

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

% **Date of decision: 5th April, 2018.**

+ **CS(COMM) No.758/2016**

JAIDEEP MOHAN

.... Plaintiff

Through: Mr. R.K. Jain & Mr. Devanshu Jain,
Advs.

Versus

**HUB INTERNATIONAL INDUSTRIES
& ANR.**

.....Defendants

Through: Mr. Sushant Singh with Mr. Harsh
Vardhan, Advs.

CORAM:

HON'BLE MR. JUSTICE RAJIV SAHAI ENDLAW

1. The plaintiff has instituted this suit for permanent injunction restraining the two defendants namely Hub International Industries and NV Distilleries & Breweries Pvt. Ltd. from manufacturing, bottling, selling, offering for sale or otherwise dealing in alcoholic beverages including premium whiskey blended with scotch, gin, rum, vodka, wine and brandy under the trade mark 'GOLDSMITH' averring the same to be similar/deceptively similar to the plaintiff's registered trade mark 'BLACKSMITH' and for ancillary reliefs of recovery of damages, destruction, etc.

2. The suit came up first before this Court on 10th June, 2016 when though summons of the suit were ordered to be issued but no *ex parte ad interim* order sought, granted. The defendants, on service of summons, have

filed a joint written statement and to which a replication has been filed by the plaintiff.

3. The suit came up before this Court on 8th November, 2016, for framing of issues and for hearing of the application for interim relief, when after hearing the counsels it was felt that there is no need to frame issues and relegate the parties to trial, because the two words 'BLACKSMITH' and 'GOLDSMITH' have definite meaning which is understood by most of the population of the country, even those not conversant with english language and thus no case for infringement of trade mark was made out particularly when the counsel for the plaintiff, on enquiry, informed that more than 90% of the sales of the plaintiff are through the Defence Canteen and the Police Canteen sales whereto and wherefrom could definitely be not said to be affected by the commonality of 'SMITH' in the two words. It was however proposed, that by way of settlement, the possibility of the defendant changing the shape of its bottle and its packaging / carton, could be explored and for which the counsel for the defendants stated that the defendants may be agreeable with effect from the next date of renewal of the excise licence. On request of the counsel for the plaintiff, the hearing was adjourned to 9th November, 2016 to enable him to obtain instructions.

4. On 9th November, 2016, the counsel for the plaintiff stated that he had instructions to argue on merits and no settlement was possible. The counsels were heard further, not only on the application for interim relief but also on the need if any for framing of issues and on the aspect of disposal of suit under Order XIII A of CPC, the suit being a commercial suit, and orders reserved.

5. The necessary pleadings in the aforesaid context may be noticed.
6. It is the case of the plaintiff in the plaint,
 - (i) that the plaintiff, carrying on business as sole proprietor in the name and style of M/s Mayfair Enterprises, of manufacturing and marketing of alcoholic beverages, in the year 2011, coined and adopted “an arbitrary and distinctive trade mark” ‘BLACKSMITH’ in respect of alcoholic beverages and on 24th October, 2011 obtained registration thereof in Class 33 of Schedule IV of the Trade Marks Act, 1999;
 - (ii) that the plaintiff, from an advertisement published in the Trade Marks Journal on 23rd November, 2015, learnt of the defendant no. 1 having applied for registration of trade mark ‘GOLDSMITH’ in Class 33 of Schedule IV of the Trade Marks Act and claiming user thereof since 1st January, 2014;
 - (iii) that the trade mark ‘GOLDSMITH’ is deceptively/confusingly similar to the registered trade mark ‘BLACKSMITH’ of the plaintiff, particularly when both are in respect of the same class of goods;
 - (iv) that the plaintiff has opposed registration of the mark of the defendant no.1; enquiries of the plaintiff revealed that the defendant no. 1 had started manufacturing under the said mark only in or around June, 2016; and,
 - (v) that the trade mark adopted by the defendants is visually, structurally and phonetically similar to the registered trademark of the plaintiff.

