

ATUL

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
SUIT NO. 1129 OF 1996

BILLION PLASTICS PVT LTD

a company incorporated under the
provisions of the Companies Act, 1956 and
having its registered office at 912/913,
Tulsiani Chambers, Nariman Point, Bombay
400 021

...

Plaintiff

~ VERSUS ~

BILLION FLEX (I) PVT LTD

a company incorporated under the
provisions of the Companies Act, 1956 and
having its registered office at C-15, Sardar
Inds. Estate, Ajwa Road, Baroda 390 019
AND branch office at 3, Tripta Sadan, Near
Bombay Bazar, J.P. Road, Andheri (West),
Bombay 400 058

...

Defendant

APPEARANCES

FOR THE PLAINTIFF

Mr. Sunil Patel, i/b Sunil & Co.,

FOR THE DEFENDANT

Ms. Sneha Phene, with Mr. Hemang
Engineer, i/b Gordhandas & Fozdar.

CORAM : G.S.Patel, J.

DATED : 14th December 2016

ORAL JUDGMENT:

A. INTRODUCTORY

1. This is ostensibly action in trade mark infringement. The Plaintiff claims that it has exclusivity over the word **BILLION**. The submission is that this forms part of its corporate and trading name and is also its registered trade mark. There is no doubt, and this is an admitted position, that the Defendant does not use this word **BILLION** as a trade mark. Mr. Patel for the Plaintiff, therefore, confines his reliefs to the issue of the use of the word **BILLION** by the Defendant as part of its corporate name or trading style. That is the limited conspectus of the controversy before me.

2. Having heard Mr. Patel for the Plaintiff and Ms. Phene for the Defendant at some length and, with their assistance, having considered the material on record, I am not persuaded that the reliefs sought by the Plaintiff should or can be granted. I have dismissed the suit. My reasons follow.

B. PLEADINGS

3. Incorporated in 1965, the Plaintiff has been in existence for over 30 years under the name Billion Plastics Private Limited. Paragraph 3 of the Plaintiff reads thus:

“3. The word “BILLION” forming part of the name of the Plaintiff is not generic in nature. It is coined and invented by the Plaintiff. “BILLION” has become a trade name by which the Plaintiff has earned and acquired a tremendous reputation and goodwill so as to make the name “BILLION” synonymous in respect of the plastic articles and in the plastic industry with the operations business and goods of the Plaintiff. The name “BILLION” has now become and is a trade description conveying a trading style and carrying a distinctive image with a distinct and immediate connection and association with the Plaintiff. The name “BILLION” has become an integral part of the Plaintiff’s reputation and goodwill and the name itself is capable of tremendous commercial exploitation.”

(Emphasis added)

4. The Plaintiff then says that it has a registration in Class 17 under No. 225010 dated 26th October 1967 of the mark **BILLION** in relation to the plastic goods. The registration is said to be valid and subsisting. The Plaintiff complains that the Defendant, incorporated in 1985, has started a business similar to that of the Plaintiff, and that the Defendant has adopted the word **BILLION** in

its corporate name, Billion Flex (I) Private Limited, only with a view to infringe the Plaintiff's mark, to trade on the Plaintiff's goodwill and reputation, and to pass off the Defendant's goods as those of the Plaintiff. The Plaintiff also says that the Defendant has no natural association with the word **BILLION** and is not entitled to use or exploit it in any way. It is also urged that there is confusion between the Defendant's goods and the Plaintiff's goods in the market. The Plaintiff claims to have significant reputation by virtue of its sales and, therefore, submits that the Defendant must be restrained from using the word or mark **BILLION** either as a trade mark or as a trade name.

5. The Defendant filed a Written Statement denying these allegations. It was pointed out that the two corporate names and trading styles are quite distinct; that the word **BILLION** is a common dictionary word to which no exclusivity can attach and over which none may claim monopoly. The Defendant also says that it does not use the mark as a trade mark. It does not manufacture similar goods but makes multicolour photo-printed carry bags, pouches etc. to specifications given by its customers. The Defendant's goods are sold to its customers directly and bespoke items, specially made, and only on demand. The Defendant's goods are not available in the market. This is distinct from the Plaintiff's goods, viz., plastic tubes and pipes. The Defendant also claims to have acquired significant reputation and some documents are annexed. The Defendant has denied all the allegations of the Plaintiff, including all allegations of infringement and passing off.

