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

+ CS(OS) 393/2006

THE GOLD'S GYM LICENSING LLC, USA Plaintiff

Through: Mr. Sudhir Chandra, Sr. Adv. with
Mr. Sohan Singh Rana, Mrs. Bindra
Rana, Ms. Priya Adlakha &
Mr. Daljeet Dabas, Advs.

versus

THE GOLD GYM, NEW DELHI & ANR. Defendants

Through: None.

+ CS(OS) 1723/2006

THE GOLD'S GYM LICENSING LLC, USA Plaintiff

Through: Mr. Sudhir Chandra, Sr. Adv. with
Mr. Sohan Singh Rana, Mrs. Bindra
Rana, Ms. Priya Adlakha &
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versus

THE GOLD GYM, NEW DELHI & ANR. Defendants

Through: None.

CORAM:

HON'BLE MR. JUSTICE NAJMI WAZIRI

ORDER (Open Court)

% **10.03.2015**

1. This judgment would dispose-off two related matters with similar facts and a similar cause of action but against different defendants. The reason for this is that after the written statement filed by the

defendant in CS(OS) 393/2006 another suit was filed being CS(OS) 1723/2006 in which one Mr. Naresh Dhawan has been impleaded as a defendant.

2. It is the plaintiff 's case that they are the owners of the trade mark GOLD'S GYM, which has been infringed by the defendants. It is stated that the said trade mark is internationally renowned and that they have been using it since 1965; that GOLD'S GYM has franchises in 35 countries and its trade mark has been registered in 68 countries; that it has 600 licensed gym franchises all over the world and the plaintiff claims that more than 2.5 million members visit the GOLD'S GYM because of its high standards and global repute. The plaintiff claims that through their licensees/sub-licensees and their franchises/sub-franchises the chain has become the largest co-ed gym chain in the world. In 1999, the Guinness Book of records has listed the plaintiff as the biggest chain of gym in the world. It stated that:

“Gold's Gym opened in Venice, California in 1965 and became internationally famous when it featured in Pumping Iron (1975), which featured up-and-coming stars Arnold Schwarzenegger and Lou Ferrigno. It is now the world's biggest international gym chain, with more than 500 centers. Its many star clients include Janet Jackson, Charlie Sheen, Jodie Foster, and Hollywood Hogan, and it boasts its all motion picture and TV divisions.”

3. Similarly in the subsequent Guinness Book of Records of the

year 2000 it is recorded as under:

“Gold’s Gym opened in Venice, California in 1965 and became internationally famous when it featured in Pumping iron (1975), with up-and-coming stars Arnold Schwarzenegger and Lou Ferrigno. It is now the world’s biggest international gym chain, with more than 500 centers. It has many star clients including Charlie Sheen, Richaf Dreyfuss, Jodie Foster, and Hulk Hogan and boasts its own motion picture and TV division”.

4. The plaintiff claims to be the registered proprietor of the GOLD’S GYM trademark in India under Class 28 and Class 5 since April 30 2002 vide Registration Nos. 1100986 and 1100987 respectively. The above two registrations are said to be valid and subsisting. They have also applied for the registration of the mark under Class 25 and 41 in September 2003.
5. In October 2005, it was brought to the notice of the plaintiff that the defendants were carrying out the business of running a gymnasium and a health centre in the name and style of THE GOLD GYM and using it as a trademark without the license, permission and authorization of the plaintiff.; the plaintiffs claim that this was deceptively similar both visually and phonetically to the plaintiffs registered trademark. The plaintiff served a legal notice dated November 4, 2005 calling upon the defendant No. 1 to immediately cease and desist from using the name “Gold Gym” either as a trading style or a trademark in connection with its gymnasium, health centre,

goods and services, as it was an infringement of the plaintiffs' right under the Trade Marks Act, 1999. Through a reply dated December 27, 2005, the defendant stated that there had been no violation of the Trade Marks Act, 1999 and that they declined to comply with the requisitions enumerated in the legal notice. Hence, the plaintiff was pleased to file this suit.

