (44) PTC 774 (Del.)** and **Heinz India Pvt. Ltd. vs. M/S Shreejee**

Remedies, CS (OS) No. 2367/2012, the Counsel for the defendant argued that a trivial or insignificant part of the cause of action arising at a particular place would not be enough to confer jurisdiction upon this Court.

12. In deciding this issue, it is pertinent to note that the plaintiff has placed on record the invoice for purchase of the goods bearing the impugned trade mark. The counsel for defendant has also agreed that the defendants briefly carried on business in India with respect to petroleum products. Further, in paragraph 11 of the plaint, it is alleged that the defendant no. 3 was retailing in and selling the defendants goods carrying the impugned trade mark at Delhi. However, the defendants in their written statement have not only 'not denied' the said allegation, but have admitted it as correct.
13. By virtue of the said admission and in accordance with Sec. 58 of the Indian Evidence Act, 1872, the plaintiff is not required to prove any further, the sale of goods carrying the impugned trade mark within the territorial limits of the Court's jurisdiction. In light of the above, I find this issue in favour of the plaintiff.
14. Issues 1 and 2:

The plaintiff has contended that it is the registered proprietor of the mark FENA, which it has been using since 1976. The sales and advertisement figures of the plaintiff's mark for the period 1976-2003 have been annexed as Ex-P3, which has also been proven by PW-1 in his affidavit dated 25 October 2005. Further, the Registrar of Trade

Marks vide its Order dated March 4, 1997 has held that the plaintiff is the proprietor of the mark FENA. In the said Order, the Ld. Registrar decided a Notice of Opposition filed by the plaintiff herein against the defendant's application for registration of the word "FINA" in Class 3 goods, under the Application No. 443079 dated September 18, 1985. And the mark was proposed to be used on the date of application. In deciding the said Notice of Opposition, the Ld. Registrar has decided issues, inter se the same parties, similar to the one framed in this instant suit. His findings are therefore pertinent to determine the outcome of the issues framed in the instant suit.

15. In the proceedings before the Ld. Registrar, the defendants herein have submitted that they are carrying on an international business as manufacturers and merchants inter alia of chemical preparations, soaps, detergents etc. and are the legitimate and bona fide proprietors of the trade mark 'FINA', which is registered in many countries including the UK and that the word FINA is a memorable and vital part of their corporate name. It was also submitted that they were the registered proprietors in India of the mark 'FINA' in various other classes. The plaintiff herein opposed the registration of the defendants' mark 'FINA' on the ground that they have been carrying on business under the name and style of FENA for detergents and soaps since the registration of their trade mark in 1975. And that defendant's earlier registrations in India or abroad cannot entitle them the benefit of prior user. Further, the plaintiff has also pointed out that the defendants have no intention of using the mark 'FINA' during their course of trade in

India, which is evident from the fact that they haven't used the said trade mark since 1985. In deciding the matter, the Ld. Registrar held:

“The Applicant’s application for registration of an identical mark under No. 433075 dated 18th September, 1985 is not ‘prior registration’ in their favour and therefore this cannot give them or entitle them the benefit in terms of ‘special circumstance’ in their favour. I am conscious of the fact that the Applicants have earlier registrations of similar mark in different classes but at the same time, it may be mentioned here that any special circumstance forming a prior registration has to be considered along with the use made thereunder.

The likelihood of deception and confusion has to be assessed on the basis of evidence and cannot be left to the parties alone. The opponents have a prior registered mark, of the word “FENA” under No. 306411 dated 28 June 1975. They have been using the said mark extensively and voluminously and have also advertised the same as is evident from their evidence file under Rule 53 vide paras 8, 9 and 10 of the affidavit of Dalip Jolly. I have equally no hesitation in holding that the rival marks are phonetically, structurally and visually deceptively similar within the meaning of Sec. 2(1)(d) of the Act. The only difference between the rival marks is of the letter “E” in the opponents mark in place of letter “I” in the impugned mark. The different vowels in these rival marks cannot eliminate the fact of ‘deceptive similarity’ between the two.

On consideration of the aforesaid, the rival marks are held to be deceptively similar and therefore, the impugned mark is mandatorily prohibited in terms of Sec. 12(1) of the Act. Also, on consideration of the evidence of use and reputation enjoyed by the opponents in their prior registered mark is evidently likely to cause

deception and confusion during the course of trade and therefore mandatorily prohibited for registration under Sec. 11(e) of the Act.”

