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

+ **CS(OS) 2032/2015**

EXXON MOBIL CORPORATION & ANR Plaintiffs
Through: Mr. Yatin Grover, Advocate.

versus

ANSER PASHA Defendant
Through: None.

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Reserved On : 29th May, 2017
Date of Decision: 03 July, 2017

CORAM:
HON'BLE MR. JUSTICE MANMOHAN

J U D G M E N T

MANMOHAN, J:

1. Plaintiffs have filed the present suit for permanent injunction, infringement of trade mark and accounts of profit against the defendant for using the mark EXON as a part of trade name EXON City Taxi Tours and Travels in respect of Tours and Travels services under Section 29(2)(b) and/or alternatively under Section 29(4) of the Trade Marks Act, 1999 (hereinafter referred to as 'Act, 1999'). The prayer clause in the suit is reproduced hereinbelow:-

(A) A decree of permanent injunction against the Defendant, its successors, fanchisees, licensees, distributors representatives, assignees, agents and any one acting for and/or on their behalf from using

the EXON mark and/or any other trade mark/trading style/domain name identical/deceptively similar to the Plaintiffs' well known EXXON trade mark as a trade mark or part of trade mark, trade name or part of trade name, corporate name or part of corporate name, domain name or part of domain name or in any manner whatsoever in relation to their goods/services or in any manner whatsoever;

(B) An order directing the Defendant, its successors, franchisees, licensees, distributors, representatives, assignees, agents and any one acting for and/or on their behalf, at their own expense, to:

(i) Take any and/or all steps necessary to block Internet websites that supply the Defendant's products and/or services and features which bear or incorporate:

(a)The EXON trademark or anything deceptively or confusingly similar thereto;

(b)Any other indicia whatsoever to show any association of the Defendant's products and/or services with the Plaintiffs' products manufactured and sold under the EXXON trademark;

(ii)Deliver to the Plaintiffs' attorneys or representatives for destruction, all products, labels, signs, stationery, business cards, prints, packages, plates, dies, wrappers, receptacles, materials and advertisements in its possession or under its control, bearing the EXON mark, or any simulation, reproduction, copy or colorable imitation of the Plaintiffs' EXXON mark;

(C) An order directing the Defendant to immediately withdraw any application filed by the Defendant for registration of the EXON mark or any other application filed for registration of a mark deceptively similar to the EXXON mark;

(D) An order directing the Defendant to allow inspection of its accounts to assist in ascertaining the amount of profits made by them and/or damages suffered by the Plaintiffs as a result of the Defendant's use of the offending trade mark and a decree be passed in favour of the Plaintiffs and against the Defendant for the amount found due. The Plaintiffs be additionally granted exemplary and punitive damages at least to the tune of Rs. 20,00,050/-;

(E) A declaration that the EXXON trade mark is a well-known mark belonging to the first Plaintiff;

(F) Costs of the suit be awarded to the Plaintiffs;

(G) Any other relief which this Hon'ble Court thinks fit and proper in the circumstances of the case be allowed in favour of the Plaintiffs and against the Defendant."

2. Vide order dated 16th July, 2015, this Court restrained the defendant by way of ex parte interim injunction from using the mark EXON or any other deceptively similar trade mark as that of plaintiffs' mark EXXON. The relevant portion of the order is reproduced hereinbelow:-

"I have considered the contentions of learned counsel for the plaintiff, perused the plaint and the documents annexed therewith and am of the view that plaintiff has succeeded in making out a, prima facie, case of infringement of its trade mark 'EXXON' by the defendant, inasmuch as, balance of convenience is in favour of plaintiff. If defendant continue to infringe the mark of plaintiff it is the plaintiff who shall suffer irreparable loss and injury. Accordingly, till further orders, defendant, its successors, franchisees, licensees, distributors, representatives, assignees, agents etc. are restrained from using the mark EXON or any other deceptively similar trade mark as that of plaintiff's mark 'EXXON'.

