

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

% *Order delivered on: 6th November, 2015*

+ **I.A. No.22817/2015 in CS(OS) 1966/2006**

MOTOROLA INC. & ANR Plaintiffs
Through Ms.Mamta Jha, Adv. with
Mr.Shashi Pratap Ojha, Adv.

versus

MOTOROLA AUTO INDIA PVT. LTD. & ORS Defendants
Through Defendants are ex parte.

CORAM:
HON'BLE MR.JUSTICE MANMOHAN SINGH

MANMOHAN SINGH, J.

1. The plaintiffs have filed the suit for permanent injunction restraining passing off, infringement of trademark, damages, rendition of accounts, delivery up etc.
2. After completing the pleadings the defendants stopped appearing in the matter. Therefore, by order dated 16th September, 2015, they were proceeded ex-parte.
3. Ex-parte evidence was produced by way of affidavit of Mr. Vikas Garg son of Mr. Siddharth Kumar resident of 1273, Deerfield Park Unit, 104, Buffalo Grove 60089, USA. No cross was conducted by the defendants. When the matter is taken up today, there is no representation on behalf of the defendants. The plaintiffs' counsel has made submissions. Written submissions are also filed.
4. Original Power of Attorney dated 22nd December, 2014 in favour of the PW-1 on behalf of Motorola Solutions India Pvt. Ltd. from Motorola Solutions India Pvt. Ltd. along with Board Resolution dated 19th December, 2014 has been exhibited as Ex. PW-1/86(Colly).

Original Power of Attorney dated 8th January, 2015 in favour of PW-1, on behalf of Motorola Trademark Holdings, LLC, the Plaintiff No. 3, is on record of plaintiffs' documents filed vide list of documents dated 7th March, 2015 and the same has been exhibited as Ex. PW1/87 (Colly).

5. Mr. Rajesh Madan the erstwhile Company Secretary of plaintiff No. 2 had signed and verified the plaint dated 18th January, 2000 on behalf of plaintiff No.1. The copy of the Power of Attorney dated 17th December, 1999 executed in favour of Mr. Rajesh Madan by the plaintiff No. 1 is on record filed along with list of documents dated 19th January, 2000. The original Power of Attorney dated 17th December, 1999 was filed by the erstwhile plaintiffs' witness Mr. B.B. Bhatia along with his affidavit dated 30th October, 2008 has been exhibited as Ex. PW1/1.

6. The plaintiff No. 2 had also authorized Mr. Rajesh Madan to sign and verify the plaint vide Power of Attorney dated 20th August, 1997 pursuant to Board Resolution dated 29th August, 1997. The copy of power of attorney dated 20th August, 1997 and Board Resolution dated 29th August, 1997 were filed by Mr. B.B. Bhatia along with his affidavit and has been exhibited as Ex. PW 1/2 and Ex. PW 1/3 respectively. The original Power of Attorney dated 20th August, 1997 executed in favour of Mr. Rajesh Madan by the plaintiff No. 2 is not traceable as mentioned in the affidavit. It is deposed that Mr. Rajesh Madan had further sub-delegated his power to Mr. Nakul Kumar who had signed the plaint on behalf of the plaintiff No. 2. The original power of attorney dated 4th August, 1999 in favour of Mr. Nakul Kumar executed by Mr. Rajesh Madan, Constituted Attorney of plaintiff No. 2 was filed by Mr. B.B. Bhatia along with his affidavit and has been exhibited as Ex. PW 1/4. The amended plaint dated 3rd May, 2006 was signed by Mr. Deepak Adlakha on behalf of the plaintiffs.

7. It is stated that PW-1 corresponded with Mr. Rajesh Madan, Mr. Nakul Kumar and Mr. Deepak Adlakha several times in course of day to day business. He is familiar with their hand writing. He identifies their signatures. Mr. Rajesh Madan, Mr. Nakul Kumar and Mr. Deepak Adlakha are no more employed with the plaintiff No. 2.

