

IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated: 10.10.2018

CORAM

THE HON'BLE MR.JUSTICE M.SUNDAR

C.S.No.215 of 2013

1.Orient Hardware & Tools Corporation
No.10/25, 1st Floor
10th Street, Jai Nagar
Arumbakkam
Chennai-600 106
Rep. by its Managing Director
Shabbir Y Imani

2.Shabbir Y Imani
No.264, Dr.Nanjappa Road
Coimbatore- 641 018 .. Plaintiffs

Vs.

Alisager Siawala
Trading as
Orient Power Tools & Machinery
No.84, Thoddarayan Koil Street
Kattoor, K.S.Towers
Shop No.8 & 9
Coimbatore - 641 009 .. Defendants

Plaint filed under Order VII Rule 1 of CPC read with Sections 27, 28, 29, 134 and 135 of the Trade Marks Act, 1999 seeking permanent injunction restraining the defendant by themselves, their proprietor/partners/directors as the case may be, heirs, legal representatives, successors-in-business, assigns, servants, agents, distributors, retailers, stockists or any one claiming through them from in any manner infringing the plaintiff's registered trademark ORIENT and the trading style Orient Hardware & Tools Corporation or in conjunction with other marks as part of trade name/ trading style or any other mark/name identical or deceptively similar thereto or in any other manner whatsoever; permanent injunction restraining the defendant by themselves, their proprietor/partners/directors as the case may be, heirs, legal representatives, successors-in-business, assigns, servants, agents, distributors, retailers, stockists or any one claiming through them from in any manner passing off or enabling others to pass off their services namely sales and marketing of hardware and tools as and for the plaintiffs' services namely sales and marketing of hardware and tools by use of the offending mark ORIENT as a trademark trading style or in any other manner whatsoever; to direct the defendant to surrender to plaintiffs for the purpose of destruction all goods including containers, cartons, packs, labels, prints, blocks, dyes, plates, moulds and other material bearing the mark/name ORIENT which is identical to the plaintiffs' registered

trademark ORIENT; to direct the defendant to pay to the plaintiffs, as compensatory and punitive damages a sum of Rs.1,00,000/- for the infringement activities and acts of passing off committed by them and for costs of the suit.

For Plaintiffs : Mr.A.K.Rajaraman

For Defendant : Set exparte on 14.09.2018

JUDGMENT

Mr.A.K.Raja Ram, learned counsel on record for two plaintiffs is before this Commercial Division.

2.Before embarking upon the exercise of disposing this suit, it is necessary to ascertain whether this Commercial Division has jurisdiction to entertain this suit.

3. This suit has been filed complaining of infringement of plaintiffs' registered Trademark and passing off. Learned counsel for plaintiffs submits that in the light of subject matter of the suit, particularly in the light of prayers in the plaint, which inter alia turn on infringement and passing off qua plaintiff's trademark and injunctive reliefs for the same, Section 134(1) of Trademarks Act, 1999 (hereinafter referred to as 'TM Act' for brevity) operates. As Section 134(1) of Trademarks Act, 1999 operates, this Commercial Division will have jurisdiction under first proviso to Section 7 of 'The Commercial Courts Act, 2015' ('said Act' for brevity), is his say. As this is a suit inter alia for alleged infringement of trademark and passing off, in the light of Section 134(1) of TM Act, 'specified value' aspect (as in Section 2(1)(i) read with Section 12 of said Act) is of no relevance, is his further say.

4. I have perused the plaint and as set out supra, I have also heard the learned counsel for plaintiffs on jurisdiction of this Commercial Division. After perusing the plaint averments, I am satisfied that the submissions made by learned counsel for plaintiffs deserves to be accepted. I accept the aforesaid submissions and hold that this Commercial Division shall exercise jurisdiction over this suit in the light of first proviso to Section 7 of Act 4 of 2016.

5.Central theme of this suit is a registered Trademark in favour of the plaintiffs. It is the mark 'ORIENT' registered under No.1739827 in Class 35 in respect of 'Service providing in Retail and Wholesale of Tools and Hardware'. To be noted, mark is a service mark.

6. The year wise turnover of the plaintiffs is as follows:

Year Wise

Sales Turnover (Rs.)

2004-05

41526336.00

2005-06

59961320.12

2006-07

75617180.43

2007-08

80809119.53

2008-09

113980331.89

2009-10

140513853.75

2010-11

174613779.91

2011-12
203539334.91

7. The promotional expenses incurred by the plaintiffs in various financial year is as follows:

Year Wise

Promotional Expenses (Rs.)

