

IN THE HIGH COURT OF JUDICATURE AT MADRAS

(ORDINARY ORIGINAL CIVIL JURISDICTION)

MONDAY, THE 29th DAY OF AUGUST 2016

THE HON'BLE MR. JUSTICE M.M.SUNDRESH

O.A.Nos.412 to 414 of 2016

and

A.Nos.2821 to 2823 and 3167 to 3169 of 2016

in

C.S. No.285 of 2016

O.A.Nos.412 to 414 of 2016 and A.Nos.2821 to 2823 in
C.S.No.285 of 2016:

1 MRS.VEENA KUMARAVEL
F-37, PHASE II, 1ST FLOOR,
SPENCER PLAZA,
ANNA SALAI, CHENNAI - 600 002.

2 GROOM INDIA SALON AND SPA
PVT LTD. NO.9 B, GANGA GRIHA, 1ST FLOOR
NUNGAMBAKKAM HIGH ROAD, CHENNAI - 600 034.
REPRESENTED BY ITS DIRECTOR
MRS.VEENA KUMARAVEL.

... APPLICANTS/PLAINTIFFS

Vs

1 MRS.K.SHAKILA
PARTNER
NB NATURALS BEAUTY FAMILY SALOON AND SPA
PARTNERSHIP FIRM
OPP SALAI MARIAMMAN KOVIL
SALEM BYE PASS ROAD, LAKKIAMPATTI
DHARMAPURI-636 705.

2 MR.P.SANTHAKUMAR
PARTNER
NB NATURALS BEAUTY FAMILY SALOON AND SPA
PARTNERSHIP FIRM
OPP SALAI MARIAMMAN KOVIL
SALEM BYE PASS ROAD, LAKKIAMPATTI
DHARMAPURI-636 705.

- 3 MR.M.BASKARAN
PARTNER
NB NATURALS BEAUTY FAMILY SALOON AND SPA
PARTNERSHIP FIRM
OPP SALAI MARIAMMAN KOVIL
SALEM BYE PASS ROAD, LAKKIAMPATTI
DHARMAPURI-636 705.
- 4 NB NATURALS BEAUTY FAMILY SALOON AND SPA
PARTNERSHIP FIRM
OPP SALAI MARIAMMAN KOVIL
SALEM BYE PASS ROAD, LAKKIAMPATTI
DHARMAPURI-636 705.
REPRESENTED BY ITS MANAGING DIRECTOR
G.THIRUVENGADAMOORTHY
- 5 NB NATURALS BEAUTY FAMILY SALOON AND SPA
82/2 FIRST FLOOR,
SRI LAKSHMI COMPLEX, OPP WOMEN'S POLICE STATION,
KRISHNAGIRI MAIN ROAD, BARGUR 634 104.
- 6 NB NATURALS BEAUTY FAMILY SALOON AND SPA
92/5, FIRST FLOOR,
NEAR MAHARISHI PRIMARY SCHOOL, BAGALUR ROAD
HOSUR - 635 109.
- ... RESPONDENTS/DEFENDANTS

O.A.No.412 of 2016:-

Original Application praying that this Hon'ble Court be pleased to grant an order of Exparte ad interim injunction restraining the defendants their directors, franchisees licensees, employees, officers, servants, agents and all others acting for and on their behalf from using the plaintiff's purple and White Trade Dress as depicted within the plaint in any manner whatsoever including in relation to its salon/spa/beauty care services or any other business including all use as part of its signage, business cards, labels, promotional materials, interiors and exteriors of its business place advertisements, website, company name/s,

website contents [whether or not visible), staff uniforms, transportation vehicles, documents, reports, data, invoices, receipts, stationery, and on any other materials and things on which they are using Plaintiff's Trade Dress of Purple and White or anything similar to Plaintiff's Trade Dress, that amounts to passing off the defendant's goods or business or services as those of plaintiff.

O.A.No.413 of 2016:-

Original Application praying that this Hon'ble Court be pleased to grant an order of Exparte ad interim injunction restraining the defendants, their directors, franchisees, licensees, employees, officers, servants, agents and all others acting for and on their behalf from using the trademark, trade name and trading style featuring the mark "NATURALS" or any other name/ mark deceptively similar to plaintiffs mark "NATURALS" in any manner whatsoever including in relation to its salon/spa/beauty care services or any other business, including all use as part of its signage, business cards, labels, promotional materials, advertisements, domain name/s, company name/s, URLs, e-mail addresses, screen names, user names, website contents [whether or not visible), staff uniforms, transportation vehicles, documents, reports, data, invoices, receipts, stationery, and on any other materials and things on which they are using mark "NATURALS" or anything similar to Plaintiff's mark "NATURALS" amounting to infringement of Plaintiff's Trademark "NATURALS" under Registration No.1414842 in class 42 that amounts to infringement thereof.