8. The amended plaint dated 25th January, 2013 was signed by Mr. Kiran Kumar Gadi on behalf of the plaintiffs. Original Power of Attorney dated 7th May, 2012 in favour of Mr. Kiran Kumar Gadi on behalf of Motorola Solutions India Pvt. Ltd. from Motorola Solutions India Pvt. Ltd., the plaintiff No. 2, is already on record of plaintiffs documents filed vide list of documents dated 13th January, 2014 and the same is exhibited as Ex. PW1/74. Original Power of Attorney dated 5th December, 2013 in favour of Mr. Kiran Kumar Gadi on behalf of Motorola Trademark Holdings, LLC, the plaintiff No. 3, is already on record of plaintiffs documents filed vide list of documents dated 13th January, 2014 and the same has been exhibited as Ex. PW1/75. It is stated that PW-1 had corresponded with Mr. Kiran Kumar Gadi several times in course of day to day business. He is familiar with his hand writing. PW-1 identifies his signature. Mr. Kiran Kumar Gadi is no more employed with the plaintiff No. 2.

9. The plaintiff No. 2 is a wholly owned subsidiary of the plaintiff No. 1 and is a duly incorporated company under The Companies Act, 1956. The said company was incorporated on 23rd June, 1989 as Motorola Blue Star Pvt. Ltd. with its registered office in the State of Karnataka. The word "private" was deleted from the name of the company on 22nd March, 1991 by the Registrar of Companies, Karnataka. With effect from 22nd July, 1992, the name was changed to Motorola Information Systems (India) Limited. The original Certificate of Incorporation consequent to change of name dated 28th January,

1994 is already on record of plaintiffs' documents dated 5th May, 2003. The same has been exhibited as Ex. PW1/5.

10. On 30th March, 1993 the word private was added by the said ROC and the name was changed to Motorola Information Systems Pvt. Ltd. Later, on 28th January, 1994 the name of the plaintiff No. 2 was changed to Motorola Private Limited by the said ROC, Karnataka. Consequent upon becoming a deemed public company on 1st July, 1995, the word "PRIVATE" was deleted. The name of the company was then changed to Motorola India Private Limited on 5th January, 1996 and thereafter to Motorola India Limited on 16th January, 1996. The original Certificate of Incorporation consequent to change of name dated 16th January, 1996 is already on record of plaintiffs documents dated 5th May 2003. The same has been exhibited as Ex.PW1/6.

11. The company shifted its registered office from the State of Karnataka to the State of Haryana vide CLB, Southern Region Bench order dated 20th November, 1998. Thereafter, the word "private" was added in the name of the company by the ROC, NCT of Delhi and Haryana. The copy of Certificate of Incorporation consequent on change of name of plaintiff No.2 is already on record of plaintiffs' documents dated 19th January, 2000 and have been collectively exhibited as Ex.PW 1/7 (Colly). A letter from Mr. Dinesh Chand, Deputy Registrar of Companies, NCT of Delhi and Haryana authenticating the said chain of events was filed by Mr. B.B. Bhatia along with his affidavit which has been exhibited as Ex. PW 1/8.

12. The plaintiff No.2 took over the business of Motorola India Electronics Private Limited, GI India Private Limited (previously known as HCL General Instruments Private Limited), Force Computers (India) Private Limited (previously known as Smart Modular Tech India Private Limited) and Winphoria Networks India Private Limited by virtue of

amalgamation approved under Section 391 and 394 of The Companies Act, 1956 vide order dated 30th March, 2006 in Company Petition No. 7 of 2006 before High Court of Punjab and Haryana at Chandigarh. The copy of the Certificate order of amalgamation forms part of the Memorandum and Article of Association of plaintiff No. 2. The same was filed by Mr. B.B. Bhatia along with his affidavit and has been exhibited as Ex. PW-1/9.

13. The plaintiff No. 2, Motorola India Private Limited, demerged vide order dated 17th September, 2010 passed by High Court of Punjab & Haryana at Chandigarh in Company Petition Nos. 46-48 of 2010. Vide said demerger, the mobile device plus home business (i.e. retail, sales and trading) was transferred to Motorola Mobility India Private Limited, a duly incorporated company under the Companies Act, 1956 having its registered office at the Motorola Excellency Centre, 415/2, Mehrauli-Gurgaon Road, Sector-14, Gurgaon-122001 (Haryana) and the Special Economic Zone Business (i.e. manufacturing of mobile phone factory) was transferred to Motorola Mobility Chennai Private Limited a duly incorporated Company under the Companies Act, 1956 having its registered office at the Motorola Excellency Centre, 415/2, Mehrauli-Gurgaon Road, Sector-14, Gurgaon-122001 (Haryana). Certified copy of order dated 17th September, 2010 passed by High Court of Punjab & Haryana in Company Petition Nos. 46- 48 of 2010 is already on record of plaintiffs' documents filed vide list of documents dated 13th January, 2014 and the same has been exhibited as Ex. PW1/76. It is deposed that the residual Motorola India Private Limited has continued in the business of government and public safety (two way radios). The name of Motorola India Private Limited has been subsequently changed to Motorola Solutions India Private Limited w.e.f. 20th April, 2011. Certified copy of Fresh Certificate of

