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

Reserved on: 27th May, 2019

Date of decision: 16th July, 2019

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CS (COMM) 111/2019

EXXON MOBIL CORPORATIONPlaintiff

Through: Ms. Anuradha Salhotra, Mr. Sumit Wadhwa and Ms. Meenakshi Prasad, Advocates.

versus

EXONCORP PRIVATE LIMITED Defendant

Through: Mr. Karan Johri and Mr. Amit Saxena, Advocates.

CORAM:

JUSTICE PRATHIBA M. SINGH

JUDGMENT

Prathiba M. Singh, J.

CS (COMM) 111/2019 and I.A. No. 3119/2019 (u/O XXXIX Rules 1 & 2 CPC)

1. The present suit is filed by the Plaintiff – Exxon Mobil Corporation against the Defendant – Exoncorp Private Limited seeking permanent injunction restraining infringement of trademark, passing off, delivery up and rendition of accounts.

2. The suit concerns the trademark ‘EXXON’ and the use of the mark ‘EXON’ by the Defendant as part of its corporate name and trading style for rendering information technology services. The Plaintiff commenced its business in 1882 and adopted the word ‘EXXON’ as its trademark since 1967 in the U.S.A. It changed its corporate name from Standard Oil Company of New Jersey to Exxon Corporation in 1972 and ultimately

changed its name to Exxon Mobil Corporation after it acquired Mobil Corporation in 1999. The word 'EXXON' is also a prominent part of its trading style. The said mark is used in combination with various other marks. The Plaintiff is in the business of gas exploration, oil production, refining and marketing of petroleum products, chemical products, research and development. It offers various services related to the petroleum, chemicals and oil industry. The mark 'EXXON' is also a registered trademark in over 160 jurisdictions, including in India.

3. The details of the registrations are set out in paragraph 8 of the plaint which shows that the mark has been registered for a large range of products. In India, the mark 'EXXON' has been in use since 1982 and the Plaintiff has also established various subsidiaries i.e. ExxonMobil Lubricants Pvt. Ltd., ExxonMobil Company India Private Limited, ExxonMobil Gas (India) Private Limited, ExxonMobil Services & Technology Private Limited for carrying on its businesses and services in India. The average sales of the Plaintiff for EXXON branded butyl products from 2006-2018 in India are over 73 million U.S. dollars and in the U.S.A, the average sales of EXXON branded fuel - related products and services for 2002-2014 are over 18 billion U.S. dollars. The Plaintiff's R&D centre is located in Bangalore from where it provides business and technical support services for its global operations. The advertising figures of the Plaintiff have also been mentioned in the plaint. The Plaintiff has consistently been amongst the top five Fortune 500 companies in the world since 1967. The current ranking in 2018 of the Plaintiff Company is at serial no.2. The Plaintiff's business and operations are supported by its website www.exxonmobil.com. It has constantly taken actions to protect the 'EXXON' mark. Various suits have

been filed seeking protection against the use of the mark 'EXXON' or 'EXON'.

4. The Plaintiff came across the Defendant – M/s Exxoncorp Technology Solutions, which was operating its website – www.exoncorp.com, sometime in November 2018. The Defendant had its presence not only on the internet through its website, but also on various social media platforms such as LinkedIn, Facebook, Twitter, Google+ and YouTube. Since the exact identity of the Plaintiff was not known, the Plaintiff got an investigation conducted and learnt that the Defendant had various sister concerns, namely, 'Redback', 'Learnage', 'Seo Search', 'Digital Marketing Venture', 'Connect', etc. In view of the use of an identical mark/name, consisting of the expression Exxoncorp, which is almost identical to the Plaintiff's mark 'EXXON', a cease and desist notice was issued by the Plaintiff calling upon the Defendant to cease use of the impugned name/mark. Notice dated 8th November, 2018 was issued to the Defendant and on receiving no response from the Defendant, reminder notices were also issued. Despite delivery of the notices, no reply was received from the Defendant. Hence, the Plaintiff filed the present suit. Summons and notices were issued on 28th February, 2019 and the following order was passed on the said date:

“ ...

CS (COMM) 111/2019 & I.A. 3119/2019 (u/O XXXIX Rules 1 & 2 CPC)

4. Plaintiff be registered as a suit.

5. Plaintiff - Exxon Mobil Corporation has filed the present suit seeking an injunction restraining the infringement of trademark 'EXXON'. Plaintiff claims to be the owner of the well-known trademark 'EXXON'. The mark has been in use since 1882. The grievance of the Plaintiff in the present case is that the

Defendant - Exxoncorp Private Limited is using the mark in its corporate name 'EXONCORP' and the domain name www.exoncorp.com. Ld. counsel for the Plaintiff submits that the Defendant registered the domain name in February, 2017 but the company with the name 'EXONCORP' has been registered as of December, 2018. Ld. counsel further submits that the website of the Defendant shows that the Defendant claims to be an IT services, IT support, IT training company. Reliance is placed on the fact that the mark 'EXXON' has been declared to be a well-known trademark in a judgment passed by this Court. The Plaintiff had issued cease and desist notice in November, 2018 but the Defendant has chosen not to respond.

