

. * IN THE HIGH COURT OF DELHI AT NEW DELHI

% Order delivered on: March 4, 2014

+ CS(OS) 102/2013, I.A. No.932/2013 & I.A. No.2869/2014

THE COCA-COLA COMPANY & ANR Plaintiffs
Through Ms.Ekta Sarin, Adv.

versus

K.M SALIM Defendant
Through None.

CORAM:

HON'BLE MR. JUSTICE MANMOHAN SINGH

MANMOHAN SINGH, J.

1. Plaintiffs have filed a suit for injunction and damages for infringement of registered trade mark, infringement of copyright, passing off and act of unfair competition.
2. Despite of service, on 15th March, 2013, the defendant chose not to appear in Court. He was proceeded ex-parte on 14th February, 2014. The plaintiffs filed an application under Order VII Rule 10 CPC for pronouncement of judgment against the defendant on account of failure to file the written statement and to contest the matter.
3. Counsel for the plaintiffs made her submissions on merit also.
4. Let me examine the case of plaintiffs on merit.
5. The plaintiff No. 1, the Coca-Cola Company (TCCC), is a corporation organized and existing under the laws of the state of Delaware, United States of America. The plaintiff No. 2 is a company incorporated under The Companies Act, 1956.
6. The plaintiff No. 1 was founded in the year 1886 and is the world's leading manufacturer, marketer and distributor of non-alcoholic beverage,

concentrates and syrups used to produce nearly 400 beverage brands. The company has its corporate headquarters in Atlanta, Georgia, United States of America and has local operations in over 200 hundred countries around the world, including India. The plaintiff No.1 is the owner and registered proprietor of several well known trade marks *inter alia* SPRITE, THUMS UP, FANTA, COCA-COLA, COKE, DIET COKE, MINUTE MAID, LIMCA, Mr. PIBB, KINLEY, MAAZA, POWERADE and SUNFILL to name only a few of them.

7. The plaintiff No.2 is an authorized bottler of the Plaintiff No.1, and is authorized to prepare, package, sell and distribute specified beverages under certain trade marks of plaintiff No. 1 in Authorized Containers under terms and conditions stipulated in Bottler's Agreement. These (trademarked) Authorized Containers are required to be purchased by authorized bottlers from manufacturers approved by the plaintiff No.1. The plaintiff No.2 is engaged in the production, manufacture, bottling, sale, distribution and supply of non-alcoholic carbonated and non-carbonated soft drinks, fruit juices, packaged drinking water and energy drinks bearing, *inter alia*, trade marks of the plaintiff No.1 mentioned hereinabove.

8. The annual world-wide sales figures of the plaintiff No.1 in the unit of cases sold for the years 1997 to 2011 are mentioned in para 11 of the plaint.

9. It is alleged that the plaintiff No. 1 has expended huge sums of money towards advertisement and promotion of its brands, both globally and in India. Details for promotional figures for the years 2006 to 2011 are mentioned in para 12 of the plaint.

10. The present action concerns the misuse of the trade marks SPRITE, SPRITE (label), FANTA (label) and THUMS UP owned by plaintiff No. 1 as well as the copyright which subsists in the SPRITE and FANTA labels of

the plaintiff No.1. The defendant has adopted and is using (firstly) the trade mark BRIGHT, which is confusingly and deceptively similar to the Plaintiff No.1's registered trade mark SPRITE, and (secondly) the mark FUNS UP, which is confusingly and deceptively similar to the plaintiff No.1's registered trade mark THUMS UP. Further the defendant is using the mark BRIGHT with a trade dress which is confusingly and deceptively similar to the trade dress of plaintiff No. 1's product SPRITE. The defendant has for its product FUNS UP, copied distinctive elements of the plaintiff No.1's FANTA label which comprises of the unique colour combination and the distinctive style of writing FANTA. Such acts of the defendant amounts to infringement of the registered trade marks SPRITE and THUMS UP, passing off and the copyright in the SPRITE and FANTA labels of plaintiff No. 1. It is clear that the defendant has deliberately adopted various elements of the plaintiff No.1's brands to give an impression to the consumers that it is connected to the plaintiffs.

11. In India, the plaintiff No.1's earliest registration for the trade mark SPRITE dates back to April 6, 1961 in class 32 bearing registration No. 201669 and the oldest registration for the trade mark THUMS UP dates back to November 21, 1973 in class 32 bearing registration No. 292261. Further, the plaintiff No. 1 also holds a registration for the trade mark FANTA (stylized). Details of such registrations are tabulated herein below:

TRADEMARK	REGISTRATI ON NO.	DATE	CI	GOODS
SPRITE	201669	April 6, 1961	32	Mineral And Aerated Waters And Other

				Non-Alcoholic Drinks; Syrups And Other Preparations For Making Beverages
THUMS UP	292261	November 21, 1973	32	Non-Alcoholic Aerated And Non-Aerated Beverages.
	1964201	May 12, 2010	32	Beers; Mineral And Aerated Waters And Other Non-Alcoholic Drinks; Fruit Drinks And Fruit Juices; Syrups And Other Preparations For Making Beverages

12. It is alleged that the above mentioned registrations are valid and subsisting as of date. By virtue thereof and by virtue of the provisions of The Trade Marks Act, 1999 (hereinafter referred to as “the Act”), the plaintiff No.1 and its licensees have the exclusive right to use the aforesaid trade marks *inter alia* in respect of the goods and services for which the aforesaid trade marks are registered. Additionally, under Section 31 of the Act, the original registration is a prima facie evidence as to its validity. Copies of the Registration Certificates for the aforesaid trademarks have been filed on

record. Internationally, the trade marks SPRITE, THUMS UP and FANTA (stylized) are registered in numerous jurisdictions of the world.

13. The artistic work in the SPRITE and FANTA logo/label, as represented below, also vests with the Plaintiff No.1

SPRITE LABEL



FANTA LABEL



It is the case of the plaintiffs that the abovementioned logo/label of the SPRITE and FANTA constitute original “artistic works” within the meaning of Section 2(c) of the Copyright Act, 1957 and the plaintiff No.1, therefore, is the owner of the copyright in the said distinguishing features and elements of the SPRITE and FANTA logo/label and thereby has exclusive right to use or reproduce the features thereof in any material form. For the sake full disclosure a variation of the FANTA label as reproduced herein above is being currently being used by the plaintiffs.

14. **THE ADOPTION AND USE OF SPRITE**

Introduced in 1961, SPRITE is the world's leading lemon-lime flavored soft drink. SPRITE is sold in more than 190 countries and ranks as the No. 4 soft drink worldwide, with a strong appeal to young people. Millions of people enjoy SPRITE because of its crisp, clean taste that really quenches your thirst.