Incorporation issued by ROC consequent upon change of name dated 20th April, 2011 recording change of name of Motorola India Private Limited to Motorola Solutions India Private Limited is already on record of plaintiffs' documents filed vide list of documents dated 13th January, 2014 and the same has been exhibited as Ex. PW1/77.

14. The plaintiff No.1 is company duly incorporated under the laws of State of Delaware, U.S.A. having its principal office at 1303, East Algonquin Road, Schaumburg, Illinois 60196, United States of America. The plaintiff No.1 was incorporated as Motorola Inc. and has changed its name to Motorola Solutions Inc. w.e.f. 1st January, 2011. Certified copy of the Certificate of Ownership and Merger dated 3rd January, 2011 which merges Motorola Name Change Corp. into Motorola Inc. under the name of Motorola Solutions Inc., issued by Secretary of State, Delaware is already on record of plaintiffs' documents filed vide list of documents dated 13th January, 2014 and the same has been exhibited as Ex. PW1/78.

15. As per the plaint and evidence adduced, it is submitted that the plaintiff No. 1, which was incorporated in 1928, has been a global leader in the field of communications and electronics. In 1930, the plaintiff No.1 invented one of the world's first commercially successful car radio systems. The founder of plaintiff No. 1, late Mr. Paul V. Galvin created and coined the brand name MOTOROLA for the company's new car radio, to convey the exciting new idea of music in motion for the company's auto radios, the first to be mass produced, linking "MOTOR" (motorcar/motion) with the suffix "OLA" (sound) in the year 1930. Downloads of the plaintiffs website <http://www.motorola.com> listing out the archives since year 1928 has been exhibited as Ex. PW 1/10(Colly). Downloads of web pages as of 16th June,2008 from the plaintiffs website <http://www.motorola.com>

pertaining to plaintiff No. 1's history has been exhibited as Ex. PW 1/11.

16. The plaintiff No. 1 was a global leader in manufacture of various Integrated Communications solution and Embedded Electronic Solutions under the mark MOTOROLA. Apart from being global leaders in the manufacture of Paging Systems, Trunk Radios Cellular Phones, Motorola was known worldwide for its electric components used widely by the automobile industry. Motorola had been a pioneer in automotive electronics since 1930s when it developed the first commercially successful car radio. Motorola's Automotive & Industrial Electronics Group (AIEG) reflected the company's enduring commitment to the automotive market place. The abovementioned automotive electronic business of the plaintiff No.1 was acquired by the Continental AG as of 3rd July, 2006 for approximately 1 billion US dollars. The copy of Annual Reports of the plaintiff No. 1 of the year 1943, 1965, 1990, 1993, 1994, 1997, 2000 & 2003 have been exhibited as Ex. PW 1/12 to 1/19. List of plaintiffs' products and services-worldwide has been exhibited as Ex. PW 1/20. Downloads of web pages pertaining to sale of plaintiff No. 1's Automotive and Industrial Electronic Business to Continental AG from the plaintiffs website has been exhibited as Ex. PW 1/21.

17. Plaintiff No.1 in order to accord statutory protection to its trademark had applied for and obtained registrations for the trademark MOTOROLA, in many countries. Certificates /certified copies for use in legal proceedings of various registrations for the trademark MOTOROLA internationally, have been exhibited as Ex. PW 1/30 to 1/68.

