

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

% Decided on: 12th September, 2017

+ **CS(COMM) 216/2016**

ICON HEALTH AND FITNES, INC Plaintiff
Represented by: Mr.Pravin Anand, Ms. Prachi
Agarwal and Mrinali Menon,
Advocates.

versus

SHERIFF USMAN AND ANR Defendants
Represented by: None.

CORAM:
HON'BLE MS. JUSTICE MUKTA GUPTA

MUKTA GUPTA, J. (ORAL)

I.A. No. 9876/2017 (under Order VIII Rule 10 CPC-by plaintiff)

1. By this application the plaintiff seeks judgment for the reason the right of the defendants to file written statement has been closed and defendants have been proceeded ex-parte.
2. Application is disposed of pronouncing the judgment in favour of the plaintiff and against the defendants.

CS(COMM) 216/2016

1. By the present suit, plaintiff seeks the following reliefs:
 - (a) *An order of permanent injunction restraining the Defendants, their principal officers, servants, agents, their affiliates, subsidiaries, distributors, and all others acting for and on their behalf from using the mark/ name/ domain name ifit and/or any other mark/ name, including as a label or device, which incorporates, is identical or deceptively or confusingly similar to the Plaintiff's trademark ifit in any manner and for fitness related goods or services,*

so as to cause confusion or deception leading to passing off of the defendants' goods or business as those of the Plaintiff;

(b) An order for permanent injunction restraining the defendants, their principal officers, servants, agents, their affiliates, subsidiaries, distributors, and all others acting for and on their behalf from using the mark/ name/ domain name ifit and/or any other mark/name including as a label or device, which incorporates, is identical or deceptively or confusingly similar to the Plaintiff's trademark ifit in any manner and for fitness related goods or services, so as to misrepresent its quality/ origin and take unfair advantage of the plaintiff's reputation and goodwill in the trademark ifit amounting to unfair competition, and or causing tarnishment and dilution of the plaintiff's trademark ifit;

(c) An order of delivery up by the Defendants of all packaging and printed materials, labels, raw materials, pamphlets, catalogues, brochures, publicity material, stickers, and all other materials bearing the mark ifit or any other mark which is identical and deceptively similar to the Plaintiff's mark ifit for the purposes of destruction by the Plaintiff;

(d) An order directing the Defendants to pay a sum of damages owing to loss of profits by the Plaintiff as also the loss of reputation and goodwill owing to the illegal activities of the Defendants as determined after discovery in the present suit;

(e) An order for costs;

2. Summons in the suit were issued to the defendants vide order dated 17th March, 2016. Defendant No. 1 was served on 1st October, 2016 and defendant No. 2 on 14th May, 2016. Neither of the defendants entered appearance nor any written statement was filed on their behalf within the prescribed statutory period. Thus, the right to file written statement of

defendant No. 2 was closed and it was proceeded ex-parte vide order dated 24th October, 2016. The right to file written statement of defendant No. 1 was also closed and it was also proceeded ex-parte vide order dated 1st February, 2017. Thus, the plaintiff moved an application under Order VIII Rule 10 CPC being IA No. 9876/2017 for passing of decree in favour of the plaintiff against the defendants.

3. As per the plaint, plaintiff is a company incorporated under the laws of United States having its registered office at 1500 South 1000 West Logan, Utah, 84321, United States of America. The plaintiff is one of the world's largest developers, manufacturers and marketers of fitness equipment including wearables, treadmills, elliptical trainers, stationary bicycles, weight machines and benches, and yoga and Pilates equipment. The plaintiff's related products and services are available in more than 86 countries in the world including India. Plaintiff has a history starting from the year 1977 and is operating under the name ICON Health & Fitness, Inc. since the year 1994. Its major brands include iFIT, ProForm, Weslo, Weider, Altra, HealthRider, NordicTrack, FreeMotion and Image.

4. The subject matter of the present suit is the plaintiff's trademark ifit/iFIT which the plaintiff uses for fitness devices such as wearble and software applications for fitness devices. Plaintiff adopted the trademark IFIT in the year 1999 and has been using the trademark continuously and openly since then. Plaintiff's trademark IFIT is a coined mark and thus enjoys protection under trademark law.

5. Plaintiff is one of the first players in the world to enter into the wearable fitness device and fitness software space and is considered one of the leaders in the market. The reputation of the plaintiff IFIT trademark is

evident from the worldwide revenues from sales of its IFIT branded devices and software. The plaintiff has spent over millions of dollars on the promotion of its products including IFIT branded devices and software.

6. Plaintiff owns and operates the website www.ifit.com which provides information regarding the plaintiff's IFIT branded devices and software since the year 1999. Plaintiff's IFIT branded apps are available on mobile stores such as the App Store and Google Play. Plaintiff's software under the trademark IFIT was made available in India at least as far back as the year 18th October, 2011. Since November, 2011 IFIT branded mobile apps has had hundreds of thousands of logins and thousands of downloads by users with IP addresses in India. The plaintiff's IFIT branded fitness devices are also available on popular e-commerce portals such as www.amazon.in thereby making these products instantly available to millions of users who visit such e-commerce portals.