15. Products under the trade mark SPRITE are sold in various countries like Afghanistan, Albania, Algeria, American Samoa, Angola, Antigua &

Barbuda, Argentina, Armenia, Aruba, Australia, Austria, Azerbaijan, Bahamas, Bahrain, Bangladesh, Barbados, Belarus, Belgium, Belize, Benin, Bermuda, Bolivia, Bosnia & Herzegovina, Botswana, Brazil, British Virgin Islands, Bulgaria, Burkina Faso, Burundi, Cambodia, Cameroon, Canada, Cape Verde, Cayman Islands, Central African Republic, Chad, Chile, China, Colombia, Comoros, Costa Rica, Croatia, Curacao, Cyprus, Czech Republic, Democratic Republic of Congo, Denmark, Djibouti, Dominica, Dominican Republic, Ecuador, Egypt, El Salvador, Equatorial Guinea, Eritrea, Estonia, Ethiopia, Fiji, Finland, France, French Guiana, French Polynesia, Gabon, Georgia, Germany, Ghana, Great Britain, Greece, Grenada, Guadeloupe, Guam, Guatemala, Guinea, Guinea-Bissau, Guyana, Haiti, Honduras, Hong Kong, Hungary, Iceland, India, Indonesia, Israel, Italy, Ivory Coast, Jamaica, Japan, Jordan, Kazakhstan, Kenya, Kuwait, Kyrgyzstan, Latvia, Lebanon, Lesotho, Liberia, Lithuania, Luxembourg, Macau (Macao), Macedonia, Madagascar, Malawi, Malaysia, Maldives, Mali, Malta, Mariana Islands, Martinique, Mauritania, Mauritius, Mayotte, Mexico, Moldova, Mongolia, Montserrat, Morocco, Mozambique, Namibia, Nauru, Nepal, Netherlands, New Caledonia, New Zealand, Nicaragua, Niger, Nigeria, Northern Ireland, Norway, Oman, Pakistan, Panama, Papua New Guinea, Paraguay, Peru, Philippines, Poland, Portugal, Puerto Rico, Qatar, Republic of Congo, Republic of Ireland, Republic of Korea, Reunion, Romania, Russia, Rwanda, Saint Helena, Saint Kitts and Nevis, Saint Lucia, Saint Maarten, Saint Vincent & the Grenadines, Samoa, Sao Tome & Principe, Saudi Arabia, Senegal, Serbia & Montenegro, Seychelles, Sierra Leone, Singapore, Slovakia, Slovenia, Solomon Islands, South Africa, Spain, Sri Lanka, Suriname, Swaziland, Sweden, Switzerland, Taiwan, Tajikistan, Tanzania, Thailand, The Gambia, Togo, Tonga, Trinidad & Tobago, Tunisia, Turkey,

Turkmenistan, Turks & Caicos Islands, U.S. Virgin Islands, Uganda, Ukraine, United Arab Emirates, United States, Uruguay, Uzbekistan, Vanuatu, Vietnam, West Bank-Gaza, Yemen, Zambia and Zimbabwe.

16. SPRITE was launched in the year 1999 in India. Since then SPRITE has not only established itself as a brand which successfully boasts its 'cut-thru' perspective with an authentic, edgy, irreverent, urban and straight forward style, but has also achieved the status of an undisputed youth 'badge' brand. Today SPRITE is the most preferred and fastest growing soft drink in India and has become the second largest soft drink in India.

17. The drink under the brand name SPRITE is very popular in India. The sales figures in the unit of cases sold under the brand name SPRITE world-wide as well as in India for the years 2001 to 2011 are mentioned in para 17 of the plaint.

18. It is alleged that the plaintiffs have expended huge sums of money towards advertisement and promotion of the brand SPRITE, both globally and in India. The promotional figures for the years 2002 to 2011 in relation to India are mentioned in para 18 of the plaint.

THE ADOPTION AND USE OF FANTA

19. It is alleged that the brand FANTA has a truly remarkable heritage. Prior to the out-break of the Second World War, COCA-COLA had 43 bottling plants and more than 600 local distributors in Germany.

20. Since its adoption and launch in 1941, FANTA is now sold throughout the world in over 180 countries including but not limited to Singapore, Australia, Guam, Korea, Thailand, Canada, United States of America, Puerto Rico, South Africa, Uganda, Maldives, Malta, Italy, Germany, Djibouti, Kenya, Mauritius, Somalia, Tanzania, Gambia, Guinea,

Nigeria, Egypt, Libya, Sudan, Ivory Coast, Senegal, China, Macau, Bahrain, Iran, Iraq, Jordan, Kuwait, Lebanon, Oman, Qatar, Saudi Arabia, United Arab Emirates, Yemen, West Bank-Gaza, Netherlands, Poland, Norway, United Kingdom, Switzerland, Belgium, Luxembourg, Austria, New Caledonia, Martinique, Estonia, Latvia, Lithuania, Hungary, Japan, Fiji, New Zealand, Hong Kong, Taiwan, Philippines, El Salvador, Cyprus, Romania, Ethiopia, Madagascar, Namibia, Slovakia, Ukraine, Syria, Brazil, Russia, Greece, Mozambique, Burundi, Ghana, Liberia, Sierra Leone, Gabon, Nepal, Sri Lanka, Indonesia, Belize, Grenada, Guatemala, Virgin Islands, Panama, Jamaica, Papua New Guinea, Maiana, Islands, American Samoa, Pakistan, Antigua & Barbuda, Bahamas to name only a few.

21. Consumers around the world fondly associate FANTA with happiness and special times with friends and family. The positive imagery is driven by brand's fun, playful personality, which goes in hand with bright color (particularly orange), bold fruit taste and dingy carbonation. Starting as an orange flavored drink, FANTA is now available in more than 70 flavours throughout the world. Many of these flavors are available by region. For example, in Romania there is "FANTA SHOKATA" based on the traditional Romanian drink "Scotă" which is made from elderflower. In Switzerland, the local fruit Blackcurrant is used to produce FANTA.

22. The success and goodwill that FANTA has enjoyed over the years can be gauged from the global sales figures for last 31 years which are given in para 33 of the plaint.

23. The beverages under the brand name FANTA are a big success in India as well. Over the years FANTA has occupied a strong market place and is identified as "The Fun Catalyst". Perceived as a fun youth brand, in India, FANTA stands for its vibrant color, tempting taste and tingling

bubbles that not just uplifts feelings but also helps free spirit, thus encouraging one to indulge in the moment. This positive imagery is associated with happy, cheerful and special times with friends. The sales figures of the sale of FANTA in India for the last 10 years are mentioned in para 34 of the plaint.

24. In addition to the above the plaintiff No. 1 has since the re-launch of FANTA in India expended huge sums of money towards advertisement and promotion of the brand in India. The promotional figures from the year 2000 till 2011 are mentioned in para 35 of the plaint.