3. Though the defendant was duly served on 01st August, 2015, yet none entered appearance before the Court. Accordingly, defendant was proceeded ex parte vide order dated 18th April, 2016.

4. The plaintiffs have filed their evidence by way of an affidavit of Ms. Veena P (PW 1).

5. The Plaintiffs, for the purpose of proving infringement of their mark under Section 29(2)(b) of the Act, 1999, have relied upon the following documents and averred as under:-

- a. Exhibits PW-1/13, PW-1/14, PW-1/15 and PW-1/17 are the certificates showing that the mark EXXON of the Plaintiffs is registered under classes 4 inter alia in respect of fuels and lubricants, class 5 inter alia in respect of petroleum oils, class 6 inter alia in respect of alloys, nails and screws and class 12 inter alia in respect of vehicles. The Plaintiffs stated that all the aforesaid goods are closely associated with the taxi services.
- b. The Plaintiffs stated that they adopted the mark EXXON in 1967 and have been using the same since then. It is further stated that the impugned mark EXON is used by the Defendant who is neither a registered proprietor nor has obtained any permission from the Plaintiffs.
- c. PW-1/57 has been exhibited to prove that the impugned mark EXON is used in the course of trade i.e. taxi services by the Defendant.
- d. The Plaintiffs stated that the taxi services of the Defendant are connected in the course of trade to the Plaintiffs' goods such as Lubricants, petroleum products, vehicles etc. The business of the

Defendant cannot function without petroleum as well as gas and therefore the services of the Defendants are related and are accordingly similar to the goods and services of the Plaintiffs

- e. The Plaintiffs stated that the use of the mark EXON by the Defendant is likely to have an association with the Plaintiffs' registered trade mark EXXON as both the marks are phonetically, structurally and visually similar to each other. It is further stated that the automobile trade being familiar with the Plaintiffs' trademark would confuse the same with that of the Defendant as automobiles are an integral part of the taxi/travel services

6. In the alternative, the Plaintiffs have also led evidence to show that the use of the mark EXON by the defendant is an infringement of the Plaintiffs' trade mark EXXON under Section 29(4) of the Act, 1999 for the following reasons:

- a. Exhibits PW -1/11 to PW-1/47 are the certificates to prove that the Plaintiffs' mark EXXON is registered in around 160 jurisdictions around the world and in India there are 39 registrations of the mark EXXON in respect of wide variety of goods falling under classes 1, 2,3,4,5,6,9,11,12,16,17,19,22,23,24,25,27,29,30 and 31. The first registration of mark EXXON by the Plaintiff No.1 in India is dated 28th October, 1967.
- b. The Plaintiffs stated that the use of the mark EXON by the Defendant which is similar to the Plaintiffs' mark creates unfair

advantage and/or is detrimental to the distinctive character or reputation of the registered trade mark of the Plaintiffs.

- c. A document has been exhibited to establish that the annual sales of Butyl products of EXXON in India between the period 2004-2011 is approximately 16,805 tons each year. In the United States, average sales of EXXON branded fuels related products and services for the years 2002-2011 exceeded US\$19,000,000,000. A document has been exhibited to establish that the Plaintiffs have spent around US\$19,000,000 in advertising and promoting EXXON branded fuels related products and services for the years 2002-2011.
- d. The Plaintiffs averred that the word EXXON is a dominant part of Plaintiff No. 1's corporate name and also forms a part of its domain names i.e. www.exxon.com and www.exxonmobile.com. It is further stated that the Plaintiff No.1 has three subsidiaries in India with the name EXXON namely:
 - i. ExxonMobil Lubricants Pvt. Ltd, incorporated in the year 1994.
 - ii. ExxonMobil Company India Pvt. Ltd, incorporated in the year 1996.
 - iii. ExxonMobil Gas (India) Pvt. Ltd, incorporated in the year 2003
- e. The Plaintiffs stated that the use of mark EXON by the Defendant which is identical to the mark EXXON of the Plaintiffs will result in dilution of the Plaintiffs' mark.