X. ISSUES

6. On these pleadings, issues were framed on 1st February 2013. These are set out below with my answers against each:

Sr.No	Issues	Findings
1.	Whether the Plaintiffs prove that the Defendants are by use of the mark 'Billion Flex', infringing their registered Trade Mark 'Billion'?	No.
2.	Whether the Plaintiffs prove that the Defendants have created confusion in the market and are misleading the public and traders and are passing off their goods as that of the Plaintiff's?	No.
3.	Whether the Plaintiffs prove that they have spent considerable amount by way of advertisement and promotional expenses as alleged in paragraph 7 of the Plaint?	No.
4.	Whether the Plaintiffs prove that they are entitled to claim a sum of Rs. 51,000/- or any other sum by way of damages?	No.
5.	What Relief? What Order?	Suit dismissed.

Δ. THE EVIDENCE ON RECORD

7. Both sides put several documents into evidence. On behalf of the Plaintiff, one Mr. Pradeep Gulabbhai Gandhi was examined. He filed an Affidavit of Evidence dated 1st April 2013. On behalf of the Defendant, the evidence was led of one Mr. Kanaiyalal Shahani, the Director of the Defendant. He filed an Affidavit of Evidence dated 11th February 2014. Although there is a second Affidavit of Evidence of one Mr. Keshavlal Chandiram Shahani, he was not examined.

E. RE: ISSUE NO. 1 : INFRINGEMENT

8. In his Affidavit of Evidence, Mr. Pradeep Gandhi reiterates what is stated in the Plaint. He was cross-examined on commission. Some of his answers in cross-examination are significant, which read thus:

Q.5 Do you understand the meaning of the word "BILLION"?

Ans. Yes.

Q.6 According to you, what is the meaning of "BILLION"?

Ans. Normally, the word BILLION is used in reference or context to value.

Q.7 According to you therefore the word Billion is a word used in the English language. Is that correct?

Ans. Yes.”

9. In the context of a market survey, he said this:

Q.11 Have you conducted a survey of the market in support of your statement that the trade name BILLION is associated in the plastic industry as also in respect of plastic goods by members of the trade and public in India exclusively with the Plaintiff and it is understood as a product of the Plaintiff?

Ans. No.

Witness volunteers: This statement is given on the basis of my personal knowledge that when a person will ask for the product “BILLION”, it is implied that he intends to purchase PVC Pipes sold under the trade mark BILLION and normally when a person would ask for a PVC Pipe, the shop keeper would offer a PVC Pipe bearing the trade mark “BILLION”.

10. The answers to Questions 17 to 20 are also relevant:

Q.17 I put it to you that BILLION is a common dictionary word?

Ans. Yes. But it has a specific connotation, which helps in highlighting a product so that the name registers with the user.

Q.18 In paragraph 19(iii) and paragraph 20, you have stated that the defence of the Defendant that the word “BILLION” is a dictionary word and anyone is entitled to adopt the name as part of the trading style has no substance. Do you agree that the word BILLION is a common dictionary word?

Ans. Yes.

Witness volunteers: I say that my statement in paragraph 19(iii) is not to be read in isolation but is to be read as a whole and thus I have stated that the defences raised by the Defendant are incorrect.

Q.19 I put it to you that there is no infringement or passing off committed by the Defendant?

Ans. No. I disagree and state that the infringement or passing off has taken place fully knowing and with *mala fide* intention.

Q.20 I put it to you that the Defendant has never used the word BILLION as a trade mark?

Ans. I deny.

11. If the Plaintiff, therefore, denies the suggestion put to him that the Defendant only uses the word **BILLION** as a mark, then the onus is on the Plaintiff to prove that the Defendant has used the word **BILLION** as a mark. The Defendant cannot be expected to prove the negative. It is the Plaintiff's positive case that the Defendant uses the expression or word **BILLION** as a mark (and not just as a corporate name). Following Section 103 of the Evidence Act, the burden of proving this particular fact falls on the Plaintiff, being the party that wishes the court to believe in its existence. The Plaintiff has led no evidence of the Defendant's use of the word as a mark.

