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

+ **CS(COMM) 1227/2016**

**M/S ALLIED BLENTERS AND DISTILLERS
PVT. LTD.**

..... Plaintiff

Through: Ms Abhilasha Nautiyal and Ms Kanak
Bose, Advocates.

versus

**MR. SURYA RAO
TRADING AS LEO FOODS & BEVERAGES** Defendant
Through

**CORAM:
HON'BLE MR. JUSTICE VIBHU BAKHRU**

**ORDER
16.01.2017**

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VIBHU BAKHRU, J

1. The plaintiff has filed the present suit *inter alia* seeking a decree of permanent injunction restraining infringement of trademark and copyright, passing off, dilution, unfair competition, delivery up, etc. against the defendant.

2. On 21.12.2012, this court directed issuance of Summons in the present suit. By the same order, an *ex parte ad interim injunction* was granted and the defendant, M/s Leo Foods & Beverages, was restrained from manufacturing, selling or distributing any alcoholic beverage bearing the plaintiff's trademark/label "*Officer's Choice*" or from using any other mark deceptively similar to the trademark/label "*Officer's Choice*". Further

a Local Commissioner was also appointed to visit the premises of the defendant.

3. Although summons were sent to the defendant, however, the same returned un-served on numerous occasions and the defendant was directed to be served by way of substituted service by an order dated 17.01.2014. In compliance thereof, the citation was published in the newspaper “Andhra Bhoomi”.

4. Despite being served, the defendant did not enter appearance and participate in the present proceedings. Accordingly, by an order dated 29.05.2014, it was proceeded *ex parte*. By the same order, the interim order dated 21.12.2012 was made absolute.

5. Thereafter, the plaintiff filed an application being I.A. No. 18243/2014 under Order I Rule 10 of the Code of Civil Procedure, 1908 for impleading Mr Surya Rao (being the proprietor of the defendant). Notice was issued to Mr Surya Rao however he could not be served by ordinary process as well; therefore, he was also served by substituted service by publication of citation in the newspaper “The Vaartha”, Hyderabad Edition dated 30.04.2015 and “The Times of India”, Hyderabad Edition dated 08.05.2015. Thereafter, on 21.07.2015, Mr Surya Rao was impleaded as a defendant in his capacity as proprietor of the defendant, M/s Leo Foods & Beverages.

6. Mr S.S. Sanyal (PW1), being the constituted attorney of the plaintiff, has filed an affidavit by way of evidence affirming the averments made in

the plaint. PW1 has filed a copy of the power of attorney whereby he was authorized to depose on behalf of the plaintiff as Ex Pw1/1.

7. Briefly stated, the facts that emerge from the affidavit of PW1 are as follows:

7.1 Plaintiff, Allied Blenders & Distillers Private Limited, is a company incorporated under the Companies Act, 1956 and is engaged in the business of manufacturing and marketing alcoholic beverages, including Indian Made Foreign Liquor (IMFL) under brands such as '*Officer's Choice*', '*Class Vodka*', '*Lord & Master*', '*Calypso*'. '*1000 Guineas*', '*Kyron*', '*Sumo*', '*Jolly Roger*', etc..

7.2 It is stated that the present suit has been filed to injunct the defendant from violating plaintiff's rights under the marks '*Officer*', '*Officer*' formative marks, including "*Officer's Choice*" and "*Officer's Club*".

7.3 It is averred by PW1 that the mark "*Officer's Choice*" was registered by the predecessor-in-interest of the plaintiff, M/s Cruickshank & Company Ltd. in the year 1988. Thereafter, M/s Cruickshank & Company Ltd. assigned various trademarks, including "*Officer's Choice*" to M/s BDA Breweries & Distilleries Ltd. by way of a registered deed of assignment dated 26.02.1991(Ex Pw1/34). On 27.01.1992, the name M/s BDA Breweries & Distilleries Ltd. was changed to M/s BDA Ltd. and thereafter to M/s BDA Pvt. Ltd., on 26.12.2005. Pursuant to the change of names as mentioned above, the Registrar of Companies issued fresh certificates of incorporation, which have been exhibited as Ex Pw1/35 and Ex Pw1/36 respectively.