18. On account of global rearrangement and demerger of mobile device and home business, all rights, title and interest in the

trademark MOTOROLA and other marks including any common law rights, as owned by the plaintiff No.1, have all been transferred together with the goodwill of the business in favour of plaintiff No.3, namely Motorola Trademark Holdings, LLC vide Worldwide Omnibus Assignment deed dated 30th July, 2010. Pursuant to Worldwide Omnibus Assignment, the trademark inter alia MOTOROLA, which was registered in favour of the plaintiff No. 1 in over 100 countries of the world in various classes of the international classification of goods, stands assigned in favour of plaintiff No. 3. The plaintiff No.1 and its group companies including plaintiff No.2, continue to use the trademark MOTOROLA and its variants subject to conditions and limitations under license from the plaintiff No.3. Certificate dated 19th May, 2014 under Section 65 B of the Indian Evidence Act,1872 issued by Mr. Mitch Stetz alongwith protection list maintained by Computer Packages Inc. (CPI) for plaintiff No. 3 qua trademark MOTOROLA has been exhibited as Ex. PW -1/84 (Colly).

19. The plaintiff No. 1 in order to accord statutory protection to its well-known trademark applied on 30th June, 1949 and obtained registration of the mark MOTOROLA in India under No. 139421 in class 9. However, inadvertently the said mark MOTOROLA was removed from the Trademark Register for failure to pay renewal fee. The plaintiff has taken steps to restore the registration of the said mark by filing a petition before the Trade Mark Registry. The trademark MOTOROLA is also registered in favour of plaintiff No. 1, under No. 225681 dated 25th November 1964, in class 9. The Registration certificate of the mark MOTOROLA under no. 139421 in class 9 has been exhibited as Ex. PW1/22. Copy of petition for restoration of the trademark MOTOROLA registered under No. 139421 in class 9 along with letter dated 24th December, 2013 to provide the certified copy of

the petition has been exhibited as Ex. PW1/23. Legal Proceeding Certificate of the mark MOTOROLA, registered under No. 225581 dated 26th November, 1964 in Class 9 has been exhibited as Ex. PW1/25.

20. It is stated in the affidavit that on account of Worldwide Omnibus Assignment deed dated 30th July, 2010 of the mark MOTOROLA an India Specific Deed of Assignment dated 20th December, 2010 was also executed. Accordingly, an Indian application on form TM-24 dated 30th December, 2010 for recording the name of plaintiff No. 3 as the subsequent proprietor of the trademarks upon the devolution of title before the Registrar of Trademarks, India has been filed and the same is pending adjudication. A Deed of Addendum dated 24th May, 2012 to the Deed of Assignment dated 20th December, 2010 was filed with the Registrar of Trade Marks, India. Certified copy of application on Form TM-24 dated 30th December, 2010 for registering Motorola Trademark Holdings, LLC as a subsequent proprietor has been exhibited as Ex. PW1/81. Certified copy of addendum dated 24th May, 2012 to the Deed of Assignment (India) dated 20th December, 2010 has been exhibited as Ex. PW1/82. Certified copy of letter dated 29th May, 2012 with request to take on record Addendum to Deed of Assignment has been exhibited as Ex. PW1/83.

21. The plaintiff No.1 through its subsidiaries has a worldwide presence and is a truly global corporation with its extensive range of products marketed under the trademark/name MOTOROLA. The trademark/name MOTOROLA is synonymous worldwide with the highest standards in quality and service in the automobile and communication industry and is a "well known" trade mark. Plaintiffs manufacture and market their wide range of products that are manufactured under strict and vigorous quality controls. Throughout the years the high quality products manufactured and marketed by the

plaintiffs worldwide have generated enormous goodwill and reputation in the trademark/ name MOTOROLA.

22. The trademark/name MOTOROLA have been extensively advertised worldwide through various media including TV network, newspapers, magazines, journals, hoardings, sales promotional material etc. at huge financial expense without territorial limitation. The annual promotional expenses incurred by the plaintiff No.1's (Motorola Mobile Devices Business only) and of plaintiff No. 2 are enumerated below:

ANNUAL ADVERTISEMENT AND PROMOTIONAL EXPENSES

YEAR ENDING	PLAINTIFF NO.1 (USD in Million) (Dec 31)	PLAINTIFF NO.2 (INR) (March 31)
1998	-----	65,762,040
1999	-----	49,579,817
2000	-----	39,271,084
2001	-----	66,471,448
2002	270	39,192,977
2003	281.8	233,487,854
2004	460.8	380,666,111
2005	544.2	417,787,737
2006	978.6	589,015,287
2007	853.6	1,573,908,699

23. The plaintiffs have sold their product range and carried out their business operation under the trademark/name MOTOROLA extensively worldwide through their various distributors and dealers. The goodwill and reputation gained by the plaintiffs in their "well-known" trademark MOTOROLA is evident from the sales achieved by the plaintiff No. 1