12. The cross-examination of the Defendant's first witness, on the other hand, does not establish the Plaintiff's case at all. Both in the Plaint and Affidavit of Evidence, the Plaintiff claims to have 'coined and invented' the word. This assertion is so far-fetched that it only needs to be stated to be rejected, and there is absolutely no evidence led by the Plaintiff on this. The Defendant's witness, on the other hand, clearly states that this is a dictionary word that has been adopted by the Defendant only for the purposes of its corporate name. In answer to Question 17,¹ the Defendant's witness clarifies that the Defendant only manufactures carry bags with different types of handles, and no other product. These are bespoke products, custom-made to different client-specific specifications, and sold only to those clients. The Defendant puts no products in the market for general distribution and sale.

¹ Compiled Record, *p.* 275.

13. It is in this context that one must appreciate the position in law. It is clear from Exhibit “P3”, the registered trade mark produced by the Plaintiff, that this is a label mark. There is no evidence of infringement of this *label mark*. In the cross-examination, the Plaintiff admits that the annexure to this certificate, *i.e.*, a representation of the mark itself has not been produced.²

14. Mr. Patel relies on the decision in *Kirloskar Diesel Recon Pvt. Ltd. & Another v. Kirloskar Proprietary Ltd. & Others*³ for the proposition that a trade mark includes a trade name, and a trade name is, therefore, also entitled to protection as a mark. This proposition is now far too well-settled to admit of any controversy. However, this is of very little assistance to the Plaintiff. There is no general proposition that a company has complete exclusivity over every word that comprises its name. Competing registrations under the Companies Act are qualitatively very different from treating the trade name as a trade mark. The adoption of a common word as part of a label and also as part of a corporate name does not mean that the word *per se* is a mark registered to the claimant sufficient to afford exclusivity or monopoly. Some invented names like *Kodak* or *Xerox* would indeed gain such monopoly as trade or corporate names too; but that is because the mark is embedded in the corporate name. In other cases, even surnames (*Mahindra & Mahindra*, *Larsen & Toubro*, *Rockefeller*) may acquire such distinctiveness. But it is impossible to hold that a lexical word of everyday use, a numerical descriptor, could so casually and easily be

2 Cross-examination of Plaintiff, Qn. 12, *p.* 269.

3 AIR 1996 Bom 149.

said to have achieved this level of distinctiveness. For that, considerably more needs to be shown; specifically, that in the plastics sector, the word — the very word — **BILLION** is exclusively attached to the Plaintiff. Given that this is no longer a question of a merely *prima facie* view at the final hearing of the suit, the Plaintiff needed to adduce a body of evidence from market surveys, studies and reports to establish this. Exclusivity, especially in the context of a common word, is never a matter of presumption, but always a matter of proof.

15. To succeed in this action, therefore, the Plaintiff would have to show that the Defendant's trade name is being used as a mark, and that the Plaintiff has, in any case, exclusivity over the word **BILLION** as a word *per se*. As I have noted, the Plaintiff has only the registration of a device or label mark. It is not possible to conclude from this that the word **BILLION**, an everyday common numerical term, has achieved significantly sufficient secondary meaning and that it can ever have a secondary significance so as to give the Plaintiff any form of exclusivity over it. If the Plaintiff has no exclusivity over the word **BILLION** in any form, then it certainly cannot claim infringement. The Plaintiff's rights, if any, are restricted to the infringement of the label and cannot go any further beyond this. It is incorrect in law to say that any word, regardless of how known it is, can be plucked from a label and exclusivity be attached to it.

16. Mr Patel's submission that none may use the mark **BILLION** in any corporate name, especially in the plastic industry, irrespective of the nature of the business, or even as part of a mark for plastic

goods is one I must reject. After all, there is only the registration of a label mark, and no evidence at all that the word *BILLION*, even assuming it is central to that label, has attained that degree of secondary significance that persons associate the word itself with the Plaintiff. The assertion that the Plaintiff ‘coined and invented’ the word *billion*, set out in the Complaint and repeated in the Affidavit in lieu of Examination-in-Chief, is so egregiously and evidently incorrect that it is impossible to accept the Plaintiff’s case.

17. For these reasons, Issue No. 1 will have to be answered in the negative.

Φ. RE: ISSUE NO. 2 : PASSING OFF

18. Mr. Patel relies on two letters dated 26th April 1997 and 13th March 1997 respectively from third parties, Vastava P.U.C. Sheet Products and Kirit Kumar G. Barai, ostensibly addressed to the Plaintiff, which are supposed to show that there is confusion with the Defendant’s goods and an attempt at passing off.⁴ The documents were admitted into evidence because the Defendant did not dispute the existence of the documents. This, by itself, does not establish the correctness of their contents. That had to be done by examining the authors of these letters and the Plaintiff made no attempt to call either of the authors as witnesses. Thus, how, why, and in what circumstances these letters came to be written is not disclosed. The authors of these letters were never made available for

4 Exhibit “P9” (collectively), *pp.* 190–191.

cross-examination by the Defendant. It is, therefore, difficult to conclude from these documents that there is confusion or passing off, especially when the Defendant does not manufacture similar products.