O.A.No.414 of 2016:-

Original Application praying that this Hon'ble Court be pleased to grant an order of Exparte ad interim injunction restraining the defendants, their directors, franchisees, licensees, employees, officers, servants, agents and all others acting for and on their behalf from using the trademark, trade name and trading style featuring the mark "NATURALS" or any other name/mark deceptively similar to plaintiffs mark "NATURALS" in any manner whatsoever including in relation to its salon/spa/beauty care services or any other business, including all use as part of its signage, business cards, labels, promotional materials, advertisements, domain name/s, company name/s, URLs, e-mail addresses, screen names, user names, website contents [whether or not visible), staff uniforms, transportation vehicles, documents, reports, data, invoices, receipts, stationery, and on any other materials and things on which they are using mark "NATURALS" or anything similar to Plaintiff's mark "NATURALS" that amounts to passing off the Defendant's goods or business or services as those of Plaintiff.

A.No.2821 of 2016:-

Application praying that this Hon'ble Court be pleased to pass appropriate order(s) against the Respondents for disobedience of the order dated May 13, 2016 made in O.A.No.412 of 2016 in C.S.No.285 of 2016 on the file of this Hon'ble Court.

A.No.2822 of 2016:-

Application praying that this Hon'ble Court be pleased to pass appropriate order(s) against the

Respondents for disobedience of the order dated May 13, 2016 made in O.A.No.413 of 2016 in C.S.No.285 of 2016 on the file of this Hon'ble Court.

A.No.2823 of 2016:-

Application praying that this Hon'ble Court be pleased to pass appropriate order(s) against the Respondents for disobedience of the order dated May 13, 2016 made in O.A.No.414 of 2016 in C.S.No.285 of 2016 on the file of this Hon'ble Court.

A.Nos.3167 to 3169 of 2016:-

- 1 MRS.K.SHAKILA
PARTNER
NB NATURALS BEAUTY FAMILY SALOON AND SPA
PARTNERSHIP FIRM
OPP SALAI MARIAMMAN KOVIL
SALEM BYE PASS ROAD, LAKKIAMPATTI
DHARMAPURI-636 705.
- 2 NB NATURALS BEAUTY FAMILY SALOON AND SPA
PARTNERSHIP FIRM
OPP SALAI MARIAMMAN KOVIL
SALEM BYE PASS ROAD, LAKKIAMPATTI
DHARMAPURI-636 705.
REPRESENTED BY ITS MANAGING DIRECTOR
G.THIRUVENGADAMOORTHY
- 3 NB NATURALS BEAUTY FAMILY SALOON AND SPA
82/2 FIRST FLOOR,
SRI LAKSHMI COMPLEX, OPP WOMEN'S POLICE STATION,
KRISHNAGIRI MAIN ROAD, BARGUR 634 104.
- 4 NB NATURALS BEAUTY FAMILY SALOON AND SPA
92/5, FIRST FLOOR,
NEAR MAHARISHI PRIMARY SCHOOL, BAGALUR ROAD
HOSUR - 635 109.

... RESPONDENTS/DEFENDANTS 1, 4 to 6

Vs

- 1 MRS.VEENA KUMARAVEL
F-37, PHASE II, 1ST FLOOR,
SPENCER PLAZA,
ANNA SALAI, CHENNAI - 600 002.
- 2 GROOM INDIA SALOON AND SPA
PVT LTD. NO.9 B, GANGA GRIHA, 1ST FLOOR
NUNGAMBAKKAM HIGH ROAD, CHENNAI - 600 034.
REPRESENTED BY ITS DIRECTOR
MRS.VEENA KUMARAVEL. ..Respondents/ APPLICANTS /
PLAINTIFFS
- 3 MR.P.SANTHAKUMAR
PARTNER
NB NATURALS BEAUTY FAMILY SALOON AND SPA
PARTNERSHIP FIRM
OPP SALAI MARIAMMAN KOVIL
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- 4 MR.M.BASKARAN
PARTNER
NB NATURALS BEAUTY FAMILY SALOON AND SPA
OPP SALAI MARIAMMAN KOVIL
SALEM BYE PASS ROAD, LAKKIAMPATTI
DHARMAPURI-636 705. ..Respondents/Respondents/
Defendants 2 and 3

A.No.3167 of 2016:-

Application praying that this Hon'ble Court be pleased to vacate the interim injunction granted in O.A.No.412, 413 and 414 of 2016 in C.S.No.285 of 2016 by this Hon'ble Court dated 13/05/2016 against the Applicants/ respondents/defendants, their men or their agents, servants, representatives or any other person or persons authorized by them or any one claiming under the respondents/defendants.

A.No.3168 of 2016:-

Application praying that this Hon'ble Court be pleased to vacate the interim injunction granted in O.A.No.412, 413 and 414 of 2016 in C.S.No.285 of 2016 by this Hon'ble Court dated 13/05/2016 against the Applicants/respondents/defendants, their men or their agents, servants, representatives or any other person or persons authorized by them or any one claiming under the respondents/defendants.