16. In prior cases, this Court has recognized the judicial comity of the Registrar of Trade Marks. In the case of ***Hindustan Lever Ltd. v. Rameshwar Mundia & Anr.*** 2009 (39) PTC 570 (Del.) (DB), this Court took cognizance of the decision of the Ld. Registrar to determine the deceptive similarity between two products. The Court held:

“We do not intend to decide this issue on the process of reasoning adopted by the Copyright Board for the reason we are satisfied that on the principle of comity, the Copyright Board ought to have given due respect and weightage to a prior order passed by the Statutory Authority namely, the Registrar of Trademarks.

The principle of comity is well recognized in law, whereunder different statutory authorities and courts give due respect to the opinion rendered by each other. Only when the decision or an opinion of a Court or a statutory authority is contrary to law, public policy or morality are the grounds on which the principle of comity has to be ignored.”

17. It is also notable that the principle of comity is also recognized by the Apex Court as observed in the case of ***India Household & Healthcare v. LG Household & Healthcare*** (2007) 5 SCC 510. I am of the opinion that the reasoning of the Ld. Registrar in disposing the Notice of Opposition filed by the plaintiff herein has substantial bearing in deciding Issues 1 and 2 herein. As held by the Ld. Registrar, I find that the plaintiff is the registered proprietor of the trade mark FENA and

that the impugned mark FINA is deceptively similar to the plaintiff's registered trade mark and will cause confusion amongst the purchasing public.

18. Meanwhile, it is also pertinent to note that the Order of the Ld. Registrar prohibiting the registration of the defendants' trade mark 'FINA' is only with respect to Class 3 goods i.e bleaching, washing, cleaning, polishing and souring preparations; refined and technical oils and greases; white oils, jellies and greases, notably for cosmetic purposes and leather processing and maintenance; detergents; soaps, waxes; de-greases other than those in manufacturing; vegetable, animal and mineral oils and fats and their derivatives; all substitute materials for vegetable, animal and mineral oil and their derivatives, notably fatty acids and fatty alcohols; essential oils. However, the plaintiff herein has also prayed for an injunction against the use of the defendants' trade mark with respect to lubricants also. The defendants claim to be leaders in petrochemical preparations in the world over as they possess significant trans-border reputation in petrochemical products in different countries, albeit without carrying out business in India. This fact has not been controverted by the plaintiff. In such a circumstance, the goodwill and reputation attached with the parties respective trade mark need to be carefully considered before restraining the use by one of them.
19. The Ld. Counsel for the plaintiff has vehemently contended that the use of the defendants' trade mark, albeit with respect to dissimilar goods i.e. lubricants, will cause confusion in the minds of the

purchasing public, who may associate the defendants' lubricants to be arising from the house of the plaintiff's or have close association therewith. In furtherance of this contention, he has relied upon the decision of the Apex Court in ***Mahendra & Mahendra Paper Mills Ltd. v. Mahindra Mahindra Ltd.*** (2002) 2 SCC 147, as well as the decision of this court in the case of ***Larsen & Toubro Limited v. Lachmi Narain Traders & Ors.*** 2009 (36) PTC 223 (Del.) (DB).

20. Upon careful reading of the ***L&T Case*** (supra), it is seen that the injunction was granted purely on the basis of the facts and circumstances of the case concerned. The Court held:

“In the light of the findings of fact recorded by the learned Single Judge which are, in our opinion, perfectly justified in the facts and circumstances of the case, there was no justification for allowing the defendants-respondents herein to use the very same trademark/logo with or without the extended full form of the abbreviation Lachmi Narain Trades. If use of 'LNT/ELENTE' was not permissible for the reasons given by the Single Judge with which we agree, its user could not become permissible simply because the defendants were using the offending logo/trademark with some other expression like Lachmi Narain Trades in the present case. Inasmuch as the learned Single Judge permitted user of the offending expression LNT/ELENTE by the defendants, he, in our opinion, committed a mistake that needs to be corrected.”
(emphasis supplied).

21. The Apex Court has settled the position of law on deceptive similarity across dissimilar goods in the landmark ***Mahendra & Mahendra Case*** (supra). The Court held:

“Without intending to be exhaustive, some of the principles which are accepted as well settled maybe stated thus: that whether there is a likelihood of deception or confusion arising is a matter for decision by the Court, and no witness is entitled to say whether the mark is likely to deceive or to cause confusion. That all factors which are likely to create or allay deception or confusion must be considered in combination; that broadly speaking, factors creating confusion would be, for example, the nature of the market itself, the class of customers, the extent of the reputation, the trade channels, the existence of any connection in course of trade, and others.”