Company from its worldwide operations and plaintiff No. 2 from its India operations, which is enumerated as below:-

SALES FIGURES OF THE PLAINTIFFS

YEAR ENDING	PLAINTIFF NO.1 (USD in Million) (Dec 31)	PLAINTIFF NO.2 (INR) (March 31)
1998	29,389	4,088,548,861
1999	30,931	4,161,302,495
2000	37,580	4,464,984,125
2001	30,004	4,815,638,871
2002	26,679	7,034,385,382
2003	27,058	12,320,798,826
2004	31,323	15,381,012,863
2005	36,843	12,702,837,529
2006	42,879	15,258,854,440

24. The plaintiff No. 3 is the proprietor of the trademark MOTOROLA, which is registered in over 100 countries of the world in various classes of the international classification of goods worldwide and has a statutory right to the exclusive use thereof in India. Considering that MOTOROLA is a "well known" trademark in India and the goods bearing the trademark MOTOROLA have been selling in India during 1970's & 1980's through import and in open retail market through plaintiff No.2 since the year 1989. The plaintiffs' trademark MOTOROLA, therefore, enjoys highest and widest degree of statutory protection. Any unauthorised use thereof or any other deceptively similar mark by any unauthorised trader would inevitably lead to erosion of the distinctiveness of the registered trade mark MOTOROLA and misappropriation of the goodwill and reputation that vests therein,

which constitutes a violation of plaintiffs' statutory right and infringement of plaintiffs' registered trademarks under Section 29 of the Trade Marks Act, 1999, whether or not there is similarity/commonality of goods. Plaintiffs' pamphlets for various MOTOROLA branded products have been exhibited as Ex. PW1/69.

25. It is stated that on account of prior adoption, long and continuous use, extensive sales and sales promotional schemes, excellent quality control and aggressive marketing, the trademark/trade name MOTOROLA has acquired enviable goodwill and reputation and has become distinctive of the goods and business of the plaintiffs world over including in India, to the exclusion of all others. The trademark MOTOROLA has come to be inextricably associated with the plaintiffs.

26. It is deposed in the affidavit that the plaintiff No.1 through its subsidiaries has a worldwide presence and is a truly global corporation with its extensive range of products marketed under the trademark/name MOTOROLA. As of 1998, plaintiff No. 1 has in its employment, 133,000 employees worldwide and in its India Operations, through the plaintiff No. 2 Company and other group companies, it has in its direct employment more than 1200 employees. It offers indirect employment to over hundred thousand persons who are engaged in marketing and servicing its products worldwide. In the financial year 1998-99 the plaintiff No. 1 Company from its worldwide operations declared USD 29.348 million as its net income.

27. In view of the material placed on record and the case proved by the plaintiffs, it is clear that the trademark/name MOTOROLA is synonymous worldwide with the highest standards in quality and service in the automobile and communication industry and is a "well known" trademark. The trademark/name MOTOROLA is the most

valuable corporate asset of the plaintiffs and is entitled to be protected against misappropriation of goodwill and dilution irrespective of the presence or absence of commonality of fields of activities.

28. The plaintiffs around June, 1999 learnt about the fraudulent use of the trademark/trade name MOTOROLA by the defendants in relation to its business namely manufacturing of automobiles parts. The plaintiffs filed the present suit against the defendants. Vide order dated 20th January, 2000, the defendants were restrained from using the trade mark MOTOROLA and domain name Motorola-auto.com. However, they have been using the MOTOROLA as a trade name.

29. As per case of the plaintiffs the defendant No. 1, which was incorporated in the year 1998, carries on alleged business, *inter-alia*, of manufacture of various automotive components/automobiles parts for engines and tractors. The defendant No. 1 had also obtained a domain name 'motorola-auto.com' of which "MOTOROLA" is a key and essential feature. The defendant No. 2, is a sister concern of the defendant No. 1 and defendant No. 3 to 5 are the partners of the defendant No. 2 firm. The defendant No. 2 had also applied for registration of the mark MOTOROLA under No. 773710 dated 24th January, 1997 in class 7 for cylinder head, fan belts, bearing and filters, piston and piston rings, engine parts, machines and machine parts. The plaintiff No. 1 has already filed an opposition against the impugned mark and the said opposition is pending. No counter statement has been filed by the defendants despite being aware of opposition proceedings. The defendants have alleged in their joint written statement that there will be no confusion/deception since the goods and business of the parties are different. The defendants have further alleged that the plaintiffs do not deal with or manufacture the goods manufactured/marketed by the defendants. The defendants

have further alleged that the word MOTOROLA is descriptive word and there are other companies with the corporate name MOTOROLA. The certified true copy of the certificate of incorporation of defendant No.1. is exhibited as Ex. PW 1/70. The computer print outs of website of defendant No.1 is on record of plaintiffs' documents filed vide list of documents dated 5th May, 2003 and has been exhibited as Ex. PW 1/73.