2004-05

87367.00

2005-06

117626.00

2006-07

156147.60

2007-08

109948.50

2008-09

79495.80

2009-10

314004.50

2010-11

230427.00

2011-12

136224.00

8. Alluding to the above, learned counsel for plaintiffs submitted that plaintiffs by their hard work and expenditure popularized the aforesaid suit trademark i.e., 'ORIENT' and has made it very distinctive and so distinctive that it is identified with the plaintiffs' service only. It is submitted by learned counsel for plaintiffs that plaintiffs adopted the mark as early as in 1963. It is the case of the plaintiffs that in July 2012, plaintiffs' came to know about the sales and service by the defendant under a mark 'ORIENT' which is deceptively similar to that of the plaintiffs' and it is infringing the plaintiffs' right in the aforesaid suit trademark. Plaintiffs caused a Cease and Desist Notice dated 27.07.2012 to be issued. Defendant having received the same, neither replied nor complied resulting in the instant suit being presented in this Court on 27.03.2013. After service of suit summons, defendant entered appearance and filed written statement, but did not chose to carry the matter to its logical end.

9. Therefore, the matter was sent before learned Additional Master I for recording evidence. In other words, the matter was set down before Additional Master I for recording ex parte evidence. One J.Ginu, Authorized Agent of the plaintiffs' deposed as PW1 and as many as 17 documents, namely Exs.P1 to P17 were marked. Trademark Registration Certificate in favour of the plaintiffs i.e, what is known as O2 certificate has been marked as Ex.P7 and the Legal Use Certificate has been marked as Ex.P8. The mark is a device mark and the same is as follows:

10. According to plaintiffs, the alleged offending mark of the defendant has been marked as Ex.P16, which is as follows:

11. To be noted, plaintiffs' use of the mark has been shown as a photograph which has been marked as Ex.P15 and the same is as follows:

12. I had referred to Cease and Desist notice supra and the same has been marked Ex.P14. Plaintiffs' brochures and various advertisements have been marked as Exs.P12 and P11 respectively. To establish use of the mark by the plaintiffs, Ex.P10 has been marked. Ex.P10 consists of several invoices. Learned Additional Master I ought to have assigned 'Ex.P10' series to the same and

referred to it as 'Ex.P10 series'. Certain purchase orders have been marked as Ex.P9.

13. With regard to authority of PW1 to depose on behalf of plaintiffs, Ex.P1 has been marked.

14. I now deem it appropriate to extract prayer paragraph in the plaint, which is Paragraph No.23:

'23. The plaintiff, therefore, prays that this Hon'ble Court may be pleased to pass a judgment and decree against the defendant on the following terms:

a. permanent injunction restraining the defendant by themselves, their proprietor/partners/directors as the case may be, heirs, legal representatives, successors-in-business, assigns, servants, agents, distributors, retailers, stockists or any one claiming through them from in any manner infringing the plaintiff's registered trademark ORIENT and the trading style Orient Hardware & Tools Corporation or in conjunction with other marks as part of trade name/ trading style or any other mark/name identical or deceptively similar thereto or in any other manner whatsoever;

b. a permanent injunction restraining the defendant by themselves, their proprietor/partners/directors as the case may be, heirs, legal representatives, successors-in-business, assigns, servants, agents, distributors, retailers, stockists or any one claiming through them from in any manner passing off or enabling others to pass off their services namely sales and marketing of hardware and tools as and for the plaintiffs' services namely sales and marketing of hardware and tools by use of the offending mark ORIENT as a trademark trading style or in any other manner whatsoever;

c. The defendant be ordered to surrender to plaintiff for the purpose of destruction all goods including containers, cartons, packs, labels, prints, blocks, dyes, plates, moulds and other material bearing the mark/name ORIENT which is identical to the plaintiffs' registered trademark ORIENT;

d. The defendant be directed to pay to the plaintiffs, as compensatory and punitive damages a sum of Rs.1,00,000/- for the infringement activities and acts of passing off committed by them;

e. for costs of the suit; and

f. to pass such further or other orders as this Hon'ble Court may deem fit and necessary in the circumstances of the case and thus render justice."

15. There are six limbs of prayers and there are 6 sub-paragraphs i.e., sub-paragraphs (a) to (f) in the prayer paragraph. From the narrative supra, it is clear that plaintiff has proved its case with regard to sub-paragraphs (a), (b) and (c) of the prayer paragraph. However, with regard to sub-paragraph (d), there is no documentary evidence to show damages. Be that as it may, the prayer is only for compensatory and punitive damages. Therefore, I deem it appropriate to deal with the same under sub-paragraph (f).

16. With regard to sub-paragraph (e), plaintiff is entitled to costs of the suit as the defendant has put the plaintiff in a situation where the plaintiff has carried this litigation over half a decade expending money, energy and effort.

17. Though there are no documents for damages per se, as the prayer is for punitive damages, I consider the same under the residuary prayer i.e., sub-paragraph (f) of the prayer paragraph. I take recourse to amended Section 35-A of [The Code of the Civil Procedure, 1908] as amended by said Act. In the light of amendment to Section 35-A of CPC, there is no cap qua quantum on compensatory costs.

18. The plaint has been presented on 27.03.2013 after issuing Cease and Desist Notice dated 27.07.2012. Today we are on 10.10.2018. Defendants after having been duly served, have compelled the plaintiffs to carry this litigation virtually for half a decade.

19. Therefore, I am of the view that this is a fit case to award compensatory costs of Rs.2 lakhs.

Suit decreed on above terms.

11.10.2018

gpa

M.SUNDAR.J.,

gpa

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