7. Having perused the papers and having heard learned counsel for plaintiffs, this Court is of the view that it is essential to analyse Section 29(2) and 29(4) of the Act, 1999. The relevant portions of Section 29 is reproduced hereinbelow:-

"29. Infringement of registered trade marks--

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(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 identify 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.

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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."

8. In the opinion of this Court, a registered trade mark is stated to be infringed under Section 29(2)(b) when a third party uses the same mark for similar goods. For a case to fall under Section 29(2)(b), there must be sufficient similarity between the goods and services of the plaintiff and defendant.

9. Under Section 29(4) a registered trade mark is stated to be infringed when a third party uses a same mark for different goods and services provided the other ingredients in the said sub-section are fulfilled.

10. In the present case, this Court is of the view that the plaintiffs' trade mark has been infringed under Section 29(4) of the Act, 1999 as not only the plaintiff's mark has a reputation in India, but the defendant is using a phonetically and visually similar trade mark, and its use by the defendant is without due cause and takes unfair advantage of and/or is detrimental to the distinctive character or reputation of the plaintiffs' registered trade mark.

11. Coordinate Benches of this Court in ***Rolex SA Vs. Alex Jewellery Pvt. Ltd. & Ors., 2009 (41) PTC 284 (Del.)*** and ***Bloomberg Finance LP Vs. Prafull Saklecha & Ors., 2013 (56) PTC 243 (Del.)*** while analysing Section 29(4) of the Act, 1999 have held as under:-

A. *Rolex SA Vs. Alex Jewellery Pvt. Ltd. & Ors.* (Supra):

"14. The trademark ROLEX has been registered in favour of the plaintiff with respect to watches etc since much prior to the user claimed by the defendants from 1995. If the plaintiff satisfies the test of Section 29(4)(c), the plaintiff even on the basis of its

registrations other than with respect to jewellery, would be entitled to maintain an action of infringement against defendants with respect to jewellery. The only question to be determined at this prima facie stage is whether the registered trademark ROLEX of the plaintiff, in relation to watches, has a reputation in India and the use of the mark by the defendants is without due cause and takes unfair advantage of and/or is detrimental to the distinctive character or repute of the registered trademark.

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18. This court, even prior to introduction of Section 29(4) in the 1999 Act had in Daimler Benz Aktiengesellschaft Vs Hybo Hindustan (1994) 14 PTC 287 in relation to another well known trademark “Benz” held that such names are different from other names – these are names which have become household words – it was held that there would hardly be anyone conscious of automobiles who would not recognize the name “Benz” used in connection with cars. The defendant in that case was restrained from using the name “Benz” with reference to underwear. The Senior counsel for the plaintiff also relied upon (i) Hamdard National Foundation Vs Abdul Jalil application for interim relief in suit No. 1240/2004 decided on 13th August, 2008 where use of name Hamdard in relation to processing and marketing of rice was enjoined notwithstanding plaintiff till then not dealing in the same and diversity in the goods and considerable delay in bringing the action. It was held that the consumer was likely to believe that the goods of defendant, though dissimilar, originate from the plaintiff. (ii) General Motors Corpn Vs Yplon SA decided by the court of Justice of European Communities and Premier Brands UK Ltd Vs Typhoon Europe Ltd Fleet Street Reports (2000) 767 on the aspect of deception and dilution respectively. iii) Order of Assistant Registrar of Trade Marks, Singapore holding that watches have over the years evolved from their traditional function as being merely time keepers to being distinguished as items of fashion/fashion accessories. iv) Cartier International

B.V. Vs Choosy Corner (2003) 26 PTC 160 (Delhi) where the mark cartier was held to have tremendous goodwill and reputation and use thereof in relation to different goods i.e., garments was injuncted. v) Honda Motors Co Ltd Vs Charanjit Singh (2003) 26 PTC 1 (Del) where mark Honda was held to have a global goodwill and reputation and use thereof in relation to pressure cooker was injuncted on the principles of passing off. and a number of other judgments, which are discussed in judgments aforesaid and with which it is not necessary to burden this order."