A.No.3169 of 2016:-

Application praying that this Hon'ble Court be pleased to vacate the interim injunction granted in O.A.No.412, 413 and 414 of 2016 in C.S.No.285 of 2016 by this Hon'ble Court dated 13/05/2016 against the Applicants/respondents/defendants, their men or their agents, servants, representatives or any other person or persons authorized by them or any one claiming under the respondents/defendants.

These Applications along with Original applications coming on this day before this court for hearing court made the following order:

The applicants/plaintiffs filed the present suit in C.S.No.285 of 2016 seeking a decree for permanent injunction restraining the respondents from infringing its registered trade mark "NATURALS" and passing off the respondents'

services under the name and style of "NATURALS" and trade dress of Purple and White being used by the applicants.

2. Pending suit, applications in O.A.Nos.412 to 414 of 2016 have been filed by the applicants/plaintiffs seeking temporary injunction for infringement of the trade mark and passing off.

3. Finding a prima facie case, this Court has granted interim injunction as prayed for. Alleging that the said orders have not been complied with, Application Nos.2821 to 2823 of 2016 have been filed seeking appropriate action against the respondents/defendants for disobedience.

4. To vacate the orders passed in O.A.Nos.412 to 414 of 2016, the respondents/defendants have come forward to file Application Nos.3167 to 3169 of 2016.

5. Background facts:-

5.1 The applicants are well known in the beauty and saloon business for more than a decade. They have adopted a fanciful arbitrary name "NATURALS" from the year 1999 onwards. They are also stated to have acquired distinctiveness, leading to acquisition of secondary meaning in respect of services offered qua the mark. They are having large turnover from 500 franchise spanning over

across the cities, having won several awards in their favour. A distinctive colour scheme is used with purple colour combined with white. The mark has been registered in Registration No.1414842 in Class 42. The registration continues as of now along with the mark "NATURALS". Incidentally, the names have been added like Saloon, Lounge, Home, fruit mask etc. There is an element of uniqueness to its trade and interior with the colour scheme of purple and white, which extended to be uniforms of the staff.

5.2. The respondents/ defendants started the same service with the name "NATURALS BEAUTY". It is preceded by the letters "NB", which also denotes the name "NATURALS BEAUTY". Below that, the "Family Saloon & Spa" is available with the applicants mark is adopted. It is the case of the applicants that the same colour combination is also used in the office interior and the dress code. The respondents applied for their trade mark, though unregistered mark, seeking registration which is said to be pending. After coming to know of the alleged infringement on the part of the respondents, the applicants, after exchange of notice, have filed the present suit.

6. Submissions of the Applicants:-

The learned counsel appearing for the applicants submits that The name "NATURALS" is not connected to the business saloon, spa and beauty parlour. Admittedly, the applicants mark has been registered. The very fact that the respondents have sought for registration would disentitle them from contending that the mark is *publici juris* and thus, descriptive. The mark adopted by the applicants is arbitrary and fanciful. The applicants have also attained distinctiveness in the trade qua the mark. There is no honest intention on the part of the respondents. There is no indication of any search having been made. The name "NATURALS" as contended by the respondents being used in other business, therefore, cannot be a factor to deny the relief. Not only the name, but the other distinct factors available, giving an element of exclusivity to the applicants, is copied upon by the respondents. Thus, the respondents are infringing the mark of the applicants apart from indulging in "passing off". There is no dispute that the applicants are the prior user. Therefore, the respondents are also estopped from using the same. The colour scheme is also being copied upon. The decisions relied upon by the respondents do not apply to the case on

hand. There is every likelihood of initial interest confusion, which is detrimental to the interest of the applicants. Despite the orders having been passed, the respondents are continuing with the illegal activities. In support of his contention, the learned counsel has made reliance on the following decisions:

- (1) BAKER HUGHES LIMITED AND ANOTHER VS. HIROO KHUSHALANI & ANOTHER (1998(18) ptc 580(Del.));
- (2) AUTOMATIC ELECTRIC LIMITED V. R.K.DGAWAN AND ANOTHER (77 (1999) dlt 292;
- (3) HINDUSTAN PENCILS (P) LTD., VS. INDIA STATIONERY PRODUCTS COMPANY AND NOTHER (AIR 1990 Delhi 19);
- (4) EMCURE PHARMACEUTICALS LTD. VS. CORONA REMEDIES PVT. LTD., (2014 (16) PTC 332 (Bom.)
- (5) GANGOTREE SWEETS AND SNACKS PVT.LTD., V. SHREE GANGOTREE SWEETS, SNACKS AND SAVOURIES (2005 (31) ptc 503 (Mad.);
- (6) MIDAS HYGIENE INDUSTRIES P. LTD., AND ANOTHER V. SUDHIR BHATIA AND OTHERS ((2004) 4 SCC 90);
- (7) PIDILITE INDUSTRIES LIMITED V. JUBILANT AGRI & CONSUMER PRODUCTS LIMITED ((2014) 57 PTC 617);
- AND
- (8) MOODS HOSPITALITY PVT. LTD., VS. NESTLE INDIA LIMITED (MIPR 2009 (3) 0077).