25. In the past, several legal actions have been successfully initiated by the Plaintiffs against unscrupulous third parties. In Suit No. 429 of 2007 (I.A. No. 2627 of 2007) against **Dwarkadhish Khandelwal Trading as Mewar Soda Water Factory**, Sanjay Kishan Kaul, J. of this Court while granting *ad interim* injunction held:

“On hearing learned counsel for the parties and perusing documents on record, I am satisfied that it is necessary to grant ad interim order as prayed for by the plaintiffs. The plaintiffs have a well established market and sales and prima facie it appears that the defendant is seeking to ride piggy back on the trade name of the plaintiff. The word 'Fanta' is registered since 1955 and the word 'Fanta' by itself does not have any meaning. The defendant is also in the same business with trade name 'Facta' which again has no meaning. It certainly does not have any connection with the defendant. The adoption of such a name thus is only on account of similarity with the word 'Fanta' both in the manner of writing and phonetically. If ad interim injunction orders are not granted, an irretrievable prejudice would be caused to the plaintiffs and the balance of convenience is in favour of the plaintiffs.

It is directed that till the next date the defendant and its agents are restrained from manufacturing or selling under the trade mark 'Facta'.”

The said suit was decreed in favour of the plaintiffs *vide* an ex-parte decree dated 24th August, 2007.

26. The plaintiffs also instituted a suit before this Court being C.S. (OS) No. 2172 of 2011 titled The Coca-Cola Company & Anr. vs. Sanjeev Kumar wherein while restraining the defendant by an *ex parte* ad interim injunction dated 7th September, 2011 from using the mark FANDA and FANDA (stylized) being deceptively and confusing similar to the plaintiff No.1's FANTA and FANTA (label) held the said trade marks to be well-known trade marks as defined under Section 2 (1)(zg) of the Act. Relevant portion of the order is reproduced below:

*“The defendants also appear to have copied the **well-known trademark and logos** of the plaintiffs namely LIMCA, LIMCA (logo) **FANTA and FANTA (stylized)***

27. The plaintiffs came to know about the activities of the defendant in December, 2008. The plaintiff No.1 instructed its attorneys to send a cease & desist notice to the defendant. The said attorneys vide their letter dated 2nd January, 2009 called upon the defendant to cease and desist from manufacturing, selling or offering for sale any goods under the offending labels and/or trade dress and/or any other mark or name identical/virtually identical or deceptively or confusingly similar to the trade marks of the plaintiff No.1 or in any other manner whatsoever infringing the registered trade marks SPRITE and THUMS UP and/or the copyright in the SPRITE and FANTA label which vests with the plaintiff No.1. On 28th January, 2009 the plaintiffs' counsel sent a reminder letter to the defendant as no response was received from them to their letter dated 2nd January, 2009.

28. On 12th February, 2009 the plaintiff No. 1's counsel received a response from the defendant's counsel dated 28th January, 2009. In the said

letter the defendant's counsel denied the plaintiff No.1's contentions while stating that the defendant is running a small scale industrial unit with a registration issued by department of Small Scale Industries, State of Kerala and also with license No. EPO 11695 issued by the Department of Food Processing Industries, Govt. of India dated 7th December, 2000 and other permits. The Defendant denied that the use of the marks BRIGHT and FUNS UP violate the plaintiffs' rights in any manner. The defendant's counsel also claimed that since the defendant is running a small scale business and hence is not a threat or a cause of concern for the plaintiffs being the largest manufacturer of soft drinks. Additionally the counsel of the defendant contended that the plaintiffs' products were banned in the State of Kerala.

29. On 14th April, 2009 the plaintiffs' counsel acting under the plaintiff No.1's instructions, replied to the defendant's counsel's letter dated January 28, 2009. Vide the said letter the plaintiffs' counsel denied the contention of the defendant and reiterated the plaintiff No.1's rights in and to the trade marks SPRITE, THUMS UP and FANTA. It was further stated in reply to the defendant's counsel's contention regarding a ban on the plaintiffs' products in the State of Kerala that the said ban was lifted by the Court and in any case the same is irrelevant as such a ban does not give the defendant any right to adopt the impugned marks and labels which are confusingly and deceptively similar to the plaintiff No.1's well-known trade marks. Additionally through the said letter the defendant was provided an opportunity to amicably settle the said dispute by suitably amending the impugned trade marks and labels in such a manner that they no longer violate the plaintiff No.1's trade marks.

30. Since no response to letter dated 14th April, 2009 was received from the counsel of the defendant, the plaintiff counsel sent a reminder letter to the counsel of the defendant dated June 4, 2009.

31. On 22nd June, 2009 the counsel of the plaintiffs' received a call from the defendant's counsel asking what specific changes in the impugned marks and labels do the plaintiffs require to amicably settle the matter. The plaintiffs' counsel explained to the defendant's counsel that changes in the trade dress more specifically the colour combination etc are required and should be such that the defendant is no longer violating the trade marks and copyright of plaintiff No.1. The defendant's counsel asked the Plaintiffs' counsel to write a letter to them suggesting the changes required in the offending marks.

32. On 8th July, 2009 the plaintiffs' counsel acting under the instructions of plaintiff No.1 wrote a letter to the defendant's counsel specifically stating that the defendant should change the impugned marks BRIGHT and FUNS UP and also change the impugned BRIGHT and FUNS UP labels and their colour combination. It was further stated that if the defendant is agreeable to comply with the same, they should send to the plaintiffs' counsel new labels for inspection by the plaintiffs. The relevant portion of the said letter is reproduced below:

"I have communicated the gist of our aforementioned conversation to our client and our client is of the view that the offending marks i.e. BRIGHT (label) and FUNS UP (label), the word marks BRIGHT and FUNS UP are confusingly and deceptively similar to our client's well-known trade marks SPRITE and THUMS UP. Further even the trade dress of the label is confusingly and deceptively similar to that of our client well-known and distinctive labels. Hence in order to amicably settle the matter we request that your client amend their labels

entirely i.e. change the marks BRIGHT and FUNS UP and also change the present labels and their colour combination.

If your client is willing to comply with the aforesaid we shall look forward to receiving a sample of the new labels which can be approved by our client.”

33. It is stated in para 63 of the plaint that prior to drafting the cancellation action the plaintiffs’ counsel checked the exact status of the registration for the mark FUNS UP and noted that the said registration had not been renewed by the defendant post its expiry on 29th November, 2010. To confirm this fact the plaintiffs instructed their counsel to file an application under the Right to Information Act.

34. On 17th January, 2012 the plaintiffs’ counsel filed an application under the Right to Information Act to ascertain the renewal status of the defendant’s registration for the mark FUNS UP and also to ascertain why, if the registration was not renewed, the status had not been updated to ‘Removed’.

35. On 13th February, 2012, the plaintiffs’ counsel received a response to its query under the Right to Information Act from the Trade Marks Registry. The Trade Marks Registry confirmed that the registration of the mark FUNSUP bearing No. 973780 has not been renewed. Additionally, it was mentioned that the status is updated by the Trade Marks Registry, Mumbai and that they have written a letter for the same.