7. The defendants have contested the suit pleading,
- (i) that the plaintiff has concealed that the plaintiff's application for registration of mark 'SMITH' in Class 33 of Schedule IV is still pending;
 - (ii) that the plaintiff thus cannot claim monopoly over the word 'SMITH';
 - (iii) that there are many entities which have been using the mark 'SMITH' and 'BLACKSMITH' since prior to and/or along with the plaintiff;
 - (iv) that 'OLD BLACKSMITH' whiskey has been in existence in United States since much prior to adoption of the mark 'BLACKSMITH' by the plaintiff;
 - (v) that the defendant no.2 is merely a distiller, acting for and on behalf of defendant no.1 and the trade mark 'GOLDSMITH' belongs to defendant no.1;
 - (vi) that the defendants commenced manufacturing alcoholic beverage under the mark 'GOLDSMITH' in 2014;
 - (vii) that the marks 'BLACKSMITH' and 'GOLDSMITH' are conceptually, structurally and visually different;
 - (viii) that the suit is barred by Section 17 of the Trade Marks Act, 1999, being for infringement of part of the mark;
 - (ix) that the words 'BLACK' and 'GOLD' are totally different;

- (x) that the defendants will take steps for cancellation of registration of the trade mark of the plaintiff;
- (xi) that the plaintiff is selling his whiskey in the territories of Delhi, Jammu & Kashmir, Bihar and Punjab only; the defendants have been selling their whiskey in the territories of Delhi, Haryana, Punjab, Himachal Pradesh, Uttaranchal, Rajasthan, West Bengal, Jammu and Kashmir and Madhya Pradesh;
- (xii) that the bottle of whiskey of the plaintiff sells at Rs. 382/- and the bottle of whiskey of the defendants sells at Rs. 412/-;
- (xiii) that the market penetration of the defendants is much higher than the plaintiff's;
- (xiv) that a Blacksmith is a metal smith who creates objects from wrought iron or steel, by forging the metal using tools to hammer, bend and cut;
- (xv) that a Goldsmith means a metal worker who specializes in working with gold and other precious metals;
- (xvi) that the words 'Blacksmith' and 'Goldsmith' are ordinary dictionary words which are never confused by any ordinary person and are separately identified by English knowing persons;
- (xvii) that there are differences in lay-out, get-up and packaging of plaintiff's product vis-à-vis defendants' product;
- (xviii) that the plaintiff's product is sold in the packaging of grey colour with background of black and white wherein the words

MAYFAIRS along with BLACKSMITH are prominently written on the label;

(xix) that on the contrary, the defendant's product 'Hub GOLDSMITH' is a bottle which is sold inside the carton/case which is called as canister with dark brown and golden colour background wherein the word 'GOLDSMITH' is written along with the pictures of crown prominently displayed thereupon along with the expression "Rare Premium Whiskey";

(xx) that the shape of the bottles of the plaintiff and the defendants is also different;

(xxi) that the cap of the defendants' bottle bears the mark HUB which is prominently written along with the trade mark 'GOLDSMITH';

(xxii) that there is a separate and distinct process of making purchase by paramilitary forces wherein tenders are floated by their headquarters and battalions area-wise, after undergoing rigid testing and thereafter approvals are granted for quality, pricing and other factors; thus the manner of purchase of alcoholic products of paramilitary forces is totally distinct from the ordinary retailing in civil markets;

(xxiii) that the plaintiff's and defendants' product cannot be confused owing to their distinct customer bases;

(xxiv) that both the plaintiff and the defendants have been competing with each other while supplying their goods to canteens of

paramilitary forces where product of plaintiff as well as defendant no.1 are available; and,

(xxv) that the plaintiff was thus aware of the defendants' product for more than one year prior to the institution of this suit and the suit is barred by delay and laches.

8. Replication filed by the plaintiff merely denies the contents of the written statement.

9. The counsel for the plaintiff has argued,

(i) that the possibility of even 1% of the customers being deceived is enough to entitle the plaintiff to injunction;

(ii) that the purchasers do not know English language and will be deceived and confused by the two marks;

(iii) reliance was placed on *Amritdhara Pharmacy Vs. Satya Deo Gupta* AIR 1963 SC 449 to contend that when confusion between 'Amritdhara' and 'Lakshmandhara' has been held to be possible, similarly, there can be confusion between 'BLACKSMITH' and 'GOLDSMITH';

(iv) reliance was placed on *Midas Hygiene Industries (P) Ltd. Vs. Sudhir Bhatia* 2004 (28) PTC 121(SC) holding that in cases of infringement, injunction must follow and mere delay in bringing action is not sufficient to defeat grant of injunction (interim injunction restraining use of 'Magic Laxman Rekha' by the defendant owing to the registered trade mark 'Laxman Rekha' of the plaintiff, was granted);

(v) reliance was placed on ***Kirorimal Kashiram Marketing & Agencies Pvt. Ltd. Vs. Sita Chawal Udyog Mill*** 2010 (44) PTC 293 (Del) (DB) where injunction restraining use of the mark ‘Golden Deer’ on the ground of the same being deceptively similar to ‘Double Deer’, was granted (both marks were with respect to rice);

(vi) reliance was placed on ***Mohit Kumar Varshney Vs. Girraj Food Products Hathras*** 2009 (41) PTC 159 (All) where the mark ‘Raja Chaudhary’ was held to be deceptively similar to ‘Chacha Chaudhary’ (both for *namkeen* products);