7. Plaintiff has obtained registration for the trademark IFIT in many countries and has also filed an application bearing No. 2770520 in India for the trademark IFIT in classes 9, 28, 41, 42 & 44.

8. Defendant No. 1 is believed to be the proprietor of Smart Infocomm Ventures Pvt. Ltd. and Smart Infocomm Pvt. Ltd. Though both Smart Infocomm Ventures Pvt. Ltd. and Smart Infocomm Pvt. Ltd. are private limited companies however as per the records of registrars of companies, neither of these companies are registered with the said Registrar. Defendant No. 2 is a company having its registered office in United Arab Emirates.

9. In the month of August, 2015, the plaintiff learnt that the defendants are offering a fitness related App under the name ifit on the App Store and on the Google Play Store. Further enquiries revealed that the defendants are

offering fitness bands for sale under the name IFIT on e-commerce portals such as www.amazon.in. The defendants are offering its apps on the App Store and the said app was first listed in February, 2015. The defendants are thus using a mark identical to that of the plaintiff for identical devices and software and for identical class of consumers. The channels through which the defendants are offering their devices and software are also identical to those of the plaintiff.

10. The snapshot below represents the search results for IFIT on the App Store showing the plaintiff's IFIT branded apps and the defendants app.



**Result 2: Plaintiff's
ifit branded app**



**Result 3:
Defendant's
infringing
app**

11. The adoption of the impugned mark by the defendant is clearly dishonest on the following grounds:-

- a. *Being in the same trade, the defendants are bound to be aware of the goodwill and reputation of the plaintiff's trademark ifit and the use of the said mark since the year 1999.*

- b. The defendants have adopted a mark which is identical to a distinctive, and coined mark.*
- c. The defendant is using the trademark in all lower case, which is one of the ways in which the plaintiff also depicts its trademark.*
- d. The defendant is offering its infringing devices and software on the same platforms and channels as the plaintiff thereby maximizing the likelihood of confusion.*
- e. In its correspondence with the plaintiff, defendant No. 1 did not provide any justification whatsoever for the adoption of an identical mark.*

12. Thus, it is evident that the impugned mark has been adopted with the specific intent to mislead the public into believing that a connection exists between the plaintiff and the defendants.

13. Plaintiff had sent a complaint through Apple's App Store dispute resolution mechanism and the said complaint was sent to the defendant on 12th August, 2015. However, the defendants failed to respond and subsequently a reminder was sent to the defendants on 28th September, 2015. Defendants responded to the Plaintiff's complaint by an email dated 28th September, 2015 whereby it was stated by the defendant that it was only using the IFIT mark along with prefix 'Smart'. Plaintiff had also addressed a cease and desist letter to the defendant No. 1 in August, 2015 along with a reminder letter which was returned to the plaintiff as unclaimed.

14. To substantiate the contents of the plaint the plaintiff has placed reliance on the following documents:

- i. Plaintiff's website www.ifit.com detailing the products and services rendered by the plaintiff to the consumers worldwide.

- ii. Extract from the www.whois.com website showing the registration of the domain name in favor of the plaintiff with creation date as 10th March, 1997.
- iii. Plaintiff's app iFIT available on the Android market at Google Play as well as the App store in iOS market.
- iv. Copies of the trademark registrations in favor of the Plaintiff in Europe, Australia, United States, Hong Kong, Canada, New Zealand, China, Japan, Malaysia and Switzerland.
- v. List of Trademark Registrations (approximately 91) secured by the plaintiff worldwide with the earliest application dated 3rd April, 1999.
- vi. Trademark application filed by the Plaintiff in India under application number 2770520 dated 9th July, 2014 in Classes, 9, 28, 41, 42 and 44.
- vii. Extracts from various third party articles highlighting the presence of the Plaintiff's services worldwide since the year 1999.
- viii. Presence of the Plaintiff's products on third party websites such as www.amazon.com.
- ix. Extract from the Defendant's website www.smartinfocomm.com.
- x. Legal notice dated 27th August, 2015 sent by the Plaintiff's counsel on behalf of the Plaintiff to the defendant.
- xi. Reminder letter dated 21st September, 2015 sent by the Plaintiff's counsel on behalf of the plaintiff to the defendant.

- xii. E-mail correspondence between the plaintiff and the defendants concerning the listing of the app on the App Store.
- xiii. Presence of the defendant's products on various third party retail websites such as www.flipkart.com, www.snapdeal.com

15. The issue which arises for consideration is whether this Court has territorial jurisdiction to try the suit since the defendants are residing in United Arab Emirates and whether there is material to establish that the defendants are carrying on business from Delhi. Though the defendants are not residing in Delhi, however, the defendants are offering their fitness apps and bands through App Store, Google Play Store and e-commerce portals like www.amazon.in which can be accessed and operated from all over the country, including from Delhi. Thus, it can be said that the defendants are carrying on business or working for gain at Delhi and this Court has territorial jurisdiction to try and decide the present suit. [See 2014 SCC OnLine Del 2031 World Wrestling Entertainment, Inc. v. M/s. Reshma Collection & Ors.]