36. The plaintiffs conducted an investigation into the activities to confirm if the defendant is still engaged in manufacturing and providing for sale beverages bearing the impugned marks and label BRIGHT and FUNS UP. On discovering the registration for the mark FUNS UP the plaintiff No.1 decided to pursue a cancellation action against the same prior to initiating legal action around December 2011.

37. The plaintiffs received the investigation result in May, 2012 which revealed that the defendant was still engaged in the manufacture and sale of beverages bearing the impugned marks and labels BRIGHT and FUNS UP in the same trade dress as reproduced above. Even though the product FUNS UP was not readily available during the course of the investigation, the defendant confirmed to the investigator that it still manufactures FUNS UP but the same was currently out of stock.

38. The plaintiffs' counsel acting under the instructions of plaintiff No.1 sent a letter dated 7th June, 2012 to the defendant's counsel informing them that as per a recent investigation conducted into the activities of the defendant they were still using the impugned marks and label BRIGHT and FUNS UP. Additionally one final opportunity to amicably settle the dispute was provided to the defendant by amending their marks so as to no longer infringe the plaintiff No.1's well-known trade marks. However, it appears that dispute could not be settled and the plaintiffs filed the present suit. The statements made by the plaintiffs have gone un-rebutted by the defendant as the written statement is not filed. No one appears when the matter was called.

39. It appears from the pleadings and material placed on record that the various communications were exchanged between the parties. But amicable settlement could not be arrived at. It is alleged in para 62 of the plaint that the plaintiffs conducted a search of the Trade Marks Register prior to proceeding with any legal action against the defendant. The said search revealed the following marks applied for by the defendant.

Trade Mark	Number	Date	Class	Status
BRIGHT	956526	September 9, 2000 User Details Proposed to be used	32	Abandoned
	1789464	February 25, 2009 User Details: September 18, 2000	32	Objected
FUNSUP	973780	November 29, 2000 User Details Proposed to be used	32	Registered

40. It is submitted by the counsel for the plaintiffs that by virtue of the registrations and the provisions of the Trade Marks Act, 1999, only the plaintiff No.1 has the exclusive right to its well-known trade marks SPRITE, THUMS UP and FANTA (stylized). The use by the Defendant of the impugned marks, which *inter alia* includes the mark BRIGHT which is confusingly and deceptively similar to the plaintiff No.1's well-known and registered trade mark SPRITE, and FUNS UP which is confusingly and deceptively similar to the registered trade mark THUMS UP and is written in a stylized manner which is visually confusing and deceptively similar to

the plaintiff No.1's registered stylized trade mark , constituting infringement of the Plaintiff No.1's trade marks. As elaborated, SPRITE, THUMS UP and FANTA (stylized) possess enormous reputation in India. SPRITE, THUMS UP and FANTA (stylized) are, therefore, 'well-known' trade marks and enjoy the highest and widest degree of statutory protection. The defendant's unauthorized use of the plaintiff No.1's well-known registered trade marks will cause confusion and deception in the minds of the consumers and shall dilute the distinctiveness of the plaintiff No.1's trade marks and also result in misappropriation of plaintiffs' goodwill and reputation. Defendant's acts constitute a violation of plaintiff No.1's statutory rights and an infringement of plaintiff No.1's registered trade marks under Section 29 of the Act.

INFRINGEMENT OF COPYRIGHT

41. Counsel has referred para 73 of the plaint and alleged that the defendant's labels of the impugned labels BRIGHT and FUNS UP as mentioned in the foregoing paragraphs No. 38 & 39 are a colourable and slavish reproduction of the plaintiff No.1's distinctive manner of representing its senior and well-known trade marks SPRITE and FANTA. The design, lay-out, get up and arrangement of features of the defendant's impugned marks is similar to those of the plaintiff No.1's. The defendant has copied the plaintiff No.1's artistic work relating to the manner in which it represents its trade marks SPRITE (label) and FANTA (label). By reproducing the manner in which the plaintiff No.1 represents its trade marks, the defendant has infringed the plaintiff No.1's copyright in the artistic works. In these circumstances, the plaintiffs are entitled to a perpetual order of injunction of this Court restraining the defendant by

himself, its servants, dealers and agents from infringing the plaintiff No.1's copyrights in its artistic works by reproducing it or any substantial part thereof in any material form and/or by using its impugned work in any manner, whatsoever. Apart from being a civil violation, the impugned use, imitation and reproduction also constitute a cognizable criminal offence under the provisions of Sections 63 and 64 of the Copyright Act, 1957, punishable with imprisonment up to three years and penalty up to Rs.2 lac.

PASSING OFF AND ACT OF UNFAIR COMPETITION

42. Counsel further states that the plaintiffs also have a supplementary claim based on passing off in relation to impugned labels being used by the defendant namely BRIGHT label and FUNS UP label. In addition to copying the well-known registered trade marks of plaintiff No.1, the defendant has also copied several distinctive elements of the plaintiffs' SPRITE and FANTA labels. The similarities in the defendant's offending labels have been detailed in the foregoing paragraph Nos.38 & 39. Such use by the defendant of the offending BRIGHT and FUNS UP labels amounts to passing of their product as the product of the plaintiffs. On account of the fact that the trade marks of plaintiff No.1 are registered and capable of being recognized as well-known trade marks, the claim for passing off is intertwined with the case for infringement.

43. Apart from constituting passing off of trade marks, the adoption of the impugned marks and labels by the defendants is a clear act of unfair competition. Owing to the striking similarity of the defendant's labels to the plaintiff No.1's SPRITE and FANTA labels, the unauthorized use of the offending marks and labels is likely to confuse the consumers about the origin of the defendant's products. Consumers are also likely to mistakenly associate the products of the defendant with the products of the plaintiffs.

Thus, the defendant, without due cause and without the authorization of the plaintiffs, are unfairly trading upon the reputation and goodwill that vest in the plaintiff's distinctive trade marks.

44. The aspect of determination of well-known trade mark has been considered by this Court in some recent cases.

45. In the case of ***Bloomberg Finance LP vs. Prafull Saklecha & Ors.*** 2013 (56) PTC 243 (Del), it was observed in Para 31-44, 48-51 that:

“31.As regards infringement, Section 29 of the TM Act 1999 sets out the different situations in which infringement of a registered mark can result. Section 29 of the TM Act 1999 reads as under:

29. Infringement of registered trademarks.

(1) A registered trade mark 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 respect of which the trade mark 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.

(2) A registered trade mark 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-

(a) its identity with the registered trade mark and the similarity of the goods or services covered by such registered trade mark; or

(b) its similarity to the registered trade mark and the identity or similarity of the goods or services covered by such registered trade mark; or

(c) 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.

(3) In any case falling under clause (c) of sub-section (2), the court shall presume that it is likely to cause confusion on the part of the public.