Therefore, the learned counsel for the applicants prayed that the orders of injunction granted will have to be made

absolute and the applications filed against the respondents for wilful disobedience of the order passed in O.A.Nos.412 to 414 of 2016 will have to be allowed.

7. Submissions of the Respondents:-

The learned Senior counsel appearing for the respondents/ defendants submits that it is not a case of identity with the registered mark, but similarity. In such a case, an order of injunction is not automatic. The word "NATURALS" is in public domain. It is also associated with the business of saloon and beauty parlour. Number of other persons are using the same name. The name is also descriptive in nature. Thus, the respondents are entitled for protection under Section 30 of the Trade Marks Act, 1999. Even under Class 42, the other businesses are also included. They are different from the one being carried on by the parties before this Court. There is a prefix available to the mark of the respondents. It is not correct to say that the same colour scheme is being used. The mark as a whole has to be seen. Thus, the applications filed by the applicants will have to be dismissed and consequently, the application filed by the respondents will have to be allowed. In support of his contentions, he relied on the following decisions.

1. ORCHID CHEMICALS & PHARMACEUTICALS LTD. V.
WORKHARDT LIMITED (2013 (3) CTC 841)

2. RICH PRODUCTS CORPORATION AND ANOTHER V.
INDO NIPPON FOOD LTD., (ILR (2010) II Delhi
663)

3. DATAMATICS GLOBAL SERVICES LIMITED V.
ROYAL DATAMATICS PRIVATE LIMITED ((2016) 3 AIR
Bom. R 514)

4. SHELKE BEVERAGES PRIVATE LTD., PUNE V.
RASIKLAL MANIKCHAND DHARIWAL AND ANOTHER
((2010) 4 Mh.L.J., 282)

5. J.R. KAPOOR V. MICRONIX INDIA (1994 Supp
(3) Supreme Court Cases 215),

6. STANDARD ELECTRICALS LIMITED V. ROCKET
ELECTRICALS AND ANOTHER (2004) (28) PTC 28
(Del.)

8. The issues raised herein have been substantially dealt with by this Court in a lis between different parties in **BANANA BRAND WORKS PVT. LTD., VS. KAVAN ANTANI, DIRECTOR, BANANABANDY NETWORK PRIVATE LIMITED** (2016 (4) Law Weekly 33). Coming to the scope of the enactment qua the infringement, it has been held as follows.

"7.2. The object and rationale behind the enactment, viz., Trade Marks Act, 1999,

(hereinafter referred to as the "Act") is to create a peaceful industrial business environment by protecting the rights of a registered mark holder. Thus, under the Act, in case of infringement of the trade mark, the protection flows by the act of a Court through its order of injunction. The only limitation is under Section 30 of the Act, by which, the effect of a registered trade mark gets restricted. Thus, until and unless a registered trade mark comes within the purview of Section 30 of the Act, the consequences will have to follow. The following passage in **MIDAS HYGIENE INDUSTRIES P. LTD., AND ANOTHER V. SUDHIR BHATIA AND ORS. ((2004) 3 SCC 90)** would be fruitful.

"The law on the subject is well settled. In cases of infringement either of Trade Mark or of Copyright normally an injunction must follow".

7.3. Ultimately, the Courts are concerned with the damages or their likelihood. Therefore, absence of intention and the real damage cannot be the factors standing the way of getting an order of protection. Fraud is not an absolutely necessary element and thus, a mere absence of intention to deceive is not a defence. In a case of infringement qua identity and similarity with the registered mark, the requisite parameters are the same as passing off.

7.4. As long as the end users of service are one and the same, a mere classification qua the classes under the Act would not *ipso facto* take away the rights guaranteed under Section 29 of the Act. Otherwise, the very object of the Act itself would get redundant. Therefore, a duty is imposed on a Court to find out the commonality of the service or trade qua the customers. The factors, such as, intention, undue advantage, damage and detriment to the business and reputation are required to be analysed in the proper perspective.

7.5. The law relating to infringement of a registered mark is quite settled by this time. The general principle governing a *publici juris*, generic and descriptive marks does not have an application when adoption is with respect to a total alien trade and service. In such a case, the protection available under Section 29 of the Act would remain intact despite the mark being generic or descriptive. In this connection, the following passage of the decision in A. Nos. 1554 and 1555 of 2016 and O.A. Nos. 1145 and 1146 of 2015 in C.S.No.854 of 2015 dated 30.06.2016 would be apposite.