6. Considering the fact that the Defendant claims to have 500-1000 employees, the prayer for ad-interim injunction shall be considered after issuing notice to the Defendant. Summons in the suit and notice in the application be issued to Defendant upon filing of process fee. Plaintiff is permitted to serve the Defendant by email. Defendant to put in a reply to the interim injunction application within 10 days of service."

5. Thus, no ad-interim order was granted as the Court had perused the claim of the defendant that it had 500-1000 employees, and summons/notices were issued. On 3rd April, 2019, time was granted to the Defendant to file its written statement and parties were directed to address submissions for disposal of the suit under Order XIII A CPC as introduced by the Commercial Courts, Commercial Division and Commercial Appellate Division of High Courts Act, 2015.

6. The Defendant has filed its written statement. The primary objections/defences raised by the Defendant are –

- i) that this Court does not have territorial jurisdiction;
- ii) that the mark 'Exoncorp' has been coined from a scientific term;
- iii) that the Plaintiff's wordmark "Exxon" is not registered in Class 42 which relates to IT services and hence on the above ground, it is submitted that the Plaintiff is not entitled to injunction.

7. Ms. Anuradha Salhotra, Ld. counsel appearing for the Plaintiff submits that the Defendant's conduct is not *bona fide*. She relies on the initial LinkedIn page of the Defendant where it is claimed that the Defendant had more than 501-1000 employees. However, it is now admitted that the Defendant's operations are not so big and it has very few employees. The print out of the latest LinkedIn page has also been filed to show that the same has been completely changed. In the latest website as available currently, the Defendant claims that it only has 2-10 employees. This is in stark contrast from the earlier claim of 501-1000 employees. This, according to the Plaintiff, showed that the Defendant was making various statements all along and misleading the public and such other persons who were dealing with it. Further, it is also submitted that the Defendant's website had a payment gateway as is evident from the internet print out of the website filed on record. However, after the filing of the suit, the Defendant has deliberately disabled the same in a *mala fide* manner only to argue lack of territorial jurisdiction. Ms. Salhotra further submitted that the Plaintiff's mark 'EXXON' has been declared a well-known mark in various proceedings initiated by it and accordingly it is entitled to the highest level of protection.

8. On the other hand, Ld. counsel appearing for the Defendant – Mr. Karan Johri submits that the Defendant does not conduct any operations in

Delhi. It does not have any branch office in Delhi. It is only based out of Chennai and thus this Court has no territorial jurisdiction. It is further submitted that there is no online payment gateway and the same has been deactivated. It is further submitted that under Section 134 of the Trademarks Act, 1999 the settled legal position as held in ***Exxon Mobil Corporation & Anr. v. P.K. Sen***, [CS (OS) No.2375/2015, decided on 22nd July, 2016] by judgment dated 22nd July, 2016, is that this Court would not have jurisdiction under Section 134.

9. This Court has considered the rival submissions. First and foremost fact is that the Defendant does not dispute most of the pleadings in the plaint. The relevant paragraphs of the written statement are set out below:

“3-6. That the contents of the para are matter of record, thus needs no reply.

...

8. That the contents are correct and admitted. It is pertinent to mention that though the plaintiff mark is registered as trademark in approx. 160 jurisdiction of the world, but the same wordmark as “Exxon” is still not registered as trademark by the Plaintiff’s company and is under objection vide application no. 3321481 in Class 42. That plaintiff’s have provided the list registration of mark “EXXON”, wherein non of the registration is done under class 42 in which defendant mark lies. Moreover, the defendants claims the word “EXONCORP” as a whole and in entirety. It is additionally submitted that a company under the name “Exxon Electricals private limited” having Registered address at Delhi and incorporated in the 1986 is running its business since 33 years with a wordmark “exxon” and not an single objection have been taken with respect to the same.

...

10. That the contents are matter of record, needs no reply.

...

12. That the contents are matter of record.

13. That the plaintiff through its subsidies are functioning in different parts of india, rest contents are matter of record.

14. That the contents are matter of record.

...

16. That contents needs no reply.

17. That contents of thi para are admitted to the extent which are matter of record. That till date, the same wordmark "Exxon" is still not registered as trademark by the Plaintiff's company and is under objection vide application no. 3321481 in Class 42. Moreover, wordmark which is registered is EXXONMOBILE vide two separate application no's 2915473 & 2915484 in class 42.

18. -19. That the contents are matter of record.

...

22. That the contents of this para are admitted to extent of matter of record. That the defendant is using the word "EXONCORP" as a whole with a logo and technology solutions underneath, which is entirely different from the plaintiff's mark and does not create any confusion in the minds of the respective customers and general public.

