

* **IN THE HIGH COURT OF DELHI AT NEW DELHI**
% **Date of decision: 12th March, 2019.**
+ **CS(COMM) 696/2016 & IAs No.7189/2016 (u/O XXXIX R-1&2 CPC) & 10624/2016 (of defendant u/O XIII-A CPC)**

FILEX SYSTEMS PVT. LTD.

.... Plaintiff

Through: Mr. M.L. Mangla and Mr. Manish Singhal, Advs.

Versus

DEEPIKA FILE PRODUCTS

.....Defendant

Through: Ms. Haripriya Padmanabhan, Ms. Runamoni Bhuyan and Ms. Aishwarya Kane, Advs.

CORAM:

HON'BLE MR. JUSTICE RAJIV SAHAI ENDLAW

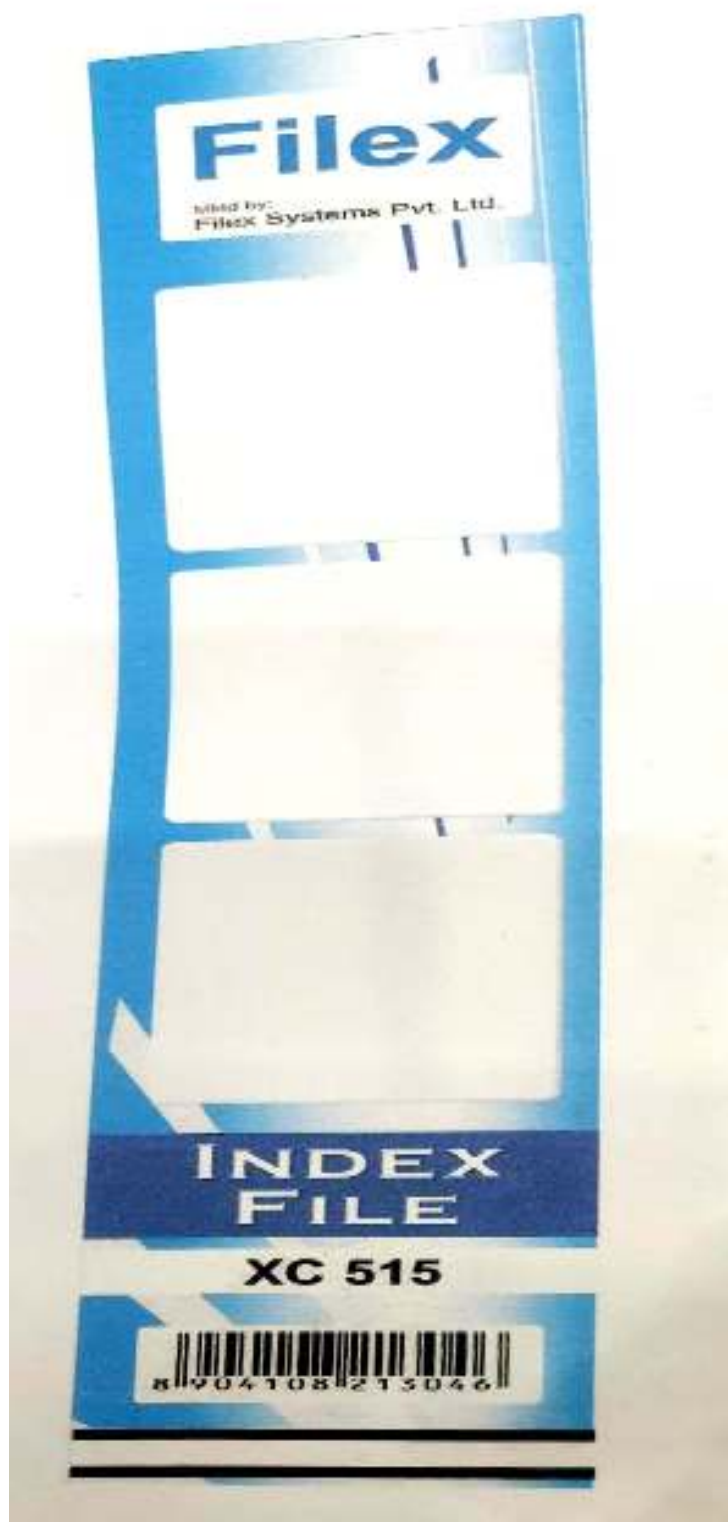
1. The plaintiff has instituted this suit for permanent injunction restraining passing off by defendant by violating the trade mark 'FILEX' in respect of stationery including files, file covers, folders, diaries, note pads, office requisites of the plaintiff and for ancillary reliefs.
2. The suit along with the application for interim relief came up before this Court first on 1st June, 2016, when though the suit was entertained and summons thereof ordered to be issued but *ex-parte* injunction sought not granted.
3. Pleadings have been completed, with the defendant also having been permitted to amend its written statement.
4. The defendant, prior to the framing of issues has filed IA No.10624/2016 under Order XIII-A of the Code of Civil Procedure, 1908 (CPC) for summary judgment and pleadings wherein have also been completed. The counsels have been heard.
5. It is the case of the plaintiff, (i) that the plaintiff is engaged in the business of manufacturing and selling office files, office stationery, paper and paper products, printed publications, cleansing wipes, cleaning