19. Mr. Patel vehemently urges that in his own cross-examination, the Defendant's witness has accepted that the Defendant's Memorandum of Association allows it to manufacture all plastic items including those similar to the Plaintiff's.⁵ The answer was perfectly correct; a company's Memorandum & Articles of Association may contain very many objects or purposes. The test in trade mark infringement and passing off is to see what the defendant actually does, not what it is entitled in law to do. In passing off, an action in deceit, it must be shown that the defendant uses the mark in a manner calculated to deceive; or, at any rate, that there is a reasonable and distinct possibility that he will do so. There is simply no such evidence, and there is nothing at all to show that this Defendant proposes to manufacture goods that can possibly be 'passed off' as those of the Plaintiff.

20. Therefore, there is no proof of any confusion in the market, especially since the Defendant's version, that it does not put any goods in the market but only manufactures them for sale to the specific customers according to their specifications, remained totally unchallenged in cross-examination. There is not a single question in the cross-examination on this aspect of the matter.

5 Cross-examination of the Defendant, Qn. 18, *p.* 275.

21. Issue No. 2 will, therefore, have to be answered in the negative.

Γ. RE: ISSUE NO. 3 : EXPENDITURE

22. As a stand-alone issue, this issue, even if answered for the Plaintiff, can yield to it no result. If the answers to the first two issues are in the negative, then this issue falls into irrelevance.

23. In any case, as to the question of sale and expenditure statements produced,⁶ in cross-examination, the Plaintiff's witness clearly says that these were prepared by the Accounts Department, but he is unaware of the person who prepared the sales statements.⁷ The author of the statements is not examined. The source documents from which these summary statements are prepared are not on record. These sales and expenditure statements, therefore, are of no evidentiary value.

24. Issue No. 3 must, therefore, be answered in the negative.

H. RE: ISSUE NO. 4 : DAMAGES

25. As regards Issue No. 4, the question answers itself in view of the foregoing findings. This has to be answered in the negative.

6 Exhibit "P5" and Exhibit "P6", *pp.* 177–178.

7 Cross-examination of the Plaintiff, Qns. 9 and 10, *p.* 268.

I. CONCLUSION AND ORDER

26. The Suit fails. It is dismissed. There will be no order as to costs.

27. Mr. Patel seeks that the ad-interim order dated 8th April 1996, restraining the Defendant from using the trade mark so as to infringe the Plaintiff's trade mark, be continued. That order was obtained after service. The Defendant remained absent. By a later order of 9th November 1998, at the final hearing of the Plaintiff's Notice of Motion, after an elaborate and detailed discussion, a learned Single Judge of this court (DK Deshmukh J) held that the Plaintiff was *not* entitled to an interim injunction. He, however, directed that, as the Defendant stated before him that it had no objection to the continuance of the previous ad-interim injunction, it would continue pending the final disposal of the Suit.

28. I am unable to accept Mr. Patel's submission in the form that he places it. For this order to continue after the final disposal of the suit, the Plaintiff would have to show that it has proprietary, statutory or common law rights in the mark **BILLION**, for that is the basis of the claim in suit. As we have seen, the only right that Plaintiff has is in the device or label mark and not in the word **BILLION**. There is absolutely no proof of infringement, passing off or confusion. There can be no restraint against the Defendant from using the word **BILLION**. It goes without saying that so long as the registration of the label or device mark continues, the Plaintiff's

rights are sufficiently protected. However, I have noted Ms. Phene's statement on instructions, that even today the Defendant does not use the word **BILLION** as a trade mark in any sense or on any product, nor does it manufacture any products that are within the Plaintiff's manufacturing range. It only manufactures multicolour polythene bags, as noted in the Written Statement and Affidavit of Evidence, and it only uses the word **BILLION** not as a mark but as its corporate name or trading style. That is sufficient for the Plaintiff's purpose.

29. Order accordingly.

(G.S. PATEL, J.)