7.4 It is stated that plaintiff's earlier name, M/s Chabbria Marketing Ltd., was changed to M/s Allied Blenders & Distillers Ltd. on 16.04.2007 and further to M/s Allied Blenders & Distillers Pvt. Ltd. on 26.04.2007. PW1 has also placed on record certificates of incorporation issued by the ROC which have been exhibited as Ex Pw1/37 and Ex Pw1/38.

7.5 Thereafter, by way of a Composite Scheme of Arrangement - approved by an order of the Bombay High Court dated 23.02.2007- the liquor business of M/s BDA Pvt. Ltd. was transferred to M/s Allied Blenders & Distillers Pvt. Ltd. (the plaintiff herein) and the plaintiff became the proprietor of the mark "*Officer's Choice*" in several classes. The order of the Bombay High Court approving the said Scheme of Arrangement has been exhibited as Ex Pw1/39.

7.6 PW1 has averred that by virtue of the said Scheme of Arrangement, the plaintiff became the proprietor of the trademark "*Officer's Choice*" and other "*Officer*" formative marks as mentioned in paragraph 5 and 6 of the plaint in various classes such 05, 21, 25, 30, 32, 33, 34, 35, etc.

7.7 The plaintiff is also engaged in selling of packaged drinking water under the trademark "*Officer's Choice*". PW1 has placed on record an agreement dated 06.04.1994 (Ex Pw1/22) between the plaintiff's predecessor (BDA Limited) and Farm Foods whereby Farm Foods was appointed as a Clearing and Forwarding Agent for "*Officer's Choice*" packaged drinking water. PW1 has also produced an agreement dated 28.09.2006 between BDA Private Limited and NHN Corporation Ltd. (Ex Pw1/4) for bottling of "*Officer's Choice*" packaged drinking water.

7.8 PW1 has placed on record a copy of Form TM-24 dated 14.08.2007 as Ex Pw1/40 whereby the plaintiff requested the Registrar of Trademarks for recording of its name, being the subsequent proprietor, in place of BDA Private Limited in respect of 16 trademarks, including the mark “*Officer’s Choice*”. The said request was allowed by an order no PR/354 dated 15.02.2008 of the Registrar of Trademarks and the change of proprietorship in favour of the plaintiff was recorded. The said order has been exhibited as Ex Pw1/41.

7.9 PW1 states that the word mark “*Officer’s Choice*” was initially registered under the name of BDA Limited with registration number 489582 under Class 33 in respect of Wines, Spirits and Liqueurs. It is further stated that by an order dated 06.09.2010 (exhibited as Ex Pw1/42), plaintiff’s name was recorded in the Register as the registered proprietor of the mark “*Officer’s Choice*”.

7.10 PW1 has stated that plaintiff has been using the trademark “*Officer’s Choice*” in a distinctive design, colour scheme, layout, get up as its trade dress/label and the same have become exclusively associated with the plaintiff. PW1 has also placed on record “*Officer’s Choice*” labels which are exhibited as Ex Pw 1/44 and Ex Pw 1/45.

7.11 It is further submitted that plaintiff’s predecessor, BDA Ltd. was the proprietor of “*Officer’s Choice*” label registered under copyright registration number A-54982/98 dated 11.08.1998 and A-57173/99 dated 16.12.1999, which have been exhibited as Ex Pw1/116 and Ex Pw1/117 respectively. It is stated that plaintiff has become the owner of the copyright subsisting in

the “*Officer’s Choice*” label. Further, PW1 has placed on record 3 registration certificates exhibited as Ex Pw1/118, Ex Pw1/119 and Ex Pw1/120 to prove that plaintiff is the registered proprietor of the copyright in respect of the labels in question.