(4) A registered trade mark 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-

(a) is identical with or similar to the registered trade mark; and

(b) is used in relation to goods or services which are not similar to those for which the trade mark is registered; and

(c) the registered trade mark has a reputation in India and the use of the mark without due cause takes unfair advantage of or is detrimental to, the distinctive character or repute of the registered trade mark.

(5) A registered trade mark is infringed by a person if he uses such registered trade mark, as his trade name or part of his trade name, or name of his business concern or part of the name, of his business concern dealing in goods or services in respect of which the trade mark is registered.

(6) For the purposes of this section, a person uses a registered mark, if, in particular, he-

(a) affixes it to goods or the packaging thereof;

(b) offers or exposes goods for sale, puts them on the market, or stocks them for those purposes under the registered trade mark, or offers or supplies services under the registered trade mark;

(c) imports or exports goods under the mark; or

(d) uses the registered trademark on business papers or in advertising.

(7) A registered trade mark is infringed by a person who applies such registered trade mark to a material intended to be used for labelling or packaging goods, as a business paper, or for advertising goods or services, provided such person, when he applied the mark, knew or had reason to believe that the application of the mark was not duly authorised by the proprietor or a licensee.

(8) A registered trade mark is infringed by any advertising of that trade mark if such advertising-

(a) takes unfair advantage of and is contrary to honest practices in industrial or commercial matters; or

(b) is detrimental to its distinctive character; or

(c) is against the reputation of the trade mark.

(9) Where the distinctive elements of a registered trade mark consist of or include words, the trade mark may be infringed by the spoken use of those words as well as by their visual representation and reference in this section to the use of a mark shall be construed accordingly.”

32. Section 29 of the TM Act contemplates the owner/proprietor of the registered trade mark alleging infringement of the said mark by another person who is neither a registered proprietor in relation to the goods and services for which the mark is registered, nor has permission to use such mark in the course of his trade. Under Section 29(1)infringement results if the mark is "identical with or deceptively similar to" the registered trade mark and is in relation to the goods and services for which the trademark has been registered. The use of infringing or impugned mark must render it "likely to be taken as being used as a trade mark".

33. Under Section 29(2)(a) infringement occurs where the impugned mark is identical with the registered trademark and the goods or service for which the impugned mark is being used is similar to the goods and services covered by the registered mark. Under

Section 29(2)(b) infringement occurs where the impugned mark is similar to the registered mark and the goods and the services for which is used is identical with or similar to the goods and services for which the registered mark is used. Under Section 29(2)(c) infringement occurs where the impugned trade mark is identical to the registered trade mark and the goods or services for which the impugned mark is used is also identical to the goods/services covered by the registered trade mark.

34. An additional requirement in the above three situations for infringement to result is that the use of the impugned trademark "is likely to cause confusion on the part of the public" or "is likely to have an association with the registered trade mark". Under Section 29(3) when the impugned trademark is identical to the registered trademark and the goods/services for which it is used are also identical to the goods or services for which the registration has been granted then "the Court shall presume that it is likely to cause confusion on the part of the public".

35. Therefore, under Section 29(1), (2) and (3) for infringement to result (i) the impugned mark has to be either similar to or identical with the registered mark and (ii) the goods or services for which the impugned mark is sued has to also either be identical with or similar to the goods or services for which registration has been granted. The scenario is different as regards Section 29(4) of the TM Act 1999. For infringement to result under Section 29(4), the following conditions are required to be fulfilled:

- (i) the person using the impugned mark is neither a registered proprietor in relation to the goods and services for which the mark is registered nor is using it by way of permitted use
- (ii) the impugned mark must be used in the course of trade
- (ii) the impugned mark has to be either similar to or identical with the registered mark
- (iii) the impugned mark is used for goods or services different from those for which registration has been granted;
- (iv) the registered trade mark has a reputation in India;

(iv) the use of the impugned mark is without due cause, and takes unfair advantage of or is detrimental to,

(a) the distinctive character of the registered trade mark;
or

(b) the reputation of the registered trade mark.

36. The expression 'mark' has been defined in Section 2(m) of the TM Act to include "a device brand, heading, label, ticket, name, signature, word, letter, numeral, shape of goods, packaging or combination of colours or any combination there of." (emphasis supplied) Therefore, for the purpose of Section 29(4), the use of a mark as part of a corporate name would also attract infringement. In other words, if the registered mark is used by a person, who is not the registered proprietor of such mark or a permitted user, as part of the corporate name under which he trades then also infringement would also result. What is however important is that the registered trade mark must be shown to have a reputation in India and should be shown to have been used by the infringer 'without due cause'. Further, it should be shown that such adoption or use has resulted in the infringer taking unfair advantage of the registered mark or is detrimental to the distinctive character or repute of the registered trade mark.

37. Section 29(4) is also distinct from Section 29(1) to (3) of the TM Act in another important aspect. The element of having to demonstrate the likelihood of confusion is absent. Perhaps to balance out this element, the legislature has mandated the necessity of showing that (a) the mark has a reputation in India (b) that the mark has a distinctive character (c) the use by the infringer is without due cause. In other words, the legislative intent is to afford a stronger protection to a mark that has a reputation without the registered proprietor of such mark having to demonstrate the likelihood of confusion arising from the use of an identical or similar mark in relation to dissimilar goods and services. The words 'detriment' in the context of the 'distinctive character' of the mark brings in the concept of 'dilution' and 'blurring'. In the context of 'repute' they are also relatable to the concept of 'tarnishment' and 'degradation'. The words "takes 'unfair advantage'" refers to 'free-riding' on the goodwill attached to mark which enjoys a reputation.

The disjunctive 'or' between the words 'distinctive character' and 'repute' is designedly inserted to cater to a situation where a mark may not have a distinctive character and yet may have a reputation.

38. Section 2(zg) of the TM Act defines a 'well known trade mark' in relation to any goods or services to mean 'a mark which has become so to the substantial segment of the public which uses such goods or receives such services that the use of such mark in relation to other goods or service would be likely to be taken as indicating a connection in the course of trade or rendering of services between those goods or services and a person using the mark in relation to the first-mentioned goods or services.' Under Section 11(9)(i) and (v), for the purposes of registration of a well-known mark it is not necessary for such mark to have been used in India or be well-known to the public at large in India. It must be well known to a substantial segment of the relevant public.

39. It may not be necessary for the proprietor of a registered mark to show that it is a 'well-known trademark' as defined in Section 2(zg) although if in fact it is, it makes it easier to satisfy the 'reputation' requirement of Section 29(4) of the TM Act. The presumption of distinctiveness attached to a registered mark is a rebuttable one. At the interim stage, either of these elements should be shown prima facie to exist. Whether in fact these elements are satisfied would depend on the evidence led by the parties at trial.