6. The plaintiff contended that they in the year 2002 they had applied for and received the registration of the trade mark GOLD'S GYM and GOLD'S GYM with design/logo; that they had even been setting up gymnasiums in India under this trade mark; that the defendants use of THE GOLD GYM is a clear infringement of their trade mark; that the trade mark and trade name THE GOLD GYM used by the defendants in respect of their gym and fitness centre is visually, structurally and deceptively similar to the plaintiff's trade mark and and-all-the-more-so because it is in relation to an identical business/services; that the adoption of a similar name and mark by the defendant is absolutely dishonest and in bad faith and that there is no convincing explanation being offered by the defendants as to how they came to adopt the THE GOLD GYM as their trade mark and as a prominent part of their trading style. It is also the plaintiff's case that by reason of the aforesaid acts of infringement, the defendants has diluted the mark of the plaintiff which has resulted in an irreparable injury to the plaintiff's goodwill.
7. In his Written Statement, the defendant, Mr Sunil Kumar, claimed to have a license for running his gyms under the name of 'GOLD'S

GYM' from Mr. Naresh Dhawan. It is noteworthy that after the Written Statement filed by the defendant in CS(OS) 393/2006 another suit was filed being CS(OS) 1723/2006 in which the said Mr. Naresh Dhawan has been impleaded as a defendant but he has not filed any written statement nor has the present defendant been able to establish how and from whom Mr Naresh Dhawan himself had received any such authorization. Additionally, Mr Sunil Kumar had pressed that he had conceived and adopted the term GOLD'S GYM as an original idea. In other words he would contend the case for innocent user. The defendants have not led any evidence. They have not appeared before the Court since 27.8.2014. None appears for them even today. The case has been heard.

8. Mr Sudhir Chandra, the learned Senior Advocate for the plaintiff, argues that it is evident that the plaintiff is the proprietor/registered proprietor of the trade mark GOLD'S GYM globally and in India; that the said trade mark has been associated with the plaintiff's goods/services for a long period of time; that in view of the various trade mark registrations in foreign countries and its presence in many countries the trademark enjoys a transborder reputation.
9. The plaintiff's case is that with the advent of the internet, international borders in communication and transmission of information has been obliterated and that the goodwill of the plaintiff was available and well known throughout the world particularly in economies which had adequate international penetration such as the

metropolises of India. Furthermore, it is submitted that all gymnasiums which purport to be state of the art or are of any reasonable standard, do carry few magazines regarding body building and health which invariably have a mention of plaintiff's GOLD GYM or would carry a reference to GOLD GYM in some form or the other. In any case, the plaintiffs are the owners of domain name www.goldgym.com since 29th July, 1995 and the same is accessible to all over the world and it was therefore submitted that, the defendant clearly knew of the existence of GOLD'S GYM along with its mark and it cannot be sheer coincidence that the defendant used a near identical name and mark and that it is merely an honest user.

10. The plaintiff led evidence by way of affidavit of one Mr Keith R. Albright, Senior Vice President of the plaintiff's parent company. He has deposed that Gold's Gym operates in several countries around the globe and enjoys a strong international repute; that Gold Gym decided to enter the Indian market in 2000 and that in 2002 'F2 Fun & Fitness (India) Private Limited' were appointed as Master Franchiss/Licensee in India; that his company is the registered proprietor in India of the trademark GOLD'S GYM and thus has the exclusive statutory right to use the said mark in India in respect of the services for which it is registered; that the defendants are carrying out business for gain using the name of GOLD GYM which is deceptively and confusingly similar to the plaintiff's trademark and that this infringement and passing off is diluting the goodwill of the plaintiff.