(vii) reliance was placed on ***Five Star Healthcare P. Ltd. Vs. Tara Chand Jadwani*** 2011 (47) PTC 184 (Del) where applying the test of ‘essential features’, injunction against use of mark ‘6 STAR’ was granted at the instance of the proprietor of the mark ‘5 STAR’;

(viii) that from the excise licence of the defendants, it is clear that the defendants commenced manufacturing only in April, 2015; and,

(ix) that in ***Amar Singh Chawal Wala Vs. Shree Vardhman Rice and Genl. Mills*** ILR (2009) 6 Del 399 similarity was also found in ‘Lal Qilla’ and ‘Hara Qilla’, both in relation to rice.

10. Per contra, the counsel for the defendants argued,

(i) that the reliance placed by the counsel for the plaintiff on ***Amar Singh Chawal Wala*** supra is of no avail since the word ‘Qilla’ had no correlation to rice;

(ii) same is the position of ‘Golden Deer’ and ‘Double Deer’;

(iii) that ‘SMITH’ is not the predominant part of the trade mark;

(iv) 'Smirnoff' and 'Brisnoff' in *Diageo North America, Inc. Vs. Shiva Distilleries Limited* 2007 (35) PTC 610 (Del) were not held to be similar or deceptively similar;

(v) both plaintiff and the defendants are selling to defence canteens where purchase is by way of tenders;

(vi) that the words 'Blacksmith' and 'Goldsmith' are taught to children in nursery class with photographs;

(vii) reference was made to *Delhi Press Patra Prakashan Ltd. Vs. Diamond Pocket Books (P) Ltd.* (1992) 46 DLT 423 where 'Grahlakshmi' and 'Grahshobha' were held to be not confusing or similar;

(viii) that at the time of *Amritdhara* judgment supra, Section 17 of the Trade Marks Act did not exist as it does now;

11. The counsel for the defendants has also given a synopsis of submissions along with copies of as many as 26 judgments and which were not referred to at the time of hearing and since the written submissions and the said judgments have been taken on record, the need to burden this judgment with contents thereof is not felt.

12. The counsel for the plaintiff, in rejoinder, contended that, each case has to be decided on its own facts and 'Grahshobha' and 'Grahlakshmi' were held to be not similar owing the customer base thereof being an educated class and which cannot be said for the customer base of the product of the plaintiff and the defendants.

13. The plaintiff has not made any averments in the plaint, of similarity of packaging and shape of the products of the plaintiff and defendants and has not claimed any relief in that respect. I may, however record that from the documents filed by the plaintiff himself, there can be no confusion between the two products on account of packaging or shape of the bottle/container in which the two sell their products.

14. Though the judgments cited by the counsel for the plaintiff, relating to Amritdhara - Lakshmandhara, Lal Qilla - Hara Qilla, Golden Deer - Double Deer, Raja Chaudhary - Chacha Chaudhary, 5 STAR - 6 STAR may at first blush appear to convey that similar injunction has to follow in the case of BLACKSMITH and GOLDSMITH also, as claimed by the plaintiff but do not dislodge the prima facie view expressed on 8th November, 2016 and as communicated to the counsels in the order of that date mentioned above. There are material differences between the said judgments and BLACKSMITH - GOLDSMITH.

15. The marks Amritdhara - Lakshmandhara, Lal Qilla - Hara Qilla, Golden Deer - Double Deer, Raja Chaudhary - Chacha Chaudhary, 5 STAR - 6 STAR comprised of two different words, each of which had a separate meaning. However, BLACKSMITH and GOLDSMITH do not comprise of two separate words (though can be broken into BLACK and SMITH and GOLD and SMITH) and are both one word and which word has a meaning of its own, distinct from the meaning of the two parts in which they can be broken. The purpose/role of a trade mark, in relation to goods/services which are being manufactured/sold/provided by a large number of manufacturers/suppliers/providers, is to enable the consumer thereof, if has

liked or enjoyed the product of one manufacturer/supplier and is desirous of repeating the experience, to remember/recall the product of the same manufacturer/supplier to be able to identify it among plethora of choices available in the market. A consumer of the products of the plaintiff and defendants is likely to remember the said products by the meaning thereof i.e. of the composite word i.e. BLACKSMITH and GOLDSMITH which translate, in hindi language to *Lohar* and *Sunar* respectively. The trade marks of the plaintiff and the defendants are unlikely to be remembered by breaking each of them into two parts i.e. Black and Smith or Gold and Smith.