23. That the contents are admitted to the extent that are matter of record. It is submitted that defendant's mark is visually and structurally completely distinct and independent from the plaintiff's word mark. The defendant's mark consists of distint logo which looks like a cubid structure which attributes a distinct visual impression to the mark making it stand out among all the cited marks some of which are also label marks with distinct essential features. In **White Horse Distillers v. Upper Doab and Tatem v. Gaumont**, it has been held that the presence of a common element that is not very distinct does not bar the other entities from incorporating the element as part of their trade

marks. Therefore, defendant mark is distinguishable from the plaintiff's mark. The subject mark is a wordmark with distinct logo, font and style - an original creation by the defendant. Hence, the mark on whole is distinct and is capable of stand out. As such, it does not develop any confusion among the public, who can easily distinguish applicant's mark from that of plaintiff's. Moreover, granting injunctions the court shall consider the reputation of the plaintiff's in their own particular field, nature of goods or services in which the plaintiff is dealing and the nature of the goods in which the plaintiff is dealing and propose to deal and whether their field of operation are likely to overlap. The same was held in "LRC V Lilla Edets[1973] RPC 560 AT 563,567". Also, in Chandra Bhan v Bharat Sewing AIR 1982 DEL 230 AT 232 upheld that "Where the plaintiff's and defendant's customers are different, interlocutory injunction may not be granted.

24. That the letter to Ms.Sivapriya through registered post was received undelivered for the reason the Ms. Sivapriya was expecting a child was in her last weeks and was at her cousin's place which was about 2 hours away from the office and was on leave.

25. That the contents are admitted that communications was done with Mr. Selvarathinam Murugaiyan but no such grave apprehension was shown, the reason he could not properly communicate due to the fact that his wife namely Ms. Sivapriya was expecting in a weeks time and various medical complexities were prevailing at that point of time.

26. That the plaintiff did not receive any response in a month of January on account of ill health of Ms.Sivapriya as she delivered a child on the last week of December, 2018. The non-responsiveness by the defendant was not deliberate or intentional.

27. That plaintiff was fully occupied in caring of his child as his wife was in not a stage to perform any task properly. Thus, there were genuine reasons existed for

the same.”

10. The Defendant in fact admits the origin of the Plaintiff company. It admits that the Defendant was incorporated in 2018. Paragraphs 3 to 6 of the plaint relating to the adoption of the mark ‘EXXON’ by the Plaintiff and its origin as also its businesses are not denied. In response to the global registrations of the Plaintiff, the Defendant does not deny the same but avers that the Plaintiff’s mark is not registered in Class 42. Thus, all the registrations of the Plaintiff globally and in India are admitted. In response to the averment of deceptive similarity, the Defendant states that its logo is derived from the DNA structure along with the expression ‘technology solutions’ which makes the mark of the Defendant different. The Defendant relies upon the anti-dissection rule to claim that the mark ought to be considered as a whole. The use by the Plaintiff since 1980-82 is also not denied. The Defendant then avers that while the Plaintiff is in the business of petroleum and petroleum related products and businesses, the Defendant is in IT related services. The sales figures of the Plaintiff are not denied. The establishment of the R&D centre in Bangalore is not denied. Expenditure on advertising and promotion is also not denied. The fortune 500 rankings of the Plaintiff are also not denied. The various write ups and articles about the Plaintiff are “admitted to the extent which are matter of record”. The existence of www.exxonmobil.com and the various actions taken by the Plaintiff against the Defendant and the third parties for use of the word ‘EXXON’ and ‘EXON’ are stated to be a “matter of record”. The correspondence which ensued, including the issuance of the cease and desist letter and the Defendant’s website are all not denied. The various social

media platform links of the Defendants are also not denied. It is stated by the Defendant that it booked the domain name www.exoncorp.com on 5th May, 2014. The fact that the Plaintiff opted to reach out to the Defendant to resolve the dispute is also not denied. The telephonic conversation with one of the Directors of the Defendant is also admitted. It is claimed that the Defendant was busy in taking care of his child and hence could not revert to the Plaintiff.

11. Thus, broadly, while admitting the case of the Plaintiff on most of the fronts, the arguments raised by the Defendant are:

- a) lack of territorial jurisdiction;
- b) that the logo used by the Defendant is not deceptively similar;
- c) that the Plaintiff's wordmark "Exxon" is not registered in Class 42;
- d) that the Plaintiff and the Defendant's area of business and services are different.

12. A perusal of the documents filed shows that the Plaintiff company has filed several actions seeking protection of the mark 'EXXON'. The Plaintiff has been able to successfully obtain injunctions against the mark 'EXON' in respect of oil products, weighing scales, purchase and sales of chemicals, laser engraving, tour and travel, etc. 'EXON LIFE SCIENCES', a third party has been enjoined from using the mark in respect of pharmaceutical products, lab equipments, and scientific operators. The trademark 'EXXONE' has also been enjoined in respect of electric products such as UPS, solar panels, LED lights, etc. The products/services in respect of which the Plaintiff's mark 'EXXON' has been protected include aluminium foils/laminates, packing system, hospitality, auto electrical, engineering services, CAD/CAM programs, website development, training, data entry