22. In the instant case, it is the admitted position that the plaintiff is a household name regarding detergent powder and soaps under the name ‘FENA’. They also hold valid trade mark with respect to Class 3 goods in India. Meanwhile, the defendant also holds worldwide reputation in the petrochemical market and enjoys trans-border reputation in the relevant market, albeit not having active business presence in the Indian market. Further, it is also important to keep in mind that the Order of the Ld. Registrar is only with respect to Class 3 goods and does not extend to goods in other classes. In fact, the Ld. Registrar has also noted that the defendants possess valid registered trademarks in other classes, which alone cannot afford them the convenience of ‘prior registration’ vide ‘special circumstance’. Besides, though the plaintiff has duly pointed out that the Registration of the defendants’ trade mark ‘FINA’ was cancelled for non-renewal with respect to Class 3 goods, the status of the defendants’ trade mark in goods pertaining to other Classes are unknown and also untouched by the Order of the Ld.

Registrar. Moreover, the defendants goods primarily belong to Class 4 of the Classification of Goods and Services under the Trade Mark Act i.e. Industrial oils and greases, lubricants, dust absorbing, wetting and binding, composition; fuels (including motor spirit) and illuminants; candles and wicks.

23. I am of the opinion that outside of Class 3 goods and services, there are no factors of confusion, as observed in the ***Mahendra & Mahendra Case*** (supra), existing between the businesses of the rival parties. The market, trade channels, course of trade and most importantly, the class customers of either parties are entirely different, and hence there can be no concern of confusion with regard to goods and services of the plaintiff outside of Class 3. Therefore, Issues 1 and 2 are decided in favour of the plaintiff only to the extent of Class 3 goods and services, and against the plaintiff with regards to goods and services outside Class 3.

24. Issue 3:

It is seen that the defendant has made contradictory claims regarding its prior use of the impugned trade mark 'FINA'. In paragraph 5 of the Written Statement, the defendants have taken the preliminary objection that the impugned trade mark is a world renowned trade mark which was being used by the defendant no. 1 since the year 1920. However, in its Reply on Merits with respect to paragraphs 16 to 20 of the Plaint, the defendants have stated that the trade mark FINA is a memorable and vital part of the defendant no. 1 company's corporate name and

fame, which was adopted by the defendant no. 1 in the year 1964. The defendants have also claimed trans-border reputation of the mark FINA as the said mark is registered in several countries including India. The defendant has also submitted that the impugned mark was extensively advertised in various magazines and advertisements in media which are read and understood by the Indian public for the past 80 years. However, the defendants have not led any evidence to prove their assertions. Further, as noted by the Ld. Registrar in his Order dated March 4, 1997, the defendants have not been able to show the prior use of their trade mark. In light of the above, this issue is decided against the defendants.

25. Issue 4.

The fourth issue decides as to whether the plaintiff is entitled to damages and rendition of accounts and the burden to prove this issue was on the plaintiff. The plaintiff has not led any evidence to prove the pecuniary loss suffered by it, which was caused due to the use of the defendant's trade mark 'FINA'. Furthermore, it is the admitted position of the defendant that they are not conducting any business with respect to detergents, soaps or cosmetics under the impugned trademark, within the territory of India. Further, as noted above in Issues 1 and 2, it cannot be said, by any stretch of imagination, that the use of the defendants trade mark in goods and services outside Class 3 have affected the plaintiff adversely or caused any pecuniary loss.

26. In light of the afore noted findings, I am of the opinion that the plaintiff has been able to establish that it enjoys strong goodwill and reputation

with respect to soaps and detergents within India. It should be borne in mind, that this goodwill and reputation only exists qua a limited class of goods and services, and hence needs to be protected from being confusion with deceptively similar goods. However, in the absence of any factors of confusion i.e. similar trade channel, similar market, similar class of customers etc., it is unfair to extend this protection to dissimilar goods/goods and services belonging to different classes. One cannot say, by any stretch of imagination that the defendants' lubricants/petrochemical products will lead to confusion amongst the consumers of the plaintiff's soaps and detergents. The two products do not have common markets or customers.

27. Therefore, I find that the plaintiff is entitled to a permanent injunction restraining the defendants from using the impugned trade mark 'FINA' with respect to goods and services under Class 3. However, no such restriction is placed upon the defendants for using the impugned trade mark with respect to lubricants or any other goods and services falling outside of Class 3. Since the plaintiff has not been able to prove pecuniary loss, it is not entitled to either damages or rendition of accounts. Suit is decreed accordingly.

M.L. MEHTA, J.

JULY 22, 2013

kk/rmm