B. Bloomberg Finance LP Vs. Prafull Saklecha & Ors (Supra):

"37. Section 29 (4) is also distinct from Section 29 (1) to (3) of the TM Act in another important aspect. The element of having to demonstrate the likelihood of confusion is absent. Perhaps to balance out this element, the legislature has mandated the necessity of showing that (a) the mark has a reputation in India (b) that the mark has a distinctive character (c) the use by the infringer is without due cause. In other words, the legislative intent is to afford a stronger protection to a mark that has a reputation without the registered proprietor of such mark having to demonstrate the likelihood of confusion arising from the use of an identical or similar mark in relation to dissimilar goods and services. The words 'detriment' in the context of the 'distinctive character' of the mark brings in the concept of 'dilution' and 'blurring'. In the context of 'repute' they are also relatable to the concept of 'tarnishment' and 'degradation'. The words "takes 'unfair advantage'" refers to 'free-riding' on the goodwill attached to mark which enjoys a reputation. The disjunctive 'or' between the words 'distinctive character' and 'repute' is designedly inserted to cater to a situation where a mark may not have a distinctive character and yet may have a reputation.

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46.2 In the above background, the Court discussed Section 29

(4) in the context of 'dilution' and observed:

"(1) The "likelihood of Confusion" test which is the essential basis of Trademark law, is not incorporated in relation to infringement of the kind Section 29(4) envisions. Section 29(1) - which talks of trademark infringement, generally, prescribes that the impugned mark should be "identical with, or deceptively similar to the registered trademark. Section 29 (2), (which deals with trademark infringement) enacts that the impugned mark should be similar or identical with the registered mark, as to cause confusion in relation to similar goods. The emphasis on similar goods is the recurring theme in each of the sub clauses ((a), (b) and (c)) and the identity/similarity requirement along with the similarity of goods are twin, conditions (established by the use of the conjunctive "and"). However, Section 29 (4) posits identity or similarity of the mark alone but, in relation to dissimilar goods.

(2) The object of the "dilution" form of infringement (under Section 29(4)) in effect, is a wider trademark protection without the concomitant likelihood of confusion requirement, as it is in respect of dissimilar or unrelated products and services.

(3) The confusion requirements under Section 28 are different from those under Section 29 (4). Section 29 (4) does not refer to the need for proving confusion anywhere in the relevant portions. Obviously the emphasis here is different.

(4) The plaintiff has to establish, under Section 29 (4) apart from the similarity of the two marks (or their identity) that his (or its) mark –

- (i) has a reputation in India;*
- (ii) the use of the mark without due cause*
- (iii) the use (amounts to) taking unfair advantage of or is detrimental to, the distinctive character or repute of the registered trade mark.*

(5) Importantly, there is no presumption about trademark infringement, even if identity of the two marks is established, under Section 29 (4). In contrast, Section 29 (3) read with Section 29 (2) (c) enact that if it is established that the impugned mark's identity with the registered trade mark and the identity of the goods on 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, "the court shall presume that it is likely to cause confusion on the part of the public."

47. The ratio of the decision in ITC Limited, relevant to the instant case is Section 29 (4) offers "a wider trademark protection without the concomitant likelihood of confusion requirement, as it is in respect of dissimilar or unrelated products and services....."

12. Keeping in view the aforesaid, this Court is of the view that defendant is liable for infringement under Section 29(4) of the Act.

13. Accordingly, present suit is decreed in terms of the prayer clauses (A) (B) and (C) reproduced hereinabove along with costs. Registry is directed to prepare a decree sheet accordingly.

MANMOHAN, J

JULY 03, 2017

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