and IT services, fans, coolers, batteries, sale and purchase of foreign exchange, transfer of money, real estate services, infrastructure services such as building civil construction, technology development for machinery and tools for automotive engineering and other industries, dealing in stocks, shares, debentures, mutual fund and bonds, manufacturing and sale of steel, online services for conduct of online examination, eye drop, legal services, lubricants, automotive products, accounting and auditing, tax consultancy, market research, opinion polls, business management, rubber products, water purifier, surgical items and bullet proof solutions. The marks that have been restrained include 'EXON', 'EXXON', 'AXXON', 'EXON CONSULTANTS', 'EXON MERCANTILE', 'EXXON PACKING SYSTEMS', 'EXON ENTERPRISES', 'EXXON TECHNOLOGIES', 'EXON FOREX', 'EXXON POWER TECH', 'EXON MACHINES', 'XXON LEGAL SOLUTION', 'AXXON MATERIAL SCIENCES and AXXON INC', 'XXON GLOBAL', 'X-ZON/X-ZON LUBRICANTS', 'EXON GENESIS', 'EXON PURIFIERS', 'EXON SYSTEMS', 'EXXON TRADING', 'EEXXON', etc.

13. Copies of all these above orders have been placed on record. In some orders passed by the Calcutta High Court and the Delhi High Court, 'EXXON' mark of the Plaintiff has been declared as a 'well-known mark'.

14. The effect of a mark being declared as a well-known mark is that it is entitled to protection even in respect of unrelated goods and services. The definition of a well-known trademark under Section 2(1) (zg) reads 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.”

From the above definition it is clear that upon being declared as a well-known mark, even if the mark is used in respect of other goods or services for which it may not be registered or for which the Plaintiff is not using the same, the mark is liable to be protected. Thus, the objection of the Defendant that the Plaintiff is in a different area of business and hence the Defendant's mark/name is not liable to be enjoined is therefore untenable. Further, the Defendant Company was incorporated only in 2018. The Plaintiff, though commenced its activities in the area of petroleum and oil, is also providing various other services including business support services and IT services. Thus, the area of business/services of the Plaintiff and Defendant are also not different as is made out to be. The Plaintiff has an Indian subsidiary Exxon Mobil Services and Technology Private Limited which was incorporated in 2015 in India. Prior to that, the Defendant admits that the Plaintiff has been using the mark 'EXXON' in India since 1982.

15. Insofar as territorial jurisdiction is concerned, the Plaintiff, in the present case, claims jurisdiction on various grounds. The paragraph relating to jurisdiction in the plaint is set out herein below:

“35. This Hon'ble Court has territorial jurisdiction to entertain and try the present suit on the following grounds -

a. The Defendant is primarily offering its services through its website - www.exoncorp.com. The said website is an interactive website which means that it allows users all over the country to interact with the

said company through their website. This allows a wide number of users to select the desired services offered by the said company and pay online through a portal available on the bottom of the Defendant's website under the head "Services" and further under the hyperlink - "Online Payments", which clearly implies that the Defendant is also providing their services in Delhi.

b. The Defendant also advertises its business through its website and extensively through social media sites like LinkedIn, Facebook, Twitter, etc. which can be accessed by any third party. Through these websites, they openly claim to be offering services to all parts of India which implies that the Defendant is also carrying on business and are personally working for gain within the jurisdiction of this Hon'ble Court i.e. New Delhi.

c. The cause of action has arisen in Delhi i.e. within the territorial jurisdiction of this Hon'ble Court as the Defendant is offering services to all parts of India including Delhi."

The plea of jurisdiction is not based on Section 134 of the Trademarks Act, 1999 as in the case of ***Exxon Mobil Corporation & Anr. v. P.K. Sen (supra)***. It is based on Section 20 CPC on the ground that the Defendant is offering services through an interactive website and is promoting its business and services through various social media platforms. On the said social media platforms, the Defendant claims to be openly offering services in all parts of India. Thus, according to the Plaintiff, the cause of action has arisen within Delhi.

16. The judgment relied upon by the Defendant i.e. ***Exxon Mobil Corporation & Anr. v. P.K. Sen (supra)***, was based on a completely different fact situation. In the said suit, the Plaintiff had claimed rights to sue

on the basis of Section 134(2) of the Trademarks Act, 1999. The judgment in *Surendra Kumar Maingi v. Dodha House*, AIR 1998 All 43 also related to Section 105 of the Trade and Merchandise Marks Act, 1958 and Section 62 of the Copyright Act, 1957. In *Gupta Bros Conduit Pipe Manufacturing Co. v. Anil Gupta*, 2001 (24) PTC 159(Del), the Plaintiff could not show any document to establish that the Defendant was carrying on business in Delhi. Under those circumstances, the Court had held that the Court lacks territorial jurisdiction.

17. This Court, in *Burger King Corporation v. Techchand Shewakramani & Ors.*, (2018) 253 DLT 93, has clarified the relation between Section 134 of the Trademarks Act, 1999, Section 62 of the Copyright Act, 1957 and Section 20 CPC to hold that Section 134 and Section 62 are in addition to and not in exclusion of Section 20. The relevant portion of the judgment is extracted below:

“16. The judgments relied upon by the Defendants i.e. IPRS v. Sanjay Dalia (supra) and Ultra Home (supra) deal with a situation where jurisdiction is claimed only on the basis of Section 134 of the TM Act and Section 62 of the Copyright Act, 1957 (hereinafter, “Copyright Act”). In IPRS v. Sanjay Dalia (supra), the Supreme Court was considering a case where the Plaintiff had filed a suit before the Delhi High Court, invoking Section 134 of the TM Act, on the ground that it had a branch office in Delhi. The Supreme Court in the said judgment observed that Section 62 of the Copyright Act and Section 134 of the TM Act provided an additional forum.