"However, there is a difference between the usage of generic work, which are having direct connection with the product as against the other goods. For example, if

the word "Rose" is used involving in a trade dealing with the Roses, then there is a direct connection. In such a case, it may be difficult for the plaintiff being a registered mark holder to success on that score alone de horse other factors. The reason being, the plaintiff might prevent the whole world from using the said name by a sheer act of registration. When once we understand the general principle that a registration is to protect the trade, the protection given would lead to prohibit the others to use a generic word adopting the nature or quality of goods cannot generally be accepted. It is also contrary to the intention of the enactment. On the contrary, if the word "rose" is used in a software business, then it would become a fanciful or arbitrary application. It is for the reason that though the word is generic, the protection comes for the particular business and it is the business that is identified with the name and not otherwise. Therefore, such fanciful or arbitrary words are entitled for protection as a general principle."

9. While dealing with the element of intention and an initial interest confusion, the following principle has been enunciated in the above cited decision.

8. Intention is not required:-

When we speak about misrepresentation, a narrow interpretation is not required. It has to be seen and understood from the point of view of the protection, such as, act of misrepresentation, though not necessarily intentional, can be, by any one starting from the manufacturer to the retailer. The reason is that such an act is attached to the goods or services as the case may be. It is also attributable to the last of the transaction and therefore, it should also be seen from the point of view of the end seller.

9. Initial interest confusion:-

9.1. There is always a possibility of confusion and deception, when the parties are involved in overlapping fields of activities. Therefore, the defence of a sophisticated user cannot be adopted. This would eventually lead to reputation of one party being affected. When such a reputation is sought to be poached upon by another, then such an action would be hit by Section 29 of the Act. The concept of initial interest confusion cannot be restricted to a particular group of consumers alone. It is in human nature to go deep into anything, which creates

interest. It takes a conscious effort to come back from the initial interest. In this connection, useful reference can be made to the decision of the Delhi High Court in **BAKER HUGHES LIMITED AND ANOTHER V. HIROO KHUSHALANI AND ANOTHER (1998 (18) PTC 580 Del.)**, wherein it has been held as follows:

"48. In several cases it has been held that initial confusion is likely to arise even amongst sophisticated and knowledgeable purchasers under a mistaken belief that the two companies using the same corporate name, trading name or style are inter-related. It is the awakened consumers who are more aware of the modern business trends such as trade mark licensing, mergers, franchising, etc. It is this class of buyers who are likely to think that there is some sort of association between the products of two different companies when they come across common or similar trade names or corporate names or trading styles used by them. The sophistication of a buyer is no guarantee against likely confusion. In some cases, however, it is also possible that such a purchaser after having been misled into an initial interest in a product manufactured by an imitator discovers his folly, but this initial interest being based on confusion and

deception can give rise to a cause of action for the tort of passing off as the purchaser has been made to think that there is some connection or nexus between the products and business of two disparate companies.”

10. On the conduct of the parties, this Court has held as follows.

10. CONDUCT OF THE PARTY:-

10.1. While considering this principle, the conduct of the party is very important. Therefore, a party without doing any research should carry the initial transaction/presumption of its knowledge of a registered mark, adopts it, then it has to face the consequences. Its credibility is further eroded, when an application is made seeking registration. Such a party would become amenable to an inference towards deception at the time of its adoption. When deception comes, it is naturally preceded by intention. The conduct of the party in not doing a search and making an application will not estop him to put forth his case. These factors has to be seen qua the intention and deception. Therefore what is generic and descriptive would not become otherwise merely by the conduct of the party. After all, if the

word mark found to be generic or descriptive, then its nature or character cannot be changed depending upon the conduct of a defendant. In **EMCURE PHARMACEUTICALS LTD., VS. CORONA REMEDIES PVT. LTD., (2014 (60) PTC 332 (BOM.)**, the High Court of Bombay has held as follows:

"That is what he is required to do, as a matter of ordinary prudence and elementary precaution. Had the Defendant done so, it would undoubtedly have found the Applicant's mark."

However, there is a difference between using the same mark as against the one with similarity and identity. The conduct of a party in the earlier case qua the inference would be more rigorous in comparison to the other two. This is for the reason that though the registered mark might be termed as generic or descriptive, the one adopted by the defendant may being similar or identical could be a ground to contend that it is not identical or similar. In such a case, merely because an application is made subsequently, the right to question the registered mark being in the field of *publici juris* cannot be taken away. Thus, there lies a subtle difference with reference to the nature of the mark being adopted by the defendant.

10.2. In JOLEN INC. VS. DOCTOR AND COMPANY (2002) (25) PTC 29 DEL.), the High Court

of Delhi has held as follows:

"27. When a party after copying a trade mark comes out with an explanation as to its invention which is unbelievable or may be plausible, its attempt to synchronize combination of words is mere after-thought and is an act of searching excuses and explanation. It is natural for the parties who have copied trade mark to try and explain its conduct and to look out for means to explain derivation of words so adopted. If trade mark having element of prior continuance and use has been copied, no amount of explanation even if it is plausible is capable of defending infringement of copyright of such prior user."