40. It may be noticed at this stage that even prior to the TM Act 1999 the Supreme Court in *N.R. Dongre v. Whirlpool Corporation* 1996 PTC (16) recognised the concept of cross-border reputation when it upheld the decision of the Division Bench of this Court which granted a temporary injunction in favour of a Plaintiff based abroad. The Division Bench of this Court followed the decision in *Apple Computer Inc. vs. Apple Leasing & Industries* 1992 (1) ALR 93, and held that it was not necessary to insist that a particular plaintiff must carry on business in a jurisdiction before improper use of its name or mark can be restrained by the court. The main consideration was "the likelihood of confusion and consequential injury to the plaintiff and the need to protect the public from deception. Where such confusion is prima facie shown to exist, protection should be given by courts to the name or mark".

41. Turning to Section 29(5) of the TM Act 1999, it is seen that it relates to a situation where (i) the infringer uses the registered trademark "as his trade name or part of his trade name, or name of his business concern or part of the name, of his business concern" and (ii) the business concern or trade is in the same goods or services in respect of which the trade mark is registered. If the owner/proprietor of the registered trade mark is able to show that both the above elements exist then an injunction restraining order the infringer should straightway follow. This is in the nature of a per se or a 'no-fault' provision which offers a higher degree of protection where both the above elements are shown to exist. For the purpose of Section 29(5) of the TM Act 1999, there is no requirement to show that the mark has a distinctive character or that any confusion is likely to result from the use by the infringer of the registered mark as part of its trade name or name of the business concern.

42. However, in a situation where the first element is present and not the second then obviously the requirement of Section 29(5) is not fulfilled. The question is whether in such a situation the owner or proprietor of the registered trade mark is precluded from seeking a remedy under Section 29(4) of TM Act, 1999 if the conditions attached to Section 29(4) are fulfilled.

43. In the considered view of this Court, given the object and purpose of Section 29(1) to (4), Section 29(5) cannot be intended to be exhaustive of all situations of uses of the registered mark as part of the corporate name. Section 29(5) cannot be said to render Section 29(4) of the TM Act, 1999 otiose. In other words, the legislature may not be said to have intended not to provide a remedy where the registered trade mark is used as part of the corporate name but the business of the infringer is in goods or services other than those for which the mark is registered.

44. The Statement of Objects and Reasons of the TM Act 1999 explain that sub-section (5) of Section 29 "seeks to prevent a person from adopting someone else's trade mark as part of that person's trade name or business name by explicitly providing that such action shall also constitute an infringement under this Act. This provision will bring this clause in harmony with the proposed amendments to Sections 20 and 22 of the Companies Act, 1956."

Sections 20 and 22 of the CA have been amended to provide that where the name of a company resembles a registered trade mark, then the registration of the company in that name can be refused. The ROC is expected to gather information from the TM Registry. Under Section 22(5) of the CA, the owner of the registered trade mark can apply to have the name of a company that is purportedly infringing the mark cancelled. All of this only strengthens the conclusion that where Section 29(5) offers a high degree of protection where both the elements envisaged in that provision exist, it is not meant to preclude the owner of a registered mark remediless when only the first and not the second element exists.”

“48. In *Mahendra & Mahendra Paper Mills Limited v. Mahindra & Mahindra Limited* (2002) 2 SCC 147, the case before the Supreme Court pertained to the grant of an injunction against the Defendant using, in any manner, as a part of its corporate name or trading style the words Mahindra & Mahindra or any word(s) deceptively similar to Mahindra or and/or Mahindra & Mahindra so as to pass off or enable others to pass off the business and/or services of the Defendant as those of the Plaintiffs or as emanating from or affiliated or in some way connected with Plaintiffs. The Defendant contended that its products were in no way similar to that of the Plaintiffs and that the business carried on by it did not overlap with the business of any of the companies enlisted by the Plaintiffs. The Supreme Court held that by using the Plaintiffs trademark as a part of its corporate name, the Defendant had committed the fraud of passing off its business and/or services as that of the Plaintiffs.

49. In *Kalpataru Properties Private Limited v. Kalpataru Hospitality & Facility Management* 2011 (48) PTC 135 (Bom.), the issue was whether an action in passing off was maintainable where the Plaintiff's registered mark was used as part of the Defendant's corporate name and the goods and services dealt with by the parties were in different classes. Following *Mahendra and Mahendra*, the Court held that a passing off action was maintainable in the case of a well known mark even if the goods and services being dealt with by the parties are not similar.

50. Recently, in *Red Hat Inc. v. Mr. Hemant Gupta* 2013 1 AD (Delhi) 130, this Court, while dealing with a case which involved

the use of a registered trademark as part of its corporate name by the Defendant, held that the Plaintiff could seek a remedy for an infringement under Section 29(4) as well as Section 29(5) of the TM Act 1999.

51. The legal position emerging as a result of the above discussion may be summarised as under:

(a) Section 29(5) of the TM Act 1999 relates to a situation where (i) the infringer uses the registered trademark "as his trade name or part of his trade name, or name of his business concern or part of the name, of his business concern" and (ii) the business concern or trade is in the same goods or services in respect of which the trade mark is registered.

(b) This is in the nature of a per se or a 'no-fault' provision which offers a higher degree of protection where both the above elements are shown to exist. If the owner/proprietor of the registered trade mark is able to show that both the above elements exist then an injunction order restraining the infringer should straightway follow. For the purpose of Section 29(5) of the TM Act 1999 there is no requirement to show that the mark has a distinctive character or that any confusion is likely to result from the use by the infringer of the registered mark as part of its trade name or name of the business concern.

(c) However, in a situation where the first element is present and not the second then obviously the requirement of Section 29(5) is not fulfilled. Where the registered trade mark is used as part of the corporate name but the business of the infringer is in goods or services other than those for which the mark is registered, the owner or proprietor of the registered trade mark is not precluded from seeking a remedy under Section 29(4) of TM Act 1999 if the conditions attached to Section 29(4) are fulfilled.

(d) Given the object and purpose of Section 29(1) to (4), Section 29(5) cannot be intended to be exhaustive of all situations of uses of the registered mark as part of the corporate name. Section 29(5) cannot be said to render Section 29(4) otiose. The purpose of Section 29(5) was to offer a better protection and not to

shut the door of Section 29(4) to a registered proprietor who is able to show that the registered mark enjoying a reputation in India has been used by the infringer as part of his corporate name but his business is in goods and services other than that for which the mark has been registered.

(e) A passing off action is maintainable in the case of a well known mark even if the goods and services being dealt with by the parties are not similar.”

46. In another matter of *Rolex Sa vs. Alex Jewellery Pvt. Ltd. and Ors.* 2009(41) PTC 284 (Del), it was observed as under:

“15. Section 2(4)(c) defines a well known trademark as the one which in relation to any goods, means a mark which has become so to the substantial segment of the public which uses such goods that the use of such mark in relation to other goods would be likely to be taken as indicating a connection in the course of trade between those goods and a person using the mark in relation to the first mentioned goods. In my view the segment of the public which uses the watches of the category/price range as the watches of the plaintiff, ROLEX is a well known trademark. The said segment of the public if comes across jewellery/artificial jewellery also bearing the trademark ROLEX is likely to believe that the said jewellery has a connection to the plaintiff.