30. **INFRINGEMENT OF TRADE MARK/TRADE NAME:**

The plaintiffs are the registered proprietors of the trademark MOTOROLA under No. 139421 & 225681 in class 9 for electrical goods. The use of the trademark/trade name/domain name MOTOROLA by the defendants for automobiles parts/components for engines and tractors, which is identical to the trade mark/trade name/corporate name MOTOROLA of the plaintiffs, constitutes infringement of plaintiffs' registered trademark MOTOROLA under Section 29 (4) of the Act. The plaintiffs' trademark MOTOROLA possesses worldwide and global reputation for a variety of goods and business. MOTOROLA enjoys highest degree of inherent distinctiveness being a coined mark. The Supreme Court in ***Durga Dutt v. Navratna Pharmaceuticals***, AIR 1965 Supreme Court 980 observed as under :

"29. When once the use by the defendant of the mark which is claimed to infringe the plaintiffs mark is shown to be "in the course of trade", the question whether there has been an infringement is to be decided by comparison of the two marks" Where the two marks are identical no further questions arise for then the infringement is made out."

31. The use of the plaintiffs' mark MOTOROLA by the defendants as its trade name has infringed the plaintiffs' mark under Section 29 (5) of the Act. The use of the word MOTOROLA by the defendants as part of their corporate name and trading style is dishonest and fraudulent.

32. **PASSING OFF:-**

Plaintiffs' trade mark and trade name MOTOROLA is already perceived as a household name due to the involvement of its companies in various forms of business activity here in India and globally, a product that is in any way inferior in quality or in capacity to that of the plaintiffs would cause undue disharmony and discord in the provider-customer relationship existing since decades between the plaintiffs and their age-old-patrons. There is great likelihood that the actual or potential customers will be induced to associate the defendants business and believe that the defendants' business is an extension of the plaintiffs' business. The customers will believe that the defendants' activities have been endorsed by the plaintiffs and the goods that are sought to be offered by the defendants have the same level of quality and reliability that is synonymous with the goods and services of the plaintiffs. The sole motive is to ride on the goodwill and reputation enjoyed by the plaintiffs' trade mark/trade name MOTOROLA. Thus, the defendants' use of the impugned mark/name is aimed at cashing on the image and status acquired by the plaintiffs, which would consequently and irreparably damage the reputation and goodwill of the plaintiffs by tarnishment of the asset, which is the trade mark/name MOTOROLA. Such use by the said defendants amounts to an act of passing off their goods/business as and for that of the plaintiffs. Reliance is placed on the following judgments:-

- ***Larsen & Toubro Ltd v. Lachmi Narain Trades & Ors.*** 2008 (36) PTC 223 (Del)
- ***Corn Products Refining Co. v. Shangrila Food Products Ltd.,*** AIR 1960 SC 142
- ***Sony Kabushiki Kaisha v. Mahaluxmi Textile Mills,*** 2009 (41) PTC 184(Cal.)

33. **Commonality of field of Activities**

The defendants have taken the plea that the plaintiffs do not deal with or market the goods as manufactured or marketed by the defendants. It is most respectfully submitted that the said plea is misconceived. Reliance is placed on the following judgments:-

- ***Mahendra and Mahendra Paper Mills Ltd. v. Mahindra and Mahindra Ltd. ; AIR 2002 SC 117 (para 15, 19)***
- ***Larsen and Toubro Limited Vs. Lachmi Narain, (supra)(para 11,19)***
- ***Daimler Benz v. Hybo Hindustan:- AIR 1994 DELHI 239 (para-17,19)***
- ***Honda Motors Co. Ltd. v. Mr. Charanjit Singh and Ors, 2003 (26) PTC1(Del) (para-34, 38)***

