

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

Date of Decision: November 03, 2016

+ CS(OS) 1771/2014, CRL.M.A No. 4410/2015

AKTIEBOLAGET VOLVO & ORS

..... Plaintiff

Through: Mr. Raunaq Kamath, Adv.

versus

HARI SATYA LUBRICANTS & ANR

..... Defendant

Through: Mr. Pankaj Kumar, Adv. with Mr.
Vinay Kumar Shukla, Adv. for D-1

CORAM:

HON'BLE MR JUSTICE V. KAMESWAR RAO

J U D G M E N T

V. KAMESWAR RAO, J

1. This suit has been filed by the plaintiffs, organized under the laws of Sweden with the following prayers:-

“a) An order for permanent injunction restraining the Defendants, their principal officers, partners, sister concerns, licensees, servants, representatives and agents or any of them, from manufacturing, selling, offering for sale in India, offering for export, packaging, advertising, directly or indirectly dealing in manufacturing and supplying of the lubricating oil products or any goods whatsoever under the mark 'VALVO' or any other trademark identical and/or deceptively similar to the plaintiffs' well-known trademark VOLVO amounting to infringement of the Plaintiffs well-known trademark VOLVO;

b) An order for permanent injunction restraining the Defendants, their principal officers, partners, sister concerns, licensees servants, representatives and agents or any of them, from manufacturing, selling, offering for sale, packaging, advertising, directly or indirectly dealing in lubricating oil products or any goods whatsoever under the mark 'VALVO' or any other mark identical and/or deceptively similar to VOLVO or having the trademark VOLVO as a part of the brand name/ device mark / trading style / domain name or in any other manner as may lead to passing off of the Defendants' goods and/or business as that of the Plaintiffs.

c) An order for permanent injunction restraining the Defendants, their principal officers, partners, sister concerns, licensees servants, representatives and agents or any of them, from using the well-known trademark VOLVO or any other trade mark deceptively similar thereto in any manner whatsoever on any goods or services so as to cause dilution of the distinctiveness of the trademark VOLVO and tarnishing the reputation of the Plaintiffs;

d) A decree for damages of Rs.2,00,000/- be passed in favour of the Plaintiffs and against the Defendants.

e) An order for delivery up to the Plaintiffs for destruction/ erasure all the products bearing the mark 'VALVO' or any other mark identical to and/or deceptively similar to the Plaintiffs' trademark VOLVO, such as stationery, packing, promotional material, brochures, pamphlets, hoardings, letter heads, visiting cards, goods, stickers, cartons, dies, articles, price tags;

f) An order for costs of the suit.”

2. Plaintiff No. 1 owns and controls shares in various corporations and companies, which are together referred to as the “Volvo Group of Companies”. Plaintiff No. 3 owns and controls shares of various corporations and companies, which are together referred to as the “Volvo Car Companies”. The Volvo Group of Companies and Volvo Car Companies are hereinafter referred as the “Volvo Tm Companies. Plaintiff No. 1 case is that it is an international automotive and transport vehicle group and provides a wide spectrum of transportation-related products and services, with superior quality and high standards of safety and environmental care to demanding customers in selected segments. According to the plaintiffs’, plaintiff No. 3 occupies a prominent position as a car producer and plaintiff No. 1 is among the world leaders in heavy commercial vehicles such as trucks, buses and construction equipment, as well as in drive systems for marine and industrial applications. Before 1991, the business activities carried out by plaintiff No. 1 in India were in the nature of distributorship activities mainly in relation to cars, marine engines and construction equipment under the trademark VOLVO. After 1991, plaintiff Nos. 1 and 3 established ‘Volvo India Private Limited’ in India. It has established a truck factory in India in the State of Karnataka. Plaintiff

No. 3 is active in India via the company 'Volvo Auto India Pvt. Ltd' which was opened in Delhi in September 2007 and commenced business in India by launching two car models Volvo S80 and Volvo XC90 in the last quarter of 2007.

3. It is the case of the plaintiffs' that they have adopted VOLVO, a rare Latin word, both as a trademark and a trade/corporate name on 5th May, 1915. The plaintiff No.2 is the exclusive and sole beneficial owner of the trade mark VOLVO, which enjoys the status of a well-known and famous trade mark in India. According to the plaintiffs the word "VOLVO" forms a key, essential and dominant part of the corporate name and trading style of the majority of the companies of the plaintiffs. The plaintiffs have highlighted the goodwill and reputation enjoyed by the plaintiffs all over the world including India and would state that the overall sales figures worldwide of plaintiff No.1 in 2012 was 1,81,105 million Swedish Kronor and the number of cars sold in 2012 worldwide including India was about 4,21,951. The publicity expenses incurred by the plaintiff No.1 in the year 2012 was 1613 million Swedish Kronor. The plaintiff No.3 incurred publicity expenses to a tune of 761 million Swedish Kronor. The trademark registration of VOLVO in India dates back to the year 1975 and all the

existing registrations in India of the plaintiffs which have been duly renewed are subsisting and in full legal force.