16. Yet another provision in the Act, though for the guidance of the Registrar but in relation to well known trademarks is to be found in Section 11(6) of the Act. Upon testing the trademark of the plaintiff on the touchstone of the ingredients of the said provision also, I find the said trademark of the plaintiff to be satisfying the test of a well known trademark. The documents filed by the plaintiff i.e., the advertising done in the media in India since 1947 and particularly in years immediately preceding the suit, registrations obtained show that relevant section of the public in India had knowledge of the trademark ROLEX in relation to the watches. The pleadings of the plaintiff and which are not contested also show that the plaintiff for the last nearly one century has been using the said trademark spread over nearly the entire developed/developing world. The advertisements of the plaintiff had appeared in the magazines in this

country even when there were import restrictions. The plaintiff has filed documents to show registration of the trademark in a large number of countries and also to show successful enforcement of its rights with respect to the said trademark.”

“20. Over the years and very quickly in recent times, the international boundaries are disappearing. With the advent of the internet in the last over ten years it cannot now be said that a trademark which is very well known elsewhere would not be well known here. The test of a well known trademark in Section 2(zg) is qua the segment of the public which uses such goods. In my view any one in India, into buying expensive watches, knows of ROLEX watches and ROLEX has a reputation in India. Not only so, to satisfy the needs/demands of consumers in different countries, the well known international brands which were earlier available at prices equivalent to prices in country of origin and which owing to the exchange rate conversion were very high, have adapted to the Indian situation and lowered prices. A large number have set up manufacturing facilities here and taken out several variants. Thus, merely because today the price of a ROLEX watch may be much higher than the price of items of jewellery of the defendants as argued, cannot come in the way of the consumer still believing that the jewellery is from the house of the plaintiff. Also, there can be no ceiling to the price at which the defendants will continue to sell their jewellery. The defendants have claimed to be selling rolled gold jewellery; with the price of gold soaring, there is no certainty that the pieces of artificial jewellery of the defendants would not also be in the same range as the watches of the plaintiff. Even otherwise, the trend in modern times has been towards artificial/semi precious jewellery. In fact, the attraction to gold is confined to this part of the world only. In India also today there are several brands of artificial jewellery/semi precious jewellery whose brand value and/or prices are quite comparable to the gold jewellery of the conventional gold smiths”

“24. The goods of the plaintiff may lose their sheen to the strata of the society for which they are intended if such strata finds the goods in the same brand name even though not from the house of the plaintiff being available for a much lower price. The goods of the plaintiff would then cease to be a status symbol or a fashion statement. Undoubtedly, the same would be to the detriment of the plaintiff.

Having found a prima facie case in favour of the plaintiff and irreparable injury to be caused to the plaintiff by allowing the defendant to continue using the trademark, I also find the element of balance of convenience to be satisfied in the present case. The registration of the mark of the plaintiff is over 90 years prior to the claimed commencement of the use by the defendant. Even if the defendant, at the time of commencing the use, did not know of the inherent risk in adopting the well known trade mark, the defendant, at least, immediately on applying for registration and on opposition being filed by the plaintiff became aware of the perils in such use. Thus, use by the defendant of the mark is for short time only and use during the period of opposition is of no avail. The mark has got no relation to the jewellery being marketed by the defendants. Unless the defendant is deriving any advantage of the goodwill/brand value of the plaintiff and which it is not entitled to, it ought not to make any difference in the business of the defendants if the said jewellery is sold under a mark other than ROLEX.”

47. In view of settled law and the material placed on record by the plaintiffs, it is clear that all the three trade marks of plaintiffs i.e. SPRITE, THUMS UP and SPRITE (label) trade marks under which the Plaintiffs offer its products are famous and well known throughout the globe. As such, these marks come within the definition of well-known marks as defined by Section 2 (1) (zg) of the Act. They are, therefore, liable to the protection accorded to well-known marks by the Act.

48. The case of the plaintiffs against the defendant is that in and around December 2008 they came across the Defendant’s products under the impugned mark BRIGHT in respect of flavored carbonated water specifically lemon flavoured carbonated water. The Defendant for its product adopted the mark BRIGHT which is phonetically confusingly and deceptively similar to the Plaintiff No.1’s well-known trade mark SPRITE. Additionally the Defendant had also copied the trade dress of the Plaintiffs’

product SPRITE. A representation of the impugned BRIGHT (label) vis-à-vis the Plaintiff No.1's SPRITE (label) is reproduced below:-

Plaintiffs' Labels	Defendant's Label
	

49. The question before this Court is whether two trade marks, SPRITE and BRIGHT are deceptively similar or not.

In *Amritdhara Pharmacy Vs. Satya Deo*, AIR 1963 SC 449, it was held that the overall structural and phonetic similarity of the two names “Amritdhara” and “Lakshmandhara” was likely to deceive or cause confusion

In *Induss Food Products Equipments Ltd. Vs. Rani Sati Ice-Cream Pvt. Ltd.*, 1997 PTC (17) 45, this Court held the trademarks “ROLLICK” and “FROLLICK” to be phonetically and deceptively similar.

In *Castrol Ltd. vs. A.K. Mehta*, 1997 PTC (17) 408 (DB), this Court held the trademarks CASTROL and BESTROL to be deceptively similar.

In *Tata Oil Mills Co. Ltd. Vs. Wipro Limited & Anr.*, 1986 PTC 358, this Court held the trademarks DUBBLE and BUBBLES to be deceptively, phonetically as well as visually similar.

50. As per settled law, it appears to the court that the defendant's mark BRIGHT is phonetically, confusingly and deceptively similar to plaintiff No.1's registered and well-known trade mark SPRITE. The defendant is guilty of infringement of registered trade mark.

51. With regard to the colour combination of the plaintiff No.1's SPRITE label has also been copied by the defendant i.e. the Blue colour on the top half of the label merging into the colour Green on the bottom half of the label and the mark BRIGHT written in white with a blue outline. The plaintiffs' style of representing the trade mark SPRITE diagonally across the label written in white block letters has also been copied by the defendant. The label of the defendant also has representation of bubbles which has also been copied from the plaintiffs' SPRITE label.

52. In the case of *Compass Publishing BV vs. Compass Logistics Ltd.*, (2004) RPC 41 it was held as under :

“The test for likelihood of confusion has been considered in a number of ECJ decisions, including *Sabel BV v Puma AG* [1998] RPC 199. The likelihood of confusion must be appreciated globally, taking account of all relevant factors. It must be judged through the eyes of the average consumer of the goods or services in question. That customer is to be taken to be reasonably well informed and reasonably circumspect and observant, but he may have to rely upon an imperfect picture or recollection of the marks. The court should factor in the recognition that the average consumer normally perceives a mark as a whole and does not analyse its various details. The visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components.

Furthermore, if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion.”