10.3. Even in case of sophisticated user of the Internet, a confusion would be very much prevalent which would also include cases of overlapping fields of activities. The said concept would be applicable to the case of passing off as well. It is apposite to refer to the following passage in **YAHOO! INC. VS. AKASH ARORA AND ANOTHER (1999) (19) PTC 201 (Del.)**.

"10. Therefore, it is obvious that where the parties are engaged in common or overlapping fields of activity, the competition would take place. If the two contesting parties are involved in the same line or similar line of business, there is grave and immense possibility for confusion and deception and, therefore,

there is probability of sufferance of damage...."

".... even if an individual is a sophisticated user of the Internet, he may be an unsophisticated consumer of information and such a person may find his/her way to the defendant Internet site which provides almost similar type of information

as that of the plaintiff and thereby confusion could be created in the mind of the said person who intends to visit the Internet site of the plaintiff, but, in fact reaches the Internet site of the defendant. "

10.4. Similar views also taken in **CRAYONS ADVERTISING LTD., VS. CRAYON ADVERTISING (2014 (57) PTC 446)**, which reads thus:

"27. Hence, merely because the parties are in different fields cannot mean or imply that there can be no case of passing off. Even on facts it is noteworthy that both the parties are in the field of advertising. The domain name of the defendant as adopted closely resembles the said domain name of the plaintiff and there is real likelihood of confusion or deception of the public and consequent damage to the plaintiff. "

11. Scope of Section 29 of the Trade Marks Act, 1999, has been dealt with hereunder:

12. SCOPE OF SECTION 29:-

12.1. Before proceeding to consider this provision, let us reproduce the same for better appreciation.

"29. Infringement of registered trade marks.-

(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 in 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."

12.2. Section 29 of the Act deals with infringement by two sets of entities. Section 29(1) of the Act deals with a case of infringement through a mark, which is identical with, or deceptively similar to, the trade mark in relation to goods or services in respect of which the trade mark is registered. Resultantly, such a mark of

the infringer would in all manner likely to be taken as that of a registered one. Thus, Section 29(1) of the Act speaks about the mark being identical or deceptively similar in the same goods or services qua a registered mark. There is no difficulty for a Court to decide an infringement under Section 29(1) of the Act. It has to be seen as to whether the infringing mark is identical or deceptively similar to the registered trade mark in relation to the goods or services. Section 29(1) places on part the word "identical with deceptive similarity". Hence a distinction has to be made between a mere "similarity" and a deceptive one.

12.3. The Courts are faced with more number of cases applicable to Section 29(2) of the Act onwards. Section 29(2) of the Act gives importance to two words. They are, "identity" and "similarity". Though they have to be seen in the context of the provision by giving a natural and a reasonable interpretation, the word "identity" is placed at a higher pedestal than similarity. It becomes closer to the infringing mark than similarity. It denotes a mark goods or service of a same kind in appearance, character or quantity, without being identical. It is more to do with resemblance of one trade mark to

another. However, both cannot be the same and hence, there would be certain independent factors attached to each of them. Thus, there involves some degree of difference between the mark, goods, services of a infringer as against the registered holder.

12.4. Section 29(2)(a) of the Act deals with "identity" with the registered trade mark and "similarity" with the goods or services. Thus, the word "identity" is attributable to the registered trade mark as against the case of goods or services covered by such registered trade mark. Therefore, a difference is shown between "identity" and the "similarity". Section 29(2)(b) of the Act speaks about similarity to the registered trade mark and identity or similarity of the goods and services. Here, similarity is used with respect to the registered trade mark, whereas both identity and similarity are used with respect to the goods or services. Coming to Section 29(2)(c) of the Act, it deals with identity of the registered trade mark and identity of the goods and services.

12.5. In all these cases mentioned supra, infringement would occur when such acts are likely to cause confusion on the part of the public or which is an act

associated with the registered trade marks. Therefore, the basis is likelihood of causing confusion from the point of view of the public in general. Hence, no actual confusion is necessary and it is relatable to an end user. Similarly, with reference to the association with the registered mark also what is sufficient is the likelihood. Therefore, if one reads all the provisions together, then intention of the legislature is very clear that is to protect the registered mark holder even in case of latter as what is sufficient is only likelihood. Coming to sub section 3 of Section 29(2) of the Act, it creates a statutory presumption in view of sub section 2(c) onwards a likelihood of causing confusion on the part of the public. Now this is because the word "identity" has been given more weightage towards infringement as against "similarity". Therefore, once there is an identity between marks of a registered holder and the other, the statutory presumption would follow the suit.