4. It is the case of the plaintiffs, the trademark 'VOLVO' belongs to the category of well-known, well-reputed and famous trademarks. It is instantly identifiable and recognizable by both the members of trade and public as being exclusively associated with the goods and business of the plaintiffs. It acts as a source identifier inasmuch as it stands for the high standards and superior quality of goods manufactured by the plaintiffs and sold all over. The plaintiffs would state that they have diligently protected, enforced and defended the statutory and common law rights in the trade mark VOLVO which is associated by traders and members of the public solely and exclusively with the plaintiffs.

5. According to the plaintiffs, the defendant No.1 Hari Satya Libricants is an entity which is engaged in the business of manufacturing and dealing in all types of lubricating oil products using the mark 'VALVO'. Defendant No. 2 is a partnership firm and engaged in the activities of packaging of the products manufactured by defendant No. 1 and is responsible for the activities of the defendant No.1 dealing in the products bearing the mark 'VALVO' including the word 'VALVO' which is visually, phonetically,

structurally and conceptually similar to the plaintiffs well known trademark 'VOLVO'. Defendants are believed to be manufacturing and dealing in all types of lubricating grease and oil products using the trademark 'VALVO' from their premises being office and packing unit located at 27/1C, Phool Bagh, Rampura, Near Ashoka Park Main Metro Station, New Delhi. The case of the plaintiffs is, it has come to know through their representatives, the defendants' product is VALVO Gear Oil. Investigation was carried out. During investigation, the defendants also made available one 5 litres pack of VALVO Gear Oil (multigrade 20W40) without a cash memo to the investigator. It has also come to the notice during investigation that an entity called Goyal Oil and Chemicals was mentioned as the packer of the product. It is said to be their sister concern. It is the case of the plaintiffs that defendants have merely substituted the second letter of the plaintiffs' well known and registered trademark VOLVO being "O" with "A" to arrive at the word VALVO and the adoption of the mark VALVO plus in relation to their products, which is visually, phonetically, structurally and conceptually similar to the plaintiffs' trademark VOLVO with the sole view to enjoy the benefits that flow from the tremendous reputation and goodwill that exists in favor of the plaintiffs' trademark. The defendants by such use of VALVO

without due cause takes unfair advantage of and is detrimental to the distinctive character and repute of the plaintiffs' well known trademark VOLVO.

6. It is the case of the plaintiffs that there is no plausible explanation as to how the defendants can adopt a deceptively similar and near identical mark to the plaintiffs trademark VOLVO, which is an invented mark having no other significance or meaning whatsoever, except to act as a source identifier for the plaintiffs' products. It is the plaintiffs' case that defendants are falsely misrepresenting to the public that the impugned mark VALVO is a registered trademark as they are using the symbol ® next to the said mark. The plaintiffs stand is, to the best of their knowledge, the mark VALVO of the defendants is not registered. Plaintiffs have also pleaded passing off by misrepresentation as the use of mark VALVO by the defendants is a deceptive and misleading use of the plaintiffs' well-known trademark VOLVO with the objective of taking unlawful benefit of the goodwill inhering in the well-known trademark VOLVO by deceptively holding out or giving an impression to the public at large that their goods have a license or approval of the plaintiffs. Such a representation creates a false impression in the mind of consumers of the possibility that the defendants are in some

manner connected with or authorized by the plaintiffs. The said act would amount to tarnishment of the well-known trademark VOLVO and had caused loss of profits to the plaintiffs and depriving the plaintiffs of the opportunity to exploit their intellectual property. That apart, it has created loss of reputation, image and trust.

7. The suit was initially listed on May 30, 2014 when this Court had restrained the defendant, their servants, agents, employees, partners or proprietors, distributors from manufacturing, selling, offering for sale, packaging, advertising, directly or indirectly dealing and manufacturing products and other products with the trademark VALVO or any other trade mark identical or deceptively similar to the trademark of the plaintiffs. Insofar as defendant No.2 is concerned, it has been served through publication but he neither appeared nor written statement has been filed.

8. The defendant No.1 has been served and it has filed its written statement, wherein its stand is that it is not engaged in manufacturing and marketing of the impugned goods under the impugned trademark VALVO or VOLVO. It is the stand that the allegations made by the plaintiffs are absolutely wrong and false. The defendant No.1 referring to the Local Commissioner's report, has stated that two containers of 5 Liters Oil under

the trademark VOLVO were found at the premises of defendant No. 1 which were purchased from the market for personal use and not for commercial use. It is the stand of the defendant No.1 that it has nothing to do with the manufacturing or marketing of the goods with impugned trademark VALVO or VOLVO. It is also stated by the defendant No.1 that Mr. Mohit Anand is the proprietor of the firm namely M/s Hari Satya Lubricants. It was established in the year 2013 and he is engaged in the business of manufacturing of grease and trading of oil since then. He is carrying on its said activity under its own trademark AUTO LUBEX in relation to engine oil, grease, hydraulic oil, multi purchase grease since that year. In substance, it is stated that the defendant No.1 has been wrongly impleaded.