53. The following passage from the judgment of the Supreme Court in *Parle Products Pvt. Ltd. vs. JP & Co., Mysore*, reported in AIR 1972 SC 1359 is referred as under :-

“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 not 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.”

In the case of *Parle Products (P) Ltd.* (supra) it was held as under:

“The colour scheme and design of wrappers become important in relation to certain goods, especially in the case of bidis where the customers are generally people of economically weaker sections of society and majority of them may not even be literate. It is not expected at the time of purchase they should purchase the goods after reading the labels. The design and the colour scheme and the effect created by them on an unsuspecting mind influence their purchase. As was observed by the Supreme Court “If one is not careful enough to know the peculiar features of the wrapper on the plaintiffs goods, he might easily mistake the defendants wrapper for the plaintiffs if shown to him sometime after he had seen the plaintiffs. After all an ordinary purchaser is not gifted with the powers of observation of a Sherlock Holmes.”

54. Additionally, the defendant is also bottling soft drink bearing the impugned mark FUNS UP. The impugned mark FUNS UP is phonetically confusingly and deceptively similar to the Plaintiff No.1’s registered and well-known trade mark THUMS UP. Additionally the label being used by

the Defendant for the impugned mark FUNS UP was confusingly and deceptively similar to the label used by the Plaintiffs for their product FANTA. A representation of the product FUNS UP vis-à-vis the Plaintiff No.1's FANTA is reproduced below:-

Plaintiffs' Labels	Defendant's Label
	

55. It is also to be examined similarly as to whether two marks THUMPS UP and FUNS UP are similar or not.

THE ADOPTION AND USE OF THUMS UP

56. THUMS UP was launched in India in the year 1977 by an Indian company M/s. Parle and in no time THUMS UP became the premiere soft drink brand in the country. In the year 1993 when the plaintiff No.1 re-entered India, it saw the immense potential of the THUMS UP brand and its huge popularity and acquired it from M/s Parle (Exports) Ltd. in the same year. Since its adoption and launch in 1977, THUMS UP is sold in various

countries like Bahrain, Bangladesh, Bhutan, Nigeria, Oman, Singapore, Sri Lanka, Hong Kong, Fiji, Tonga, Vietnam, Zambia, Tanzania, United Arab Emirates and India to name only a few. THUMS UP is known for its strong, fizzy taste and its confident, mature and uniquely masculine attitude. It is for these reasons that punch lines like ‘Thums Up - Taste The Thunder’ were created which became a huge success adding to the popularity of the brand as it captured the mental state of the young drinker. The punch line “Taste the Thunder” was followed by “I Want My Thunder” in 1998 and in 2001, came the Thums Up challenge with ‘Grow Up To Thums Up’ and with the latest one as ‘*Aaj Kuch Toofani Karte Hai*’. The plaintiffs spent enormous amount of money for the promotion and advertisement of the mark by roping in some of the top Bollywood/Tollywood actors and actresses in these campaigns/advertisements.

57. It is averred in the plaint that the drinks under the brand name THUMS UP are a big success in India. The sales figures in liters and the unit of cases sold under the brands name THUMS UP in India for the last 10 years are mentioned in para 25 of the plaint.

58. In addition to the above, the plaintiff No. 1 has since its taking over of the brand THUMS UP expended huge sums of money towards advertisement and promotion of the brand in India. The promotional figures from the year 2001 till June 2011 are mentioned in para 26 of the plaint.

59. Applying the same decisions as applied in earlier paras it appears to the Court that defendant’s mark FUNS UP is phonetically confusing and deceptively similar to plaintiff No.1’s registered and well-known trade mark THUMS UP.

60. The colour combination of the plaintiff No.1's FANTA label has also been copied by the defendant i.e. the orange colour with the mark written in a dark blue colour. The defendant has also copied the distinctive style in which the plaintiffs' represent FANTA. Additionally even the placement of the word FANTA which is diagonal has been copied by the defendant by placing their mark FUNS UP diagonally on the label. The defendant has also placed a leaf device on their label above the word FUNS UP in a similar fashion as the plaintiffs' place a leaf device above the mark FANTA. The defendant further has used an orange circular background on which it inscribes FUNS UP which is similar to orange circular background on which the plaintiff's inscribe FANTA.

61. In view of abovesaid reasons and settled law coupled with the fact in the present case that the defendant did not contest the suit despite of service of summons and no written statement is filed, the application I.A. No.2869/2014 filed under Order VIII Rule 10 CPC is liable to be allowed. The suit is accordingly decreed to the following effect:

a) The Defendant, its servants, partners, employees, agents, distributors, franchisees, representatives and assigns are restrained from manufacturing or authorizing the manufacture, selling or offering for sale, marketing, advertising, promoting, displaying or in any other manner whatsoever using the impugned

marks "BRIGHT" and/or "BRIGHT (label)



and/or “FUNS UP” and/or “FUNS UP (label)  ”
 and/or any other mark which is deceptively or
 confusingly similar to the registered trade marks
 “SPRITE”, “THUMS UP” and “FANTA (stylized)
 ” of Plaintiff No. 1, as a trade mark or part of
 a trade mark, trade name or part of trade name or as a
 domain name or part of a domain name or in any
 other manner whatsoever so as to infringe the
 Plaintiff No.1’s registered trademarks and also using
 any label which is a substantial reproduction of the
 artistic work in and to the SPRITE and FANTA label
 of the Plaintiff No. 1 or any other manner infringing
 the copyright in the artistic work which vests with the
 Plaintiff No. 1.

b) They are also restrained from passing off their goods
 as and for the goods of the Plaintiffs by use of the

marks “BRIGHT” and/or “BRIGHT (label)  ”

and/or “FUNS UP” and/or “FUNS UP (label)  ”

and/or any other trade mark or name similar to the
 Plaintiffs' trade marks “SPRITE”, “THUMS UP”,

“ ”, “ ” and “ ”, as a trade

mark or part of a trade mark, trade name or part of trade name or as a domain name or part of a domain name or in any other manner whatsoever.

c) The Defendant is directed to hand over to the Plaintiffs or their nominated representative all goods, bottles, bottle caps, labels, packaging and promotional material, catalogues, stationery and any other material whatsoever bearing the “BRIGHT” and/or “BRIGHT



(label) ” and/or “FUNS UP” and/or “FUNS UP



(label) ” and/or any other trade mark deceptively or confusingly similar to the trade marks

“SPRITE”, “THUMS UP”, “”, “”



and “ ” and/or any labels which is a substantial reproduction of the artistic work which vest in the SPRITE and FANTA labels of the Plaintiff No. 1 within one month from today.

d) The plaintiffs are also entitled to costs.

62. As no evidence for relief of damages is available, the same is not granted.

63. As the suit has already been decreed, the application being I.A. No.932/2013 under Order 39 Rule 1 and 2 CPC is also disposed of.

64. Decree be drawn accordingly.

(MANMOHAN SINGH)
JUDGE

MARCH 04, 2014