7.12 PW1 has averred that plaintiff’s products are sold throughout India and overseas under the mark “*Officer’s Choice*” which have acquired an enviable reputation and goodwill as a result of its excellent quality, distinctive packaging, taste, blending, etc.

7.13 It is further stated that plaintiff has acquired common law rights in overall combination of the mark “*Officer’s Choice*” by virtue of exclusive extensive use since the year 1988. It is averred that plaintiff is the registered proprietor of a series of ‘*Officer*’ formative marks, including ‘*Officer*’, ‘*Officer’s Special*’, ‘*Officer’s No.1*’, ‘*Officer’s & Gentleman*’ and ‘*Officer’s Club*’ under various classes. PW1 states that the ‘*Officer*’ formative brands are used and associated with the plaintiff and emanate from plaintiff’s repertoire of spirits/alcohol as well as non-alcoholic products. It is further stated that the said registrations were under the name of the group company of the plaintiff and has been transferred in the name of the plaintiff subsequently.

7.14 It is stated by PW1 that plaintiff’s whiskey under the trademark “*Officer’s Choice*” is the largest selling whiskey in the world. PW1 has placed on record various news articles to further his case, which are exhibited as Ex Pw1/122 (Colly). PW1 has also placed on record the certified sales figures of the plaintiff’s products bearing the trademark

“Officer’s Choice” and other *“Officer’s Choice”* formative marks as Ex Pw1/46 and Ex Pw1/123 which shows that the plaintiff sold 1.13 million cases, each containing 9 litres, in the year 1994-95 which rose to 9.55 million in the year 2008-09 and further to 30.18 million in the 2014-15.

7.15 It is averred by PW1 that in December, 2012, it came to know that a firm, M/s Leo Foods and Beverages, with its office at 10-1-5/1, West Marredpally, Secunderabad - 500003, Andhra Pradesh is manufacturing, packaging and selling soda under the mark and label *“Officere’s”*. It is averred that the mark *“Officere’s”* is phonetically similar to the plaintiff’s *“Officer”* formative marks and further that it is deceptively and confusingly similar to plaintiff’s trademarks *“Officer’s Choice”* and *“Officer Club”*.

7.16 It is stated by PW1 that defendant has adopted the mark *“Officere’s”* with same writing style and stylized font on its label to that of the plaintiff’s *“Officer”* and *“Officer’s Choice”* label. PW1 has placed on record the impugned labels of the defendant bearing the impugned mark *“Officere’s”* as Ex Pw1/121(Colly).

7.17 PW1 further states that products bearing the registered mark/logo/label *“Officer”*, *“Officer’s Choice”*, *“Officer’s Club”* and other *“Officer’s”* formative trademarks are associated exclusively with the plaintiff and use by the defendant of the phonetically identical and deceptively similar mark and label *“Officere’s”* for allied and cognate goods would amount to infringement and dilution of plaintiff’s trademarks, apart from amounting to passing off of its products and business associated with the plaintiff.

7.18 Further it is stated that defendant has infringed the registered copyrights of the plaintiff as mentioned above. It is stated that label of the defendant has been inspired and derived from the label of the plaintiff inasmuch as the stylized font and other distinct features of the plaintiff's label have been copied by the defendant. It is thus alleged that it is a case of dishonest adoption by the defendant of an artistic work of the plaintiff.

7.19 PW1 has averred that plaintiff is the prior adopter, user and registered proprietor of the said trademarks which have been used exclusively and extensively by the plaintiff for alcoholic beverages, packaged water, etc. It is further averred that plaintiff's marks are *well known* marks and have acquired high degree of distinctiveness and reputation in relation to the plaintiff's products.