34. **DILUTION:-**

The adoption and use of the impugned mark by the defendants is without due cause and the same has been adopted by the defendants to take unfair advantage. The use of the impugned mark by the defendants is detrimental to the distinctive character and worldwide reputation of the plaintiffs' mark. Even if the defendants' contention is accepted for the sake of arguments that they are not in the same line of business, even then since there is an undoubted similarity between the rival marks and the fact that the plaintiffs' mark has a reputation in India, the impugned use of the mark by the defendants would constitute infringement under Section 29(4) of the Act, as the adoption and use of the impugned mark is unfair and detrimental to the distinctive character and world-wide reputation enjoyed by the plaintiffs' mark MOTOROLA. Reliance is placed upon the following judgments:-

- ***Caterpillar Inc. v. Mehtab Ahmed*** [2002 (25)PTC 438 Del] (Para 16-24)
- ***Ford Motor Company v. C.R.Borman*** [2008 (38) PTC (DB) 76](Para 15-17)
- ***Bloomberg Finance LP. v. Prafull Saklecha & Ors,*** 2013 (56) PTC 243 (Del) (para-36, 45)

The blatant and unrestricted use of identical trademark by the defendants in relation to its goods, will inevitably lead to dilution and erosion of the uniqueness and exclusivity associated with the plaintiffs' trademark/name MOTOROLA by reducing their capacity to identify and distinguish the goods and services of the plaintiffs as originating from a particular source, regardless of the presence or absence of likelihood of confusion, mistake or deception. In other words, the unauthorized and indiscriminate use by the defendants of the impugned trade mark/trade name upon illegal goods and services is bound to result in the whittling away of the selling power, distinctive quality and value of the established trade mark of the plaintiffs. In the event that the defendants' activities are not curbed, they will succeed in prompting others to imitate the plaintiffs well-known trade mark thereby leading to further dilution.

35. In view of the aforesaid submissions and case proved by the plaintiffs, the plaintiffs are entitled for a decree for permanent injunction against the defendants in para 45(a) to (c) of the plaint. Defendants are directed to take appropriate steps before the Registrar of Companies, Trademark Registries and Internet Network Information Centre and before all other appropriate and concerned authorities to effect the change of corporate name of the defendant No.1 Company as well as to delete the impugned name MOTOROLA.

36. With regard to the relief of damages as claimed by the plaintiffs, this Court has previously granted both exemplary and punitive

damages against the defendants in ex-parte matters of similar nature. In ***Time Incorporated v. Lokesh Srivastava & Anr.***, 2005 (30) PTC 3 (Del.) while awarding punitive damages of Rs. 5 lakhs in addition to compensatory damages also of Rs. 5 lakhs, Justice R.C. Chopra observed that "time has come when the Courts dealing in actions for infringement of trademarks, copyrights, patents etc., should not only grant compensatory damages but also award punitive damages with a view to discourage and dishearten law breakers who indulge in violation with impunity out of lust for money, so that they realise that in case they are caught, they would be liable not only to reimburse the aggrieved party but would be liable to pay punitive damages also, which may spell financial disaster for them."

37. Further, this Court in ***Microsoft Corporation Vs. Rajendra Pawar & Anr.***, 2008 (36) PTC 697 (Del.) decided on 27th July, 2007 has held "Perhaps it has now become a trend of sorts, especially in matters pertaining to passing off, for the defending party to evade court proceedings in a systematic attempt to jettison the relief sought by the plaintiff. Such flagrancy of the defendant's conduct is strictly deprecatory, and those who recklessly indulge in such shenanigans must do so at their peril, for it is now an inherited wisdom that evasion of court proceedings does not de facto tantamount to escape from liability. Judicial process has its own way of bringing to tasks such erring parties whilst at the same time ensuring that the aggrieved party who has knocked the doors of the court in anticipation of justice is afforded with adequate relief, both in law and in equity. It is here that the concept of awarding punitive damages comes into perspective."

38. With regard to other reliefs, it has come on record that the act of the defendants is malafide, as they have adopted the trademark/trade

name deliberately and intentionally in order to earn easy amount. Therefore, the plaintiffs are also entitled to a decree for damages against the defendants to the tune of Rs.10 lacs.

39. The plaintiffs are also entitled for costs. Ordered accordingly.

40. Decree be drawn accordingly

(MANMOHAN SINGH)
JUDGE

NOVEMBER 06, 2015