...

17. ... The remainder of the judgment in IPRS v. Sanjay Dalia (supra) primarily deals with and interprets the manner in which Section 134 of the TM

Act and Section 62 of the Copyright Act can be invoked, but does not dilute the principle of Section 20(c) of the CPC in any manner whatsoever. Even the Division Bench judgment of this Court in **Ultra Home (supra)** while interpreting Section 134 of the TM Act and Section 62(2) of the Copyright Act has laid down various tests. However, what is interesting is the observation of the Division Bench in **Ultra Home (supra)** is as under:

“13. It is evident from the above observations that the interpretation given to the expression "carries on business" in the context of a defendant under section 20 of the Code has also been employed in the context of a plaintiff under the said sections 134(2) and 62(2). Thus, in addition to the places where suits could be filed under section 20 of the Code, the plaintiff can also institute a suit under the Trade Marks Act, 1999 and the Copyright Act, 1957, as the case may be, by taking advantage of the provisions of section 134(2) or section 62(2), respectively. Both the latter provisions are in parimateria. Under these provisions four situations can be contemplated in the context of the plaintiff being a corporation (which includes a company). First of all, is the case where the plaintiff has a sole office. In such a case, even if the cause of action has arisen at a different place, the plaintiff can institute a suit at the place of the sole office. Next is the case where the plaintiff has a principal office at one place and a subordinate or branch office at another place and the cause of action has arisen at the place of the principal office. In such a case, the plaintiff may sue at the place of the principal office but cannot sue at the place of the subordinate office. The third case is where the plaintiff has a principal office at one place and the cause of action has arisen at the place where its subordinate office is located. In

this eventuality, the plaintiff would be deemed to carry on business at the place of his subordinate office and not at the place of the principal office. Thus, the plaintiff could sue at the place of the subordinate office and cannot sue (under the scheme of the provisions of section 134(2) and 62(2)) at the place of the principal office. The fourth case is where the cause of action neither arises at the place of the principal office nor at the place of the subordinate office but at some other place. In this case, the plaintiff would be deemed to carry on business at the place of its principal office and not at the place of the subordinate office. And, consequently, it could institute a suit at the place of its principal office but not at the place of its subordinate office. All these four cases are set out in the table below for greater clarity”

S.No.	Place of Plaintiff's Principal Office (Sole office in s.no.1)	Place of Plaintiff's Principal Subordinate/Branch Office	Place where cause of action arose	Place where Plaintiff can additionally sue under Section 134(2) and Section 62(2)
1	A	--	C	A
2	A	B	A	A
3	A	B	B	B
4	A	B	C	A

”

18. Thus, the provisions of Section 134 of the TM Act and Section 62 of the Copyright Act are in addition to and not in exclusion of Section 20 of the CPC. If the

Plaintiff can make out a cause of action within the territorial jurisdiction of this Court under Section 20, no reference needs to be made to Section 134.

18. The settled position in law in respect of interactive websites is contained in the judgment of the Division Bench of this Court in ***Banyan Tree Holding (P) Limited v. A. Murali Krishna Reddy & Anr***, [CS (OS) No.894/2008, decided on 23rd November, 2009]. In the said judgment, the Division Bench held clearly that the purposeful availment test would apply and if the Defendant has purposefully availed of a particular place or geographical location, the Courts of the said Forums would have jurisdiction. The relevant paragraph of ***Banyan Tree Holding (P) Limited v. A. Murali Krishna Reddy & Anr.*** (*supra*) reads as under:

“42. This Court holds that jurisdiction of the forum court does not get attracted merely on the basis of interactivity of the website which is accessible in the forum state. The degree of the interactivity apart, the nature of the activity permissible and whether it results in a commercial transaction has to be examined. For the ‘effects’ test to apply, the Plaintiff must necessarily plead and show prima facie that the specific targeting of the forum state by the Defendant resulted in an injury or harm to the Plaintiff within the forum state. For the purposes of a passing off or an infringement action (where the plaintiff is not located within the jurisdiction of the court), the injurious effect on the Plaintiff’s business, goodwill or reputation within the forum state as a result of the Defendant’s website being accessed in the forum state would have to be shown. Naturally therefore, this would require the presence of the Plaintiff in the forum state and not merely the possibility of such presence in the future. Secondly, to show that an injurious effect has been felt by the

Plaintiff it would have to be shown that viewers in the forum state were specifically targeted. Therefore the 'effects' test would have to be applied in conjunction with the "sliding scale" test to determine if the forum court has jurisdiction to try a suit concerning internet based disputes.

...