16. Merit is also found in the contention of the counsel for the defendants that the words BLACKSMITH and GOLDSMITH are such words of English language which a person not habituated to reading or speaking the English language is also likely to identify with and I may add that the same are taught in elementary school with pictorial depiction. It is highly unlikely that a consumer of alcoholic beverage in the Hindi speaking belt would confuse *Lohar* with *Sunar*.

17. I may mention that I have in *Allied Blenders & Distillers Private Limited Vs. Shree Nath Heritage Liquor Private Limited* 2014 SCC OnLine Del 3412 held Collectors Choice to be deceptively similar to Officers Choice, again in the context of alcoholic beverages. However, the reason which prevailed in the said judgment and the view wherein was upheld by the Division Bench in *Shree Nath Heritage Liquor Pvt. Ltd. Vs. Allied Blender & Distillers Pvt. Ltd.* (2015) 221 DLT 359 was that the idea conveyed by the two marks was a person in authority, with both 'Officer'

and 'Collector' denoting the same. Here, as aforesaid, the idea conveyed is entirely different.

18. Supreme Court in *Amritdhara* judgment itself observed that a large number of decisions relating to use of composite words were cited before it but held that no useful purpose will be served by referring to them as each case must be decided on its own facts. What prevailed to grant injunction in that case was that considering the nature and use of the product and consumers thereof, the ideological differences between Amritdhara and Lakshmandhara were unlikely to be of relevance in recall value and the consumer likely to go more by the similarity between the two. Not only it is not so here, for the reasons aforesaid, but the Indian consumer has also evolved in the last nearly sixty years since the said judgment with the advent of advertising, education and awareness.

19. The reason for grant of injunction in the Laxman Rekha judgment was that the defendant was earlier working with the plaintiff and his adoption of 'Magic Laxman Rekha' was found to be dishonest. The reason which prevailed for grant of injunction in Golden Deer judgment was that the word 'deer' was a prominent part of mark of plaintiff and had no connection or correlation to the product i.e. rice and was the distinguishing and essential feature of the mark. Same was the reason in the 5 STAR judgment. None of the said reasons apply to the facts of present case.

20. Having found so, I have wondered whether in the facts aforesaid, this suit is to be put through the rigmarole of framing of issues and recording of evidence. I am of the view that it is not as if every civil suit necessarily has to be carried through the said process. It has been held in *Dr. Zubair UL*

Abidin Vs. Sameena Abidin (2014) 214 DLT 340 (DB) that suits which are doomed to fail and of which there is no chance of any success should be dismissed at whatever stage the Court finds it to be so. In relation to passing of suits also, it has been held in *Camlin Private Limited Vs. National Pencil Industries* AIR 1986 Del 444 that the suit can be dismissed *in limine*. In fact, in *Amritdhara* judgment itself, the Supreme Court held that the Trade Marks Act does not lay down any criteria for determining what is likely to deceive or cause confusion and therefore every case must depend on its own particular facts and the value of authorities lies not so much in the actual decision as in the tests applied for determining what is likely to deceive or cause confusion. Similarly in *Mahendra & Mahendra Paper Mills Ltd. Vs. Mahindra & Mahindra Ltd.* (2002) 2 SCC 147 followed by the Division Bench of this Court in *Larsen & Toubro Limited Vs. Lachmi Narain Trades* (2008) 149 DLT 46, it was held that whether there is a likelihood of deception or confusion arising, is a matter for decision by the Court and no witness is entitled to say whether one mark is likely to deceive or cause confusion. It is thus felt that allowing the parties to examine self-serving witnesses would not change the position inasmuch as this Court thereafter also will be required to form its own opinion and for which all the requisite material is already available.

21. I may, however, mention that the judgment of summary dismissal in *Bright Enterprises Private Limited Vs. MJ Bizcraft LLP* 2016 SCC OnLine Del 4421 referred to in order dated 8th November, 2016 was set aside by the Division Bench in the judgment reported in *Bright Enterprises Pvt. Ltd. Vs. MJ Bizcraft LLP* (2017) 236 DLT 295 (DB) and the suit remanded for decision after trial. Reference may however be made to

Godfrey Philips India Ltd. Vs. P.T.I. Pvt. Ltd. 2017 SCC OnLine Del 12509 where this Court on a similar finding, dismissed the suit for infringement and passing off summarily.

22. I am thus of the opinion that the present suit is not required to be put through the rigmarole of trial, when no case of infringement or passing off is found at this stage alone.

23. Resultantly, the present suit is also dismissed. However, in the facts, no costs.

Decree sheet be drawn up.

RAJIV SAHAI ENDLAW, J.

APRIL 05, 2018

‘av’

न्यायमेव जयते