8. In view of the above, the plaintiff has duly proved that its predecessor-in-interest was the proprietor of the mark "*Officer's Choice*". PW1 has place on record a registration certificate dated 17.03.2009 bearing number 489582 (Ex Pw1/25) to show that the mark "*Officer's Choice*" was registered by M/s Cruickshank & Company Ltd. in April, 1988. The plaintiff has duly proved that M/s Cruickshank & Company Ltd. assigned various trademarks relating to "*Officer's Choice*" to M/s BDA Breweries & Distilleries Ltd. by way of a registered deed of assignment dated 26.02.1991(Ex Pw1/34). The plaintiff has also duly proved that the name of M/s BDA Breweries & Distilleries Ltd. was changed to M/s BDA Ltd. and subsequently to M/s BDA Pvt. Ltd. by placing on record fresh certificates of incorporation (Ex Pw1/35 and Ex Pw1/36).

9. The plaintiff has also proved that the liquor business of M/s BDA Pvt. Ltd. was transferred to the plaintiff by way of a Composite Scheme of Arrangement approved by the Bombay High Court vide order dated 23.02.2007 (Ex Pw1/39) and further that plaintiff has become the owner of the trademarks as mentioned in paragraph 5 and 6 of the plaint.

10. The plaintiff has also placed on record an order dated 15.02.2008 of the Registrar of Trademarks whereby the request of the plaintiff was accepted and plaintiff was recorded as the proprietor of the marks in question in place of M/s BDA Private Limited (the previous owner of the marks in question).

11. The plaintiff has also duly proved that the plaintiff holds copyright registrations in its favour in respect of the “*Officer's Choice*” labels, which have been exhibited as Ex Pw1/118, Ex Pw1/119 and Ex Pw1/120.

12. The plaintiff has duly proved that the defendant is selling soda under the mark “*Officere's*” which is deceptively similar to the plaintiffs registered trademark “*Officer's Choice*”. The plaintiff has placed on record the label of the defendant bearing the mark “*Officere's*”. A mere glance at the said label makes it evident that the said label is deceptively and confusingly similar to the registered label of the plaintiff.

13. It is averred by the plaintiff that its mark “*Officer's Choice*” has acquired a status of a “*well known*” mark owing to continuous and extensive use over a long period of time, spanning a wide geographical area coupled with vast promotion and publicity.

14. Section 2(1)(zg) of the Trademarks Act, 1999 defines the term “well-known trademark” as under :

“(zg) “well-known trade mark”, in relation to any goods or services, means a mark which has become so to the substantial segment of the public which uses such goods or receives such services that the use of such mark in relation to other goods or services would be likely to be taken as indicating a connection in the course of trade or rendering of services between those goods or services and a person using the mark in relation to the first-mentioned goods or services.”

15. Section 11(6) and 11(7) of the Trademarks Act, 1999 lays down various factors to be taken into account by the Registrar while determining whether the mark is a well known trademark. The same are quoted below:

“(6) The Registrar shall, while determining whether a trade mark is a well-known trade mark, take into account any fact which he considers relevant for determining a trade mark as a well-known trade mark including—

- (i) the knowledge or recognition of that trade mark in the relevant section of the public including knowledge in India obtained as a result of promotion of the trade mark;
- (ii) the duration, extent and geographical area of any use of that trade mark;
- (iii) the duration, extent and geographical area of any promotion of the trade mark, including advertising or publicity and presentation, at fairs or exhibition of the goods or services to which the trade mark applies;
- (iv) the duration and geographical area of any registration of or any application for registration of that trade mark

under this Act to the extent they reflect the use or recognition of the trade mark;

- (v) the record of successful enforcement of the rights in that trade mark; in particular, the extent to which the trade mark has been recognised as a well-known trade mark by any court or Registrar under that record.

(7) The Registrar shall, while determining as to whether a trade mark is known or recognised in a relevant section of the public for the purposes of sub-section (6), take into account—

- (i) the number of actual or potential consumers of the goods or services;
- (ii) the number of persons involved in the channels of distribution of the goods or services;
- (iii) the business circles dealing with the goods or services, to which that trade mark applies.”