16. This Court in the decision reported as (2002) 95 DLT 235 Plastindia Foundation v. Ajeet Singh, while relying upon the judgment of House of Lords in Reddaway v. Banham on "coined words" observed as under:

12. The judgment of the House of Lords which was being referred to in the aforesaid paragraph was the case of Reddaway v. Banham, (1896) 13 RPC 218, from the same judgment. The discussion about 'coined words' was adopted in paragraph 43 which reads as under:

"Para 43: Lord Herschell also dealt with "coined" words, that did not have any meaning in the language; and at page 228 line 19, said that "words never in use before, and meaningless, except as indicating by whom the goods in connection with which it is used were made,

there could be no conceivable legitimate use of it by another person". Thus the "coined" "created", "Fancy", or "new" words which were not in use in any language before, and which did not have any meaning in the ordinary language, as evidenced by their absence in authoritative and standard language dictionaries, were the exclusive property of the person who first "coined", or created them and adopted them for use, and used it in connection with any article the only reason why a hitherto meaningless word would be used by another in connection with his activities would be to deceive the public, that the latters' article, thing or goods or the articles, thing, or goods of the former. He also observed that 'he was unable to see why a man should be allowed in this way, more than in any other, to deceive purchasers into the belief that they are getting what they are not, and thus to filch the business of a rival'."

13. The test of determine whether a particular word is a descriptive word or coined word has been stated in paragraph 45. What is required is to be seen is: Whether the word is a word of ordinary language, or whether the word is a fancy, invented or coined word. In the former case what is required to be further established whether the common word or phrase has acquired secondary signification or not. As we are dealing with the question as to whether the word PLASTINDIA as a coined word, the test is to see as to whether this word is of ordinary language. Learned Counsel for the defendants could not dispute that the word PLASTINDIA is not a word of ordinary language which is found in English dictionary. In that case the following observations of the aforesaid judgment of Globe Super Parts (supra) give us the further guidance:

"Para 45. In case of fancy, invented, coined word the case is much easier, as a reference to the authoritative dictionaries of the language would clearly establish whether the word in question, exists in the language dictionaries, if not, it is a coined, fancy, invented word which is not a part of the language. Such word must be found to be owned by the person who has to devised the

word, by applying the skill and labour rest, laid down in inter alia in AIR 1924 PC 75; (1960) 1 Mad. LJ 53 : (AIR 1961 Mad. 111), which test is applicable in all copyright cases. The test being based on the principle that what is protected is what has originated from the author (1964) 1 All ER 465 Ladbroke Football, relying upon (1894) AC 335). What originates from the author as a result of exercise of his skill and labour, is his “expression” which is protected by the law of copyright. The “skill and labour” does not depend upon the time taken by the author as grater is the skill of the author less will be the time taken what would be relevant would be whether what has originated from the author is new, or distinctive, even a successful adaption from another language.”

17. The law on trans-border reputation was discussed by the Division Bench of this Court in the decision reported as (2017) 236 DLT 343 Prius Auto Industries Ltd. & Ors. v. Toyota Jidosha Kabushiki Kaisha wherein it was held that to prove trans-border reputation plaintiff is required to establish two facts. The first is reputation in foreign jurisdictions of the trade mark and the second is knowledge of the trade mark due to its reputation abroad in a domestic jurisdiction. If its reputation spills over beyond the territories of its operation, the benefit thereof can be claimed in an action of passing off. It was also observed that:

23. The principles of trans-border reputation are well recognized and we do not intend to make a catalogue of various judgments dealing with trans-border reputation. Before the era of the internet the judgments were to the effect that where a product is sold in India and sales figures coupled with money spent on advertisements show acceptability of the product in the market, this would be good evidence of the product having acquired a reputation through its trade mark.

Concerning trans-border reputation, the judgments were to the effect that if the product is not sold in India but information relatable thereto is available in the print media and especially magazines purchased by consumers having an interest in the particular category of goods, it would be good evidence of trans-border reputation having entered in the municipal jurisdiction of India. Post-internet era the law of trans-border reputation expanded because the internet virtually broke down the domestic walls in areas of trade and business. On the internet, through search engines one can access information put on the website, be it by the manufacturer of the goods or in e-journals and e-magazines.

18. Plaintiff enjoys trans-border reputation with respect to the trade mark IFIT which is registered in various countries in the world. The defendants have been proceeded ex-parte and thus have not rendered accounts of profits.

19. Consequently, the suit is decreed in favour of the plaintiff and against the defendants in terms of prayer (a) for passing off along with costs of ₹1,20,000/- being the court fee and litigation expenses in favour of the plaintiff. Decree sheet be drawn accordingly.

(MUKTA GUPTA)
JUDGE

SEPTEMBER 12, 2017
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