*45. This court holds that in order to prima facie establish that the Defendant purposefully availed of the jurisdiction of this court, the Plaintiff would have to show that the Defendant engaged in some commercial activity in the forum State by targeting its website specifically at customers within that State. This is consistent with the law laid down in **Cybersell** and reiterated later in **Toys R Us**. It is also consistent with the application of the 'tighter' version of the 'effects' test which is 'targeting'. In any action for passing off or infringement, it would have to be shown that the Defendant by using its mark intended to pass off its goods as that of the Plaintiff's. A mere hosting of a website which can be accessible from anyone from within the jurisdiction of the court is not sufficient for this purpose. Also a mere posting of an advertisement by the Defendant depicting its mark on a passive website which does not enable the Defendant to enter into any commercial transaction with the viewer in the forum state cannot satisfy the requirement of giving rise to a cause of action in the forum state. Even an interactive website, which is not shown to be specifically targeted at viewers in the forum state for commercial transactions, will not result in the court of the forum state having jurisdiction. In sum, for the purposes of Section 20 (c) CPC, in order to show that some part of the cause of action has arisen in the forum state by the use of the internet by the Defendant, the Plaintiff will have to show prima facie that the said website, whether euphemistically termed as "passive plus" or "interactive" was specifically targeted at*

viewers in the forum state for commercial transactions. The Plaintiff would have to plead this and produce material to prima facie show that some commercial transaction using the website was entered into by the Defendant with a user of its website within the forum state and that the specific targeting of the forum state by the Defendant resulted in an injury or harm to the Plaintiff within the forum state. Question no. (ii) is answered accordingly.”

19. The judgment cited by the Defendant i.e. ***Renaissance Hotel Holdings Inc. v. B. Vihaya Sai & Anr., 2009 (108) DRJ 511*** was prior to the judgment of the Division Bench in ***Banyan Tree Holding (P) Limited v. A. Murali Krishna Reddy & Anr. (supra)***, which holds the field. In fact even recently, it has been held in ***Millennium & Copthorne International Limited v. Aryans Plaza Services Private Limited, [CS (COMM) 774/2016, decided on 5th March, 2015]***, as under:

“20. The counsel for the plaintiff has also referred to World Wrestling Entertainment, Inc. v. Reshma Collection, 2014 SCC OnLine Del 2031 (DB) particularly to paras 2, 6, 8, 17, 18 and 22 to 25 thereof, where an order of return of plaint was set aside and it was inter alia held that with the advent of e-commerce, the expression ‘carries on business’ at a certain place, has been impacted and is much wider than the other expressions used in Section 20 of the CPC.

...

*24. In continuation of what was held by the Division Bench in ***World Wrestling Entertainment, Inc.***, I may state that the mode of booking/reserving rooms and other facilities particularly of dining therein, in hotels/resorts/spas, has changed over the years with maximum number of bookings/reservations being made through such third party websites, so much so that the*

rates available on the third party websites are also found to be considerably lower than the rates offered through traditional mode of agents or offices in major cities. Judicial notice can be taken of the fact that much of the volume of businesses of hotels is now through such third party websites, in comparison to the business through direct bookings and/or through travel agents. Thus, if the Courts at Delhi will have jurisdiction over subject matter of suit owing to defendants having interactive website accessible at Delhi and enabling defendants situated outside Delhi to carry on business at Delhi, I see no reason to hold that it will not be so where the defendants, instead of hosting its own interactive website, avails the service of third party websites to carry on business at Delhi. There is no rationale for carving out such a distinction. Certainly, making a booking/reservation, even if the same does not subsequently materialise, is part of carrying on business, inasmuch as the hotel which has taken the booking, even if has not received any payment, being unable to turn back a customer if shows up in pursuance to such booking. The defendants, by showing on their websites, their location to be at Delhi, are also found to be attracting and luring the customers, otherwise intending to visit Delhi, into believing that the hotels and resorts of the defendants are at Delhi, though actually, territorially speaking, outside Delhi. The defendants, cannot be permitted to take different stand/position while carrying on business than before this Court. In any case, such acts of the defendants amount to specifically targeting the viewers at Delhi, within the meaning of Banyan Tree Holding (P) Ltd. supra.

Thus, if a booking can be done from a particular place, that Court would have territorial jurisdiction under Section 20 CPC.

20. The judgment in ***Millennium & Copthorne International Limited v.***

Aryans Plaza Services Private Limited (supra) also clarifies the application of the ‘effects’ test and the ‘sliding scale’ test referred to in *Banyan Tree (supra)* for determining whether the forum Court had jurisdiction to try an internet based dispute. As regards the ‘effects test’, the Court in *Banyan Tree (supra)* has held that: “For the ‘effects’ test to apply, the Plaintiff must necessarily plead and show prima facie that the specific targeting of the forum state by the Defendant resulted in an injury or harm to the Plaintiff within the forum state.” As per the judgment in *Banyan Tree* followed by *Millennium (supra)* the Plaintiff satisfies the ingredients of Section 20 CPC.