16. This Court in the case of **Tata Sons Ltd v. Manoj Dodia and Ors:** **2011 (46) PTC 244 (Del)** laid down certain factors which shall be considered while deciding if a mark is a *well known* mark. The relevant extracts are quoted as under :

"5. A well known trademark is a mark which is widely known to the relevant general public and enjoys a comparatively high reputation amongst them. On account of advancement of technology, fast access to information, manifold increase in international business, international travel and advertising/publicity on internet, television, magazines and periodicals, which now are widely available throughout the world, of goods and services during fairs/exhibitions, , more and more persons are coming to know of the trademarks, which are well known in other countries and which on account of the quality of the products being sold under those names and extensive promotional and marketing efforts have come to enjoy trans-

border reputation. It is, therefore, being increasingly felt that such trademark needs to be protected not only in the countries in which they are registered but also in the countries where they are otherwise widely known in the relevant circles so that the owners of well known trademarks are encouraged to expand their business activities under those marks to other jurisdictions as well.

The relevant general public in the case of a well known trademark would mean consumers, manufacturing and business circles and persons involved in the sale of the goods or service carrying such a trademark.

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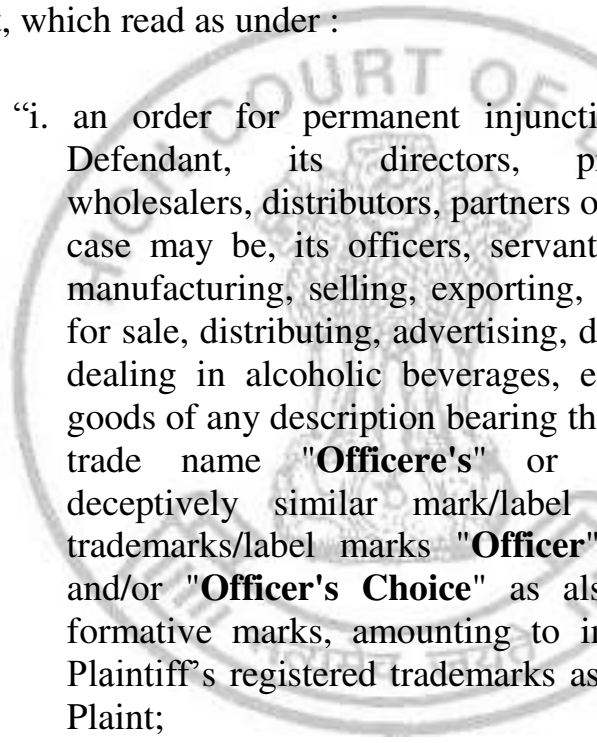
13. Trademarks Act, 1999 does not specify the factors which the Court needs to consider while determining whether a mark is a well known mark or not, though it does contain factors which the Registrar has to consider while determining whether a trademark is a well known mark or not. In determining whether a trademark is a well known mark or not, the Court needs to consider a number of factors including (i) the extent of knowledge of the mark to, and its recognition by the relevant public; (ii) the duration of the use of the mark; (iii) the extent of the products and services in relation to which the mark is being used; (iv) the method, frequency, extent and duration of advertising and promotion of the mark; (v) the geographical extent of the trading area in which the mark is used; (vi) the state of registration of the mark; (vii) the volume of business of the goods or services sold under that mark; (viii) the nature and extent of the use of same or similar mark by other parties; (ix) the extent to which the rights claimed in the mark have been successfully enforced, particularly before the Courts of law and trademark registry and (x) actual or potential number of persons consuming goods or availing services being sold under that brand.”