11. The suit is also supported by an affidavit of one Mr. Ajay Deole, Manager-Finance of F2 Fun & Fitness (India) Private Limited. He has deposed that the defendants are misusing the plaintiff's trade mark and that this is causing loss and damage to the plaintiff and its reputation and also dilution of the plaintiff's well known trade mark.
12. The plaintiff's contentions remain un-rebutted in CS(OS) 1723/2006 as they were not allowed to raise evidence in the suit vide order dated January 9, 2009 in I.A. NO. 167/2009.
13. The defendants led evidence by way of affidavit in CS(OS) 393/2006 through one Mr Hari Singh who stated that the word 'GOLD' has been used by Mr. Naresh Dhawan in India since 1998 and that he, along with other persons associated with Mr. Naresh Dhawan, have adopted the name 'GOLD' for their gyms with his consent. He thus claimed to be an honest and concurrent user. He states that his name and mark are styled differently from the mark used by the plaintiff and that while the plaintiff caters to the premium end of the market, his gym caters to the medium level market and that there can therefore be no confusion between these marks.
14. The defendants main defence for use of the terms THE GOLD'S GYM is contained in para 5 and 6 of their Written Statement which reads as under:-

"5. That it is further stated that the answering defendant independently and honestly conceived of and adopted its trademark "GOLD". The answering defendant

along with Mr. Naresh Dhawan has openly and uninterruptedly and to the knowledge of the world at large exclusively used the said trademark since 1998 in India. The plaintiff has commenced the use of the mark "GOLD" much after the answering defendant started using its mark. Defendant no.1 in year 2004 became the member Delhi Amateur Body Building Association an independent body affiliated with Indian Body Building Federation, Mumbai and International Federation of Body Builders Montreal Canada. The members of the defendant no.1 under the guidance of Mr. Naresh Dhawan are participating at state and national level. The answering defendant has acquired the said trademark "GOLD" by continuous user of the same over a fairly long period of time and has been using as such without any objections from any quarter and against the public at large. The suit of the plaintiff is thus malafide and been filed with an ulterior motive to harass the answering defendant and to gain undue benefit out of the goodwill and brand equity generated by the answering defendant over long period of its use by it.

6. That the plaintiff is claiming monopolistic proprietary rights in generic marks "GOLD". The word "GOLD" especially in India is associated with traditional values and a word of common parlance of purity and toughness and its use cannot be permitted to be monopolized by anyone to the exclusion of the others. The statue itself, including "The

Trade Marks act, 1999” secures all the persons using even registered trade marks as bona fide description of their product against any infringement claim. Section 35 and 30(2) of the Trade Marks Act, 1999 prohibits any interference against such use. The attempt of the plaintiff, therefore, to claim proprietary right in generic mark such as GOLD is contrary to law and ought to be rejected.”

15. From the aforesaid, what is evident is that because of use of the trademark GOLD’S GYM since 1965, acknowledged in the Guinness Book of World Records in 1999 and onwards; its registration and use in India since 2002 as well as its wide coverage in relevant trade and health magazines, the trademark GOLD’S GYM has become distinctive and enjoys a cross-border reputation. The word ‘GOLD’ would not be understood for the yellow metal but for the higher standard of the gymnasiums. The defendants use of the word ‘GOLD’ cannot, therefore, be said to be covered under Section 30 (2) of the Trademarks Act, 1999. Even if it were to be assumed that the use of mark THE GOLD GYM by the defendant is a *bona fide* use, it would not have the protection of Section 35 of the Trademarks Act because it does not fall under the following:

“...bona fide use by a person of his own name or that of his place of business, or of the name, or of the name of the place of business, of any of his predecessors in business, or the use by any person of any bona fide description of the character or quality of his goods or

services.”

The defendant claims to be using the words THE GOLD GYM under the permission and guidance of Mr. Naresh Dhawan but does not explain as to how the latter came to own any legal rights in the mark THE GOLD GYM. Furthermore, no document or evidence has been led by the defendants to make good this claim. Therefore, the contentions of the defendant is untenable.

16.This Court is of the view that the defendant has infringed the plaintiff's GOLD'S GYM trademark along with the design of a man placed inside a circle with a bar held in extended hands, by way of a deceptively similar mark. In view of the fact that the defendants have been infringing the trade mark of the plaintiff, exemplary damages of the amount of Rs. 10 lacs is awarded and in addition to costs. The suit is decreed in terms of prayers (a) and (b) of the plaintiff.

17.Decree sheet be drawn up accordingly.

18.The suit is disposed off in the above terms.

NAJMI WAZIRI, J

MARCH 10, 2015/rtm.