21. In *Burger King Corporation v. Techchand Shewakramani & Ors. (supra)*, it has further been held as under:

“19. What constitutes cause of action in the context of a suit alleging violation of rights in a trade mark, would therefore be the question. In a case involving trade mark infringement, infringement happens when a person “uses in the course of trade” any mark without the owner’s consent. Thus, use of a mark is the cause of action in an infringement as also in a passing off action. If use takes place in a territory where the suit is filed, that Court has the jurisdiction to entertain the suit. When there is use of a mark, there is a cause of action to sue, where the use takes place. It is relevant to point out that “use” of a trademark as per Section 2(2) (c) of the TM Act is as under:

“(2) In this Act, unless the context otherwise requires, any reference – ...

(c) to the use of a mark-

(i) in relation to goods, shall be construed as a reference to the use of the mark upon, or in any physical or in any other relation whatsoever, to such goods;

(ii) in relation to services, shall be construed as a reference to the use of the mark as or as part of any statement about the availability, provision or performance of such services;”

20. This provision stipulates that use of a mark in relation to goods could be either in any physical or in any other relation whatsoever to such goods. In Kerly’s Law of Trade Mark and Trade Names, “use” of a mark is meant to include the following:

“13-24 It has never been the law that the spurious mark should be actually affixed to the goods, provided it was so used in relation to them as to be calculated to lead to the belief that the goods were designated by the mark. This position is maintained under the 1994 Act which, in section 10(4) and (5), follows the permissive provisions of Article 5(3) of the TM Directive in identifying the various activities which constitute use of a sign for the purposes of the infringement provisions.

13-33 It is an infringement to use an offending sign on business papers on in advertising: this has always been the law. But with the wider definition of use including oral use of a trade mark it will now be an infringement to advertise using an offending mark by, for example, radio or through oral use of the mark by salesman.”

21. Thus, jurisdiction of a Court in a trade mark action, could be invoked where there is use upon or in relation to goods. The phrase ‘in relation to’ has been interpreted to include advertising, promotion, publicity, etc. Thus, in addition to actual sale of goods and providing services, if a person advertises his or her business under the mark in a territory, promotes his or her business under the mark in a territory or for example invites franchisee queries from a particular territory, sources goods from a particular territory, manufactures goods in a particular territory,

assembles goods in a particular territory, undertakes printing of packaging in a particular territory, exports goods from a particular territory, it would constitute 'use of a mark'.

22. This scheme of the TM Act is amply clear from a reading of Sections 28 and 29 as also Section 56. Under Section 28, the rights conferred are the exclusive right to use of a mark. Under Section 29, use of a mark could be any form of use, including -

- as part of a trade name or a corporate name or name of a business concern [Section 29(5)] x use by affixing it to products/services [Section 29(6)(b)];*
- use by affixing it to packaging [Section 29(6)(b)];*
- use by offering goods/services for sale;*
- use for the purpose of import or export [Section 29(6)(c)];*
- use on business papers [Section 29(6)(d)];*
- use in comparative advertising which is detrimental to distinctive character or repute of the mark [Section 29(4)]*
- use in advertising [Section 29(7)].*
- Applying a mark in a territory for purposes of export of goods/services [Section 56(1)]*
- Use by which a trade connection is created between the user and the proprietor [Section 56 (2)].*

23. Thus, when Section 20 of the CPC provides that a suit could be filed in any place where the cause of action arises, in a suit involving rights in a trademark, cause of action arises in each and every place where there is any form of use of the said mark. Principles which apply to infringement, actions to determine 'use' would equally apply to passing off actions."

22. In the present case, the Defendant's website and links on social media platforms which existed when the Plaintiff filed the present suit clearly show

that the Defendant claimed to be carrying on business throughout India. The extract of the Defendant's website is set out herein below:

“Overview

Exon Corp is a leading Information Technology Solutions provider. Exoncorp had wide range of expertise include Hardware Solutions, Server, Security and Networking Services. We are Technical Service Providers and also provide Quality Training.

Description

We provide creative, flexible and advanced training to corporate and public throughout India. We focus on advanced technologies. Over the past Ten years we have trained numerous software developers and IT managers of some of the largest companies in the world. Our ever-growing client list just goes to show our dedication to quality and client satisfaction.

Exoncorp is a leading provider of quality consultancy services and world class education in the computer networking infrastructure. We specialize in providing premium training in the areas of Internet Technologies (including Convergent Networks using Data/Voice technologies, Wireless/Optical Networks and Storage Area Networks), and Security/Firewalls.

We not only provide quality training but also help students in strengthening their soft skills and interviewing skills. These courses lead to world-recognized certifications from leading global players like Microsoft, Cisco, Comptia, Redhat, Symantec, Checkpoint and Vmware etc.”

23. The website also provided for online payment to be made. It contained banking terms, and an IFSC code for receiving payments. On the LinkedIn page, it claimed that the Defendant had 501-1000 employees. On the Facebook page, the Defendant represented as under:

“Exon Corp

20 February at 05:21

*Send #SMS From Web, Email, API Or Mobile App.
DND & NON DND Delivery Reliable Services.
Dedicated Support All India network Try Demo Now.
24*7 Instant Delivery. Real Time Delivery Report.
Quick Service Activation. Contact: +918189985559
#bulk_sms #vellore #chennai”*

24. The Defendant clearly reached out not only to Indian customers but global customers as well. A perusal of the website extract and the social media platforms representations clearly show that the Defendant was offering its services and IT products across the country and globally.