17. In this context, PW1 has deposed to the effect that:

- i. the plaintiff (through its predecessor) is using the mark “*Officer's Choice*” continuously and extensively since the year 1988;
- ii. the plaintiff’s sales of the products bearing the trademark “*Officer's Choice*” and other related marks have increased from 1.13 million cases in the year 1994 to 30.18 million in the year 2014-15 (Ex Pw1/46 and Ex Pw1/123);
- iii. the plaintiff’s expenditure on advertisement and brand promotion of “*Officer's Choice*” has increased from ₹6.35 crores in the year 1993-94 to ₹ 264.59 crores in 2014-2015 (Ex Pw1/125);
- iv. the exports “*Officer's Choice*” have arisen from 80,900 cases in 2006-07 to 10,02,456 in the year 2010-11 [Ex Pw1/83 (Colly)];
- v. the plaintiff's whiskey “*Officer's Choice*” was reported to be the largest selling whiskey in the world by the newspaper, The Times of India in an article dated 11.08.2014 (Ex Pw1/85);
- vi. the plaintiff's whiskey “*Officer's Choice*” is described as the largest selling whiskey in the world by The Millionaires’ Club 2014 (Ex Pw1/87);
- vii. that “*Officer's Choice*” whiskey is world's no. 1 whiskey in the world in terms of volume as per an article in the IWSR Magazine, August, 2014 edition (ExPw1/88); and
- viii. “*Officer's Choice*” has been presented with several awards including "World's Greatest Brand & Leaders 2015- Asia and GCC" by URS International. [Ex pw1/124(Colly)].

18. Tested on the parameters as indicated in section 11(6) and 11(7) of the Act, it is plainly evident that the mark “*Officer's Choice*” has become a “*well known*” mark.

19. In view of the above, the plaintiff is entitled to a decree of permanent injunction restraining the defendant from using the mark “*Officere's*” or any other mark deceptively similar to the mark of the plaintiff. Accordingly, the decree is granted in terms of prayers made in paragraph 26 (i), (ii) and (iii) of the plaint, which read as under :

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- “i. an order for permanent injunction restraining the Defendant, its directors, principal officers, wholesalers, distributors, partners or proprietors, as the case may be, its officers, servants and agents from manufacturing, selling, exporting, importing, offering for sale, distributing, advertising, directly or indirectly dealing in alcoholic beverages, especially IMFL or goods of any description bearing the trade mark and/or trade name “**Officere's**” or any identical or deceptively similar mark/label to the Plaintiffs trademarks/label marks “**Officer**”, “**Officer's Club**” and/or “**Officer's Choice**” as also other “**Officer**” formative marks, amounting to infringement of the Plaintiff’s registered trademarks as enumerated in the Plaint;
 - ii. an order for permanent injunction restraining the Defendant, its directors, principal officers, wholesalers, distributors, partners or proprietors, as the case may be, its officers, servants and agents from manufacturing, selling, exporting, importing, offering for sale, distributing, advertising, directly or indirectly dealing in alcoholic beverages, especially IMFL or goods of any description bearing the trade mark and/or trade name “**Officere's**” or any identical or

deceptively similar mark/label to the Plaintiffs trade marks/label marks "**Officer**", '**Officer's Club**' and/or "**Officer's Choice**" as also other "**Officer**" formative marks, amounting to infringement of the Plaintiff's registered copyright as enumerated in the Plaint;

- iii. an order for permanent injunction restraining the Defendant, its directors, principal officers, wholesalers, distributors, partners, or proprietor as the case may be, its officers, servants and agents from manufacturing, selling, exporting, importing, offering for sale, distributing, advertising, directly or indirectly dealing in IMFL or other goods bearing trade mark "**Officere's**" or any deceptively similar mark/label(s) including, but not limited to "**Officer's Choice**" and "**OC**", including any identical / similar logo as that of the Plaintiff s "**Officer's Club**" and "**Officer's Choice**" so as to misrepresent their products as those of the Plaintiff and from doing any other thing as may cause confusion or deception leading to passing off of the Defendant's goods and business as those of the Plaintiff;"

20. The plaintiff has submitted a statement of costs, which includes counsel fees, court fees, fees of the local commissioner and other miscellaneous expenses computed at ₹9,71,558/-. The same are reasonable and the plaintiff is entitled to the same. Accordingly, costs quantified at ₹9,71,558/- are decreed in favour of the plaintiff and against the defendant.

21. Decree Sheet be drawn accordingly.

VIBHU BAKHRU, J

JANUARY 16, 2017
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