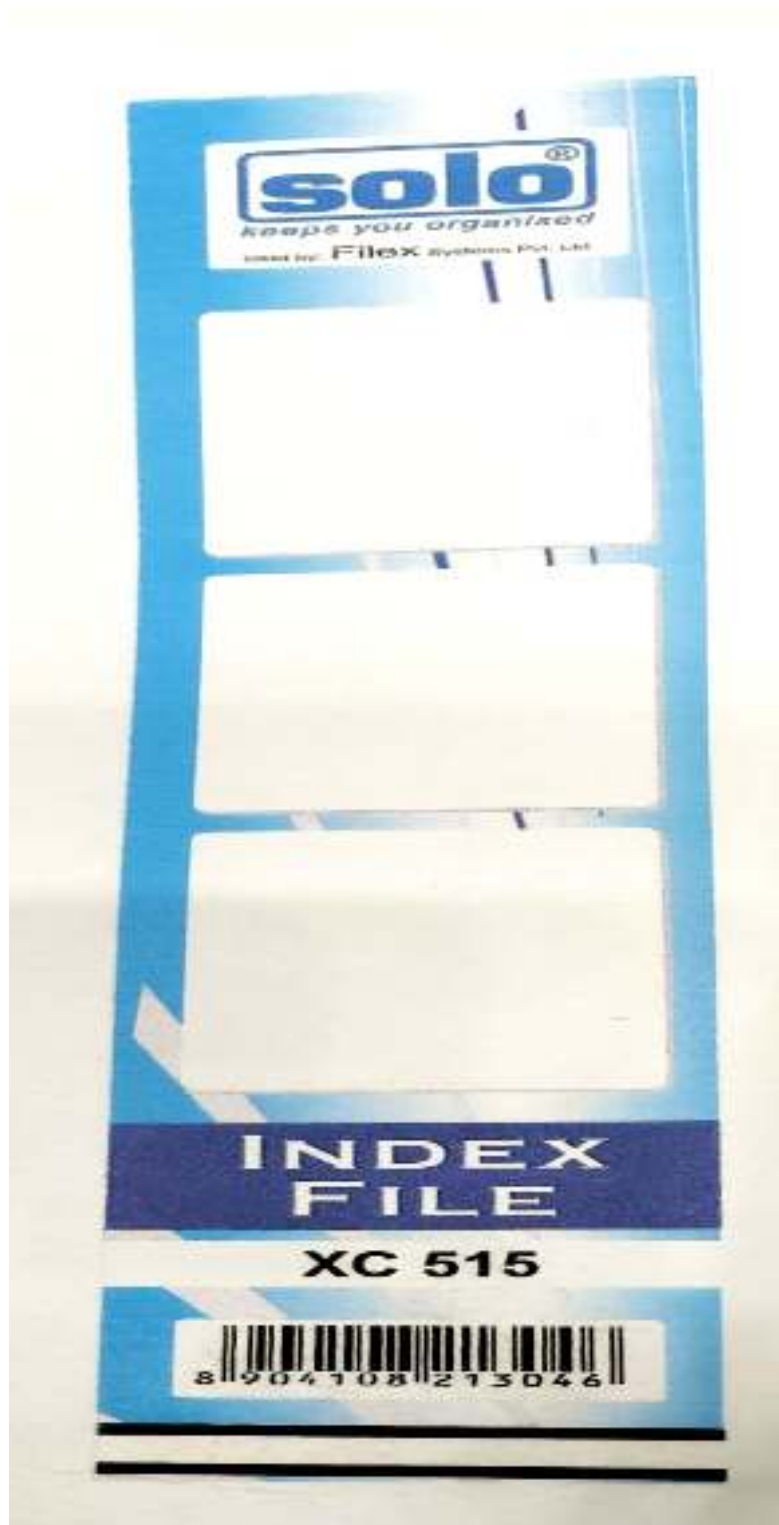
preparations etc. as well as of providing services relating to marketing of the said goods; (ii) that the trade mark 'FILEX' forms the primary, essential, distinctive and material part of the plaintiff's trade name / trading style / corporate name 'FILEX Systems Private Limited' since the incorporation of the plaintiff in the year 1996; (iii) that the plaintiff adopted the trade mark 'FILEX' in respect of its goods / business in the year 1996 and started using the same in an extensive scale on an exclusive basis throughout India; (iv) that 'FILEX' is also the house mark of the plaintiff which appears prominently and distinctively on each and every product packings, advertisements, catalogues, sales promotional products, public communications as well as on the products itself and the goods of the plaintiff are referred to as emanating from 'FILEX'; (v) that the plaintiff has a colossal portfolio of differentiated trade marks including well-known trade mark 'SOLO' in respect of the said goods which are being used by the plaintiff in the course of its trade since the year 1996 along with and/or under the house mark 'FILEX'; (vi) that the trade name / house mark / trade mark / trade dress 'FILEX' in respect of the aforesaid goods / business, by virtue of extensive use for more than 19 years, has become distinctive; (vii) that the sales of the plaintiff of the goods under the mark 'FILEX' have grown from Rs.142.26 lacs in the year 1997-1998 to Rs.1601.79 lacs in the year 2015-2016; similarly, advertising expenses of the plaintiff have gone up from Rs.11.33 lacs in the year 1997-1998 to Rs.49.29 lacs in the year 2015-2016; (viii) that the goods of the plaintiff are identified and associated with the mark 'FILEX'; (ix) that in November, 2015, the plaintiff learnt that the defendant had introduced its stationery items including files, file covers, diaries, note pads, office requisites and other similar goods in the market under an identical / violating trade mark 'FILEX'; (x) that the defendant failed to stop use of the said mark inspite of a cease and desist notice dated CS(COMM) 696/2016