12.6. Sub Section 4 of Section 29 of the Act mandates compliance of all the three sub clauses viz., a to c to constitute the infringement. Sub section 4 deals with a mark which is identical with

or similar as the case of Section 29(1) of the Act, though the said provision deals with deceptive similarity. However, in this case, the other two conditions are also to be satisfied. However, Section 4 deals with goods or services, which are not similar to those, for which, the trade mark is registered. This is subject to the further condition that such a mark has got a reputation in India and the usage is without due care involving undue advantage apart from detrimental to the distinctive character or reputation of the registered trade mark. Therefore, Section 29(4) of the Act can be pressed into service only when there exists a reputation of the mark holder in India. It does not stop with that, but proceeds to state that the usage of the mark is without "due cause" and by taking "undue advantage of" or "detrimental to the distinctive character or repute". Therefore, there has to be a proof of undue care followed by other facts, such as unfair advantage and being detrimental to the distinctive character or reputation as the case may be. To succeed under these provisions, a registered mark holder has to not only prove its reputation, but the distinctive character followed by undue advantage or detrimental activity without due cause. All these factors are required

to be proved by the registered mark holder. This is for the reason that there is no similarity to the goods or services with the registered trade marks. One can thus safely conclude that the primary intention is to protect a registered trade mark."

12. Concept of "passing off" has been considered in paragraph 11 of the said order, which is as follows;

"11. PASSING OFF:-

The concept of "passing off" has already been dealt with by this Court in **A.Nos.1554 and 1555 of 2016 and O.A.Nos.1145 and 1146 of 2015 in C.S.No.854 of 2015 dated 30.06.2016,** wherein it has been held as follows.

"8.1. Passing off is a concept in the domain of common law remedy. It offers protection to a party, when the other makes an attempt to pass off his goods through a misrepresentation, as that of the former. What is required in a passing off is the existence of a goodwill, damage or injury to it and through representation. This

fundamental principles called as classical trinity has been enunciated in **Jif Lemon's case (1991 All England Reporter 873),** which deduced the larger requirement enunciated in the Advocate's case (**ERVEN WARNINK V. TOWNEND & SONS LTD., ((1979) 2**

ALL E.R. 927) (See S.SYED MOHIDEEN V. P.SULOCHANA BAI ((2016) 2 Supreme Court Cases 683) .

8.2. A party, who comes to the Court, has to establish the three basic requirements as mentioned above, while seeking an order of protection. An actual injury is not a *sine qua non* and thus, likelihood of damage would suffice. A misrepresentation by the defendant to the public may or may not be intentional. What is sufficient is that an action qua a defendant, which leads or likely to lead a prospective customer to believe that the goods or services offered by it are that of the plaintiff. Such a deception can either be proved on evidence and if not by the decree of probability, of course, to the satisfaction of the Court."

Thus, considering the abovesaid concept, let us analyse the facts on hand.

13. DISCUSSION:-

13.1 Admittedly, the applicants are the prior user.

It is also not in dispute that the applicants' mark is registered as against the respondents. The respondents have filed an application for the registration, which is still pending. There is nothing to indicate the adoption of the mark qua the respondents is after making a search. Therefore, there appears to be dishonest adoption on the

part of the respondents. In such a case, they cannot claim the mark to be generic or descriptive, especially after making an application. Further more, the entire mark of the applicants is sought to be incorporated by the respondents. Though the adoption of the colour scheme is denied during argument, there is no specific denial in the counter affidavit filed. The so called other users are from other trade and business. In any case that will not absolve the respondents to escape from the rigour of the enactment. From the aforesaid facts, it is clear that the reason sought to be assigned in the counter affidavit and during argument would, in all probability, be an after thought. Hence, once this Court convinced that the applicants' case would come under the protection of the availability under Section 29 of the Trade Marks Act, 1999, then an order of injunction has to be followed, as per the decision rendered supra. Merely because, the other trades are also included in Class 42, it is not open to the respondents to take a defence based upon the same. Though the name "NATURALS" is available in the public domain being descriptive, it has obtained a

fanciful and arbitrary name, qua the business of the applicants. Thus, the mark has obtained its distinctiveness

in the business by acquisition of a secondary meaning. The contention of the learned Senior Counsel for the respondents that there is a prefix available also cannot be accepted. It appears that the respondents are trying to erode and encash the market share of the applicants, who apparently is a leader. In such a case, the benefit of Section 30 of the Act, cannot be extended to the respondents. A perusal of the records also would show that there are similarities not only between the marks, but also in the colour scheme, trade dress and interiors. These factors also strengthen the case of the applicants.

13.2. The decision relied upon by the learned Senior Counsel for the respondents are distinguishable on facts. In **ORCHID CHEMICALS & PHARMACEUTICALS LTD. V. WORKHARDT LIMITED (2013 (3) CTC 841)**, in which, this Court was also one of the party, the records have been seen and the name of the chemical component is sought to be protected, involving a registered mark, which partly includes the said name.