9. It may be relevant to state here that when the matter was listed on January 20, 2016 and on April 29, 2016, it was represented by the defendant No.1 that in view of the stand of the defendant NO.1 and the fact that the defendant No.1 is not using the trademark/trade name VALVO, the said defendant is ready to have an injunction restraining it from using the trademark/trade name VALVO or any other trademark identical and/or deceptively similar to the plaintiffs' well-known trademark VOLVO. This suggestion was acceptable to the learned counsel for the plaintiffs. In view

of this, the learned counsel for the plaintiffs had not pressed the plea of damages qua the defendant No.1. He has stated that the prayers as prayed for in the suit must be allowed qua the defendant No.2. Despite service, the defendant No.2 was not represented. It chose, not to participate in the Court proceedings and stay away. In view of the judgment of this Court in the case of *The Indian Performing Right Societies Ltd. vs. Gauhati Town Club and another 2013 (III) AD Delhi 333* and *CS(OS) 1554/2012 titled as United Coffee House vs. Raghav Kalra & Anr*, the plaintiff need not file evidence by way of affidavit as the averments made in the plaint have been supported by affidavit. The suit, hence can be disposed of. The plaintiffs have relied upon the following judgments in support of their contention:-

- (i) *The Indian Performing Right Society v. Gauhati Town Club & Anr. CS(OS) 559/2010 decided on January 30, 2013;*
- (ii) *AIR 2000 Delhi 60 Relaxo Rubber Limited & Anr. V. Selection Footwear & Anr.;*
- (iii) *Philips Morris Products S.A & Anr v. Sameer & Ors CS(OS) No. 1723/2010 decided on March 10, 2014;*
- (iv) *Philips Morris Products S.A & Anr v. Anil Kumar Singh & Ors CS(OS) No. 1723/2010 decided on March 10, 2014;*
- (v) *Jockey International Inc. & Anr. V. R. Chandra Mohan & Ors CS (OS) No. 253/2012 decided on May 13, 2014;*

(vi) Indian Heritage Society & Anr. V. Meher Malhotra & Anr. CS(OS) NO. 2717/2011 decided on September 13, 2013;

(vii) Samsung Electronics Company Ltd. & Anr. V. Singh Mobile Accessories & Ors CS(OS) 1240/2012 decided on January 16, 2015;

(viii) DLF Ltd. v. Honey Tarachandani & Ors CS(OS) 2471/2014 dated March 02, 2015;

(ix) Burger King Corporation v. Burger Place CS(OS) No. 290/2015 decided on September 07, 2015.

10. Suffice to state, in view of the statement made by the learned counsel for the defendant No.1 a decree of permanent injunction is passed in favour of the plaintiffs and against the defendant No.1 and in the absence of any defence, against defendant No.2 also on the following terms:

(a) restraining defendants 1 and 2, their principal officers, partners, sister concerns, licensees, servants, representatives and agents or any of them, from manufacturing, selling, offering for sale in India, offering for export, packaging, advertising, directly or indirectly dealing in manufacturing and supplying of the lubricating oil products or any goods whatsoever under the mark 'VALVO' or any other trademark identical and/or deceptively similar to the plaintiffs' well-known trademark VOLVO amounting to infringement of the Plaintiffs well-known trademark VOLVO;

(b) restraining defendants 1 and 2, their principal officers, partners, sister

concerns, licensees servants, representatives and agents or any of them, from manufacturing, selling, offering for sale, packaging, advertising, directly or indirectly dealing in lubricating oil products or any goods whatsoever under the mark 'VALVO' or any other mark identical and/or deceptively similar to VOLVO or having the trademark VOLVO as a part of the brand name/ device mark / trading style / domain name or in any other manner as may lead to passing off of the Defendants' goods and/or business as that of the Plaintiffs.

(c) restraining defendants 1 and 2, their principal officers, partners, sister concerns, licensees servants, representatives and agents or any of them, from using the well known trademark VOLVO or any other trade mark deceptively similar thereto in any manner whatsoever on any goods or services so as to cause dilution of the distinctiveness of the trademark VOLVO and tarnishing the reputation of the Plaintiffs.

11. In addition, as the defendant No.2 has not cared to appear in these proceedings despite service through publication and keeping in view the law laid down by this Court in the case reported as **2009(39) PTC Delhi Tobacco Company & Ors v. Munna Bhai** and as followed in the case of **Philips Morris Products S.A & Anr v. Sameer & Ors CS(OS) No. 1723/2010**

decided on March 10, 2014, the Court has found it to be a clear case of trademark infringement and passing off and the defendant No.2 being a small vendor and the Court having granted the permanent injunction against the defendant No.2 also, in favour of the plaintiffs and the plaintiffs have pressed the prayer for damages, the interest of justice would be served if nominal damages of Rs.10,000/- is awarded against the defendant No.2 and in favour of the plaintiffs and in addition, the plaintiffs are entitled to cost of this litigation, which is quantified at Rs.10,000/-.

12. The suit is decreed in the aforesaid terms. Decree sheet be drawn accordingly.

CRL.M.A No. 4410/2015

Dismissed as infructuous.

NOVEMBER 03, 2016

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V. KAMESWAR RAO, J