28th November, 2015 and also did not respond thereto; and, (xi) that use by the defendant of the mark 'FILEX' of the plaintiff in respect of identical goods amounts to the defendant's passing off its goods as that of the plaintiff.

6. The plaintiff, along with the plaint filed pictorial representations of the spine of its file covers as under:







and photocopies of its advertisements in the print media, and one of which is as under:

Let elegance & efficiency
step into your office... with

solo™
WORLD-CLASS OFFICE FILES,
FOLDERS & STATIONERY

Aesthetically superb and world-class in quality, utility & elegance, solo brings for you an exciting product-range of filing systems. Made to international standards in machining and material, solo products are true value for your money.

Business Card Holder

Clear Book

Ring File

Photo Album

Document Case

Expanding File

Visit
out-stall C-37
(Hall no. 11)
in C-3
Book Fair

Designed to suit a variety of purposes from Loose-Leaf-Holders, Presentation Covers, Conference-Kits, Computer Data Binders to variety of Clip-Systems, Ring Binders, Expanding Files, Clear-Books, Business-Card-Holders, Photo Albums, Document Cases and many more.

Available in a variety of vibrant colours, they are
Ideal as Business Gifts or Presentations.

Filex Systems Pvt. Ltd.
3/27 Rung Hara, Delhi-110007 Ph: 2925559, 3980104 • Fax: 7781606

Super Distributor: Alankar Stationery Mart, 4123, Gali Batta Wall, Nar-Sarak, Ph: 2918007, 2918208 Fax: 2913103 • Ph: 2913103

Area Distributors: Asha Agencies, (C-47) W.E.A. Sarayd Mar, Karol Bagh, Ph: 5721376, 7531673 • Dinesh File Products, Chitra Shakti, Chander Bazar, Ph: 3280618, 3253842

J.P. Marketing, 108 B, Ghitana Nizam Ph: 8519074, 8512924 • Lamba Book Depot, 102

7. The plaintiff to prove copying of its mark by the defendant, along with the plaint has also filed the business card of the defendant as under:



and photocopies of the files and notebook of the defendant as under:





Personal Memoranda



Name & Address _____

Office Address _____

Office Telephone _____ Fax _____

Work Telephone _____

E-mail _____

Website _____

Date of birth _____ Blood Group _____

Tin No. _____ Income Tax No. _____

Driving Licence No. _____ Car No. _____

Insurance Policy No. _____

Insurance Agent _____

Visa No. _____ Passport No. _____

Credit Card _____

Emergency Contact _____

Name _____ Number _____

Important Contacts

Name _____ Number _____



CHANDAN SALES CORPORATION

Libaspur, Delhi - 110042

Customer Care - Email : chanderline.filex@gmail.com

and sale invoices issued by the defendant, to demonstrate use by the defendant of 'FILEX', while selling its files, are also filed along with the plaint.

8. The defendant has contested the suit pleading, (a) that the registered trade mark of the plaintiff is 'SOLO' and not 'FILEX'; (b) that the plaintiff cannot sue with respect to an unregistered trade mark; (c) that the defendant is in permitted use of the trade mark 'FILEX' since the year 2012; (d) that the plaintiff has never used 'FILEX' as its trade mark; (e) that the defendant is the prior user of the mark 'FILEX' and the defendant's goods are associated with the mark 'FILEX'; on the contrary, the goods of the plaintiff are associated with the mark 'SOLO'; (f) that the goodwill and reputation if any of the plaintiff is associated with the mark 'SOLO'; (g) that the defendant's goodwill is associated with the mark 'FILEX'; (h) that the plaintiff, prior to filing of this suit, applied for registration of the mark 'FILEX' but which is pending under 'objected category'; (i) that all advertisements of the plaintiff also promote the mark 'SOLO' which appears prominently and dominantly in such advertisements; (j) that the plaintiff has never used 'FILEX' as a trade mark; (k) that the marks 'SOLO' and 'FILEX' are totally different and distinct and the product of the plaintiff with the mark 'SOLO' cannot be confused with the product of the defendant; (l) that both, plaintiff and the defendant, are members of Delhi File Nirmata Sangh which comes out with a Directory every 2-3 years in which the members take out advertisements of their goods / products; defendant has been advertising with the trade mark 'FILEX' for its goods and the plaintiff has been advertising with the trade mark 'SOLO' for its goods; thus, the plaintiff knew that the defendant since the year 2012 is

using the mark 'FILEX' but did not raise any objection; (m) that the distributors of the goods of the plaintiff also know the goods of the plaintiff as 'SOLO'; (n) while the defendant's area of operation is North India, the plaintiff's area of operation is mostly South India and only a few cities of North India; (o) that there is a huge variation in the prices of the goods of the plaintiff and the defendant and for this reason also, there is no possibility of confusion; and, (p) that the price of the goods of the defendant is equivalent to about half of that of the plaintiffs.

9. Qua replication to the written statement, filed by the plaintiff, it may only be recorded that the plaintiff has pleaded (I) that the plaintiff has filed application for registration of the trade mark 'FILEX' in Class 16 and Class 35; (II) that, another person and not the defendant, has also filed application for registration of the mark 'FILEX' and to which objection has been filed by the plaintiff; (III) that the defendant has not filed any document to show use of the mark 'FILEX' since 2012; on the contrary, the plaintiff has been in use of the mark 'FILEX' since 1996; and, (IV) that the plaintiff is using the mark 'SOLO' as well as 'FILEX'.

10. The defendant along with its written statement has filed pictorial depiction of its files as under:



2517

File No. _____

Name _____

Title _____

From _____ TO _____

Phone _____ Mobile _____

E-mail _____



SPECIAL OFFICE FILE









11. The defendant, to demonstrate that the plaintiff is not using the mark 'FILEX' has also filed photocopies of products of the plaintiff, though containing the mark 'SOLO' but not showing the mark 'FILEX'.