13.3. Similarly, in **RICH PRODUCTS CORPORATION AND ANOTHER V. INDO NIPPON FOOD LTD., (ILR (2010) II Delhi 663)**,

the Court was dealing with different names. Thus, no specific right has been claimed as in the present case for the mark "NATURALS". It was also held therein that the word for which protection was sought for was a characteristic qua the quality of the product. In this case, the word "NATURALS" does not develop the distinctiveness towards the business of saloon, spa and beauty parlour. In other words, the word "NATURALS" does not automatically mean the business of saloon or spa.

13.4. In **DATAMATICS GLOBAL SERVICES LIMITED V. ROYAL DATAMATICS PRIVATE LIMITED** ((2016) 3 AIR Bom. R 514), it was held that the word "Data Matics" is commonly used in Information Technology Sector. Therefore, there is an inference of constructive usage in the said field.

13.5. In **SHELKE BEVERAGES PRIVATE LTD., PUNE V. RASIKLAL MANIKCHAND DHARIWAL AND ANOTHER** ((2010) 4 Mh.L.J., 282), the plaintiff wants exclusivity for the word "OXY" without registration as its registered mark is only "OXYRICH".

13.6. In **J.R. KAPOOR V. MICRONIX INDIA** (1994 Supp

(3) **Supreme Court Cases 215**), the Apex Court was dealing with the registration for "MICRONIX" in which, exclusivity was sought for "MICRO". The Apex Court has also made comparison between the cartons of both sides while rendering the decision.

13.7. In **STANDARD ELECTRICALS LIMITED V. ROCKET ELECTRICALS AND ANOTHER (2004) (28) PTC 28 (Del.)**, the High Court of Delhi was dealing with only "passing Off". In that case, the defendant was using the mark for a long number of years.

13.8. Thus, on a careful perusal of the above said decisions, they do not have any application to the case of the respondents.

14. **CONCLUSION:-**

14.1. Accordingly, the orders of interim injunction granted on 13.05.2016 is made absolute and O.A.Nos.412 to 414 of 2016 are allowed. Consequently, A.Nos.3167 to 3169 of 2016 are dismissed.

14.2. Application Nos.2821 to 2823 of 2016 seeking to punish the respondents for disobedience of the order dated 13.05.2016 in O.A.Nos.412 to 414 of 2016 are closed as this Court does not want to initiate any action at this stage considering the facts and circumstances of the case.

Sd/.M.M.S.J

29.08.2016

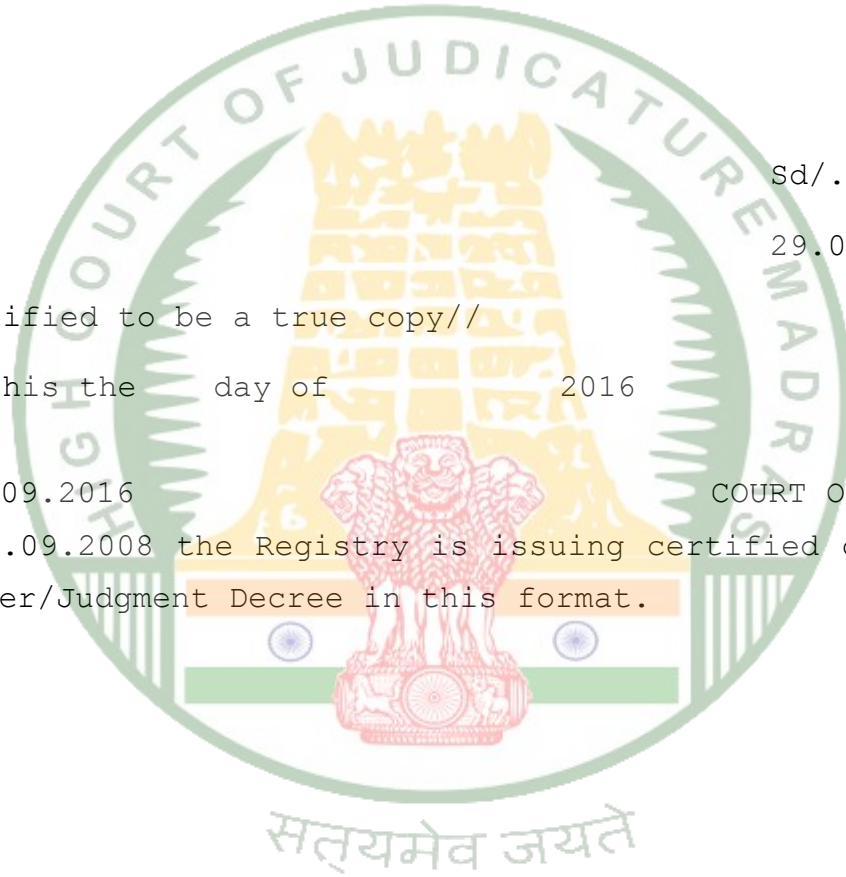
//Certified to be a true copy//

Dated this the day of 2016

S.s/01.09.2016

COURT OFFICER

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