25. After the filing of this suit, the Defendant has made a *mala fide* attempt to change the status of its website. Documents have been filed on record to show that the online payment facility has been deactivated. In the LinkedIn page, instead of 501-1000 employees, the Defendant now claims that it only has 2-10 employees. However, the representations made by the Defendant that it provides services throughout India continues to exist even today.

26. The nature of IT services is such that the same can be provided from any corner of the globe. The question is whether the impugned infringing mark is being used within the territorial jurisdiction of this Court. The above facts go to show that the Defendant is not limited in its business operations only to Chennai or to the state of Tamil Nadu, but it has been marketing its services to Indian and International customers. The Defendant has not only reached out through its website but through its YouTube channel, Twitter and other platforms. Thus, there is clear use of the mark within the territorial jurisdiction of this Court.

27. Under these facts and circumstances, the objection as to territorial jurisdiction is not maintainable and is liable to be rejected as the Defendant is clearly offering its services in Delhi and the cause of action, *inter-alia*, has arisen in Delhi.

28. Coming to the question of relief, the Defendant's written statement almost fully admits to the case of the Plaintiff. It admits the existence of the Plaintiff, its origin, its adoption of the mark 'EXXON', history of use globally and in India, sales figures, publicity figures, etc. The correspondence between the parties is also accepted. In the context of the written statement filed by the Defendant, the objections raised are legal in nature. The question of deceptive similarity in the present case is not a factual issue inasmuch as despite the difference in the logo, the mark 'EXON' is almost identical to 'EXXON'. Use of the 'EXON' logo does not obviate the chances of confusion as the Plaintiff's name also is Exxon Mobil Corporation. The word 'CORP' read with 'EXON' in fact adds to the confusion and can conflict between the Plaintiff and the Defendant. The only question that remains is the nature of services. The Plaintiff's mark EXXON has been declared as a well-known mark in *ExxonMobil Corporation & Anr. v. Ankit Sukhuja, CS (OS) No. 2078 of 2015*. The relevant extract is set out below:

"In or around second week of February, 2015, the plaintiffs came to know about the defendant's activities who is dealer of Pharma products, Lab Glassware, Scientific Apparatus, Laboratory Instruments, Acrylic Lab Equipment, Lab Plasticware, Lab Equipment etc. and started using the mark EXON. It is apparent that two names EXXON and EXON are concerned, the same are phonetically, identically and visually

deceptively similar. Prima facie it appears to the Court in view of the material available that since the trade mark EXXON is a well known trade mark, the same comes within the meaning of Section 2(1)(zg) of the Trade Marks Act and the case of infringement is made out within the meaning of Section 29(4) of the Trade Mark Act, 1999 being a famous trade mark. The defendant has used trade mark EXON in order to create confusion and deception in the market and despite of having issued the notice to the defendant coupled with the reminder letter dated 31st March, 2015, the defendants failed to give any response to the legal notice to explain how the mark EXON who adopted the said name as part of his trading style Exon Life Sciences. The mark EXXON of the plaintiffs is protected by this Court time and again when the actions have been taken by the plaintiffs by passing the interim order. The details of such actions are mentioned in para 21 of the plaint.”

29. Thus, the Plaintiff is entitled to protect the mark EXXON even in respect of IT services. Plaintiff itself has a technology company providing IT services. This issue does not require any evidence to be led. Moreover, the nature of IT services in current day and age are such that the same are used in every area of business whether it is manufacturing of goods or providing services. IT services have become an integral part of every business. Information Technology permeates every walk of life and every business. IT services in that sense are now the foundation of every office and no business can be successfully run without a supporting IT framework. Thus, the stand of the Defendant that the services are distinct and different from that of the Plaintiff is not liable to be accepted. Thus, in view of the various admissions by the Defendant, and the admitted facts relating to the Defendant's website, it is clear that the Plaintiff is entitled to an injunction.

30. The Court both under Order XIII A CPC as introduced by the Commercial Courts, Commercial Division and Commercial Appellate Division of High Courts Act, 2015 under Order XII Rule 6 CPC is thus entitled to pass judgment at this stage itself. Considering the admissions made by the Defendant and the lack of any plausible defence, the suit is liable to be decreed in terms of paragraph 43(i) and 43 (ii) of the prayer. Since the Defendant did not revert despite attempts made by the Plaintiff which led to the filing of the present suit including incurring of costs by the Plaintiff, costs to the extent of the Court fee paid by the Plaintiff are awarded in favour of the Plaintiff i.e. a sum of Rs.2 lakhs is awarded as costs. The other reliefs prayed for are rejected in the facts and circumstances.

31. The suit and I.A. for stay are, accordingly, disposed of. Decree sheet be drawn.

PRATHIBA M. SINGH, J.
JUDGE

JULY 16, 2019/Rahul