12. The defendant along with its written statement has also filed advertisements of plaintiff and defendant appearing in Delhi File Nirmata Sangh, with the advertisement of the plaintiff showing the mark 'SOLO' of course with the name of the plaintiff 'Filex Systems Private Limited' and the advertisement of the defendant showing the mark 'FILEX'

13. The defendant, in its application under Order XIII-A of the CPC as applicable to commercial suits, for summary judgment, besides what is already pleaded in the written statement, has pleaded (A) that the defendant applied for trade mark registration of 'FILEX' on 22nd May, 2012 and the plaintiff never raised objection thereto; (B) that in 2013-2014, the defendant advertised its product under the name 'FILEX' in the bi/tri-annual Directory of Delhi File Nirmata Sangh and till the end of 2015, the plaintiff raised no objection to the defendant's use of 'FILEX'; (C) that the plaintiff, without establishing goodwill, cannot maintain a passing off action; (D) that the plaintiff has not established prior use of mark 'FILEX'; (E) that the plaintiff has not pleaded any losses suffered by it; (F) that the plaintiff has fabricated the invoices of sale of goods under the mark 'FILEX' and in which invoices against the goods sold, in bracket 'FILEX' is mentioned; true copies of the said invoices filed along with the application do not show the original to be carrying the word 'FILEX'; (G) that the said invoices, against the mark 'FILEX' carry the symbol "TM", even though the plaintiff never registered the said mark; (H) that the plaintiff has also fabricated the photographs of its

files filed along with the plaint and which do not match with the photographs of the product of the plaintiff filed by the defendant along with the written statement; (I) that the plaintiff has no goodwill associated with the mark 'FILEX' and the goodwill of the plaintiff is associated with the mark 'SOLO'; (J) that the advertisements of the plaintiff on television also show the brand of the plaintiff as "SOLO File and Folder"; (K) that the defendant had applied for registration of 'FILEX' as far back as in the year 2012; and, (L) that the plaintiff, from the Directory of Delhi File Nirmata Sangh of the year 2013, was aware of use by the defendant of 'FILEX' and raised objection for the first time only towards the end of the year 2015.

14. The new plea of the plaintiff, in reply to the application of the defendant for summary judgment is, (i) that 'FILEX' forms a material part of the plaintiff's trade name / trading style since its incorporation in the year 1996; (ii) that it is a matter of trial, whether the plaintiff was using 'FILEX' as its trade mark, as pleaded by the plaintiff and as claimed by the plaintiff and whether the plaintiff was not so using as claimed by the defendant and cannot be decided summarily; (iii) that the defendant is admittedly a subsequent adopter of the word 'FILEX' in relation to the same goods; and, (iv) that the application for registration of the mark 'FILEX' of the year 2012 is not by the defendant.

15. The counsel for the defendant has relied on (a) ***Godfrey Phillips India Limited Vs. P.T.I. Private Limited*** 2017 SCC OnLine Del 12509, laying down that to succeed in the cause of action for passing off, it has to be established that the plaintiff has achieved a reputation in the market with respect to its trade mark or label; (b) ***Intex Technologies (India) Ltd. Vs.***

AZ Tech (India) 2017 SCC OnLine Del 7392 (DB) laying down that establishment of goodwill is an essential ingredient of the tort of passing off and that proprietorship of a trade mark and goodwill in respect of a mark are entirely different concepts and further that improper and unexplained delay is fatal to an application for an interlocutory injunction; and, (c) ***Paramount Surgimed Limited Vs. Paramount Bed India Private Limited*** 2017 SCC OnLine Del 8728 laying down that a dishonest litigant is not entitled to discretionary relief.

16. Per contra, the counsel for the plaintiff has relied on (i) ***Laxmikant V. Patel Vs. Chetanbhai Shah*** (2002) 3 SCC 65 laying down that the name under which a business trades will almost always be a trade mark and will have attached to it a goodwill that the Courts will protect and an action for passing off will lie wherever the defendant company's name, or its intended name, is calculated to deceive; (ii) ***B.K. Engineering Co. Vs. U.B.H.I. Enterprises (Regd.)*** 27 (1985) DLT 120 (DB) holding that adoption by the defendant of B.K.-81 as trade mark when B.K. was the house mark of the plaintiff for sale of its goods under the trademark 'Crown and Venus' amounted to passing off; (iii) ***S. Syed Mohideen Vs. P. Sulochana Bai*** (2016) 2 SCC 683 but which is not found applicable to the controversy at hand; and, (iv) ***Montari Industries Ltd. Vs. Montari Overseas Ltd.*** (1995) 57 DLT 771 also holding that reputation or goodwill in business generally attaches with the trade name.

17. Besides the aforesaid, during the hearing, it was informed that the plaintiff has a website www.filexindia.com but which redirects to www.solo.in and that the invoices of sales filed by the plaintiff are not to

users of the product but to dealers. It was the contention of the counsel for the defendant that dealers are aware of all the persons in the field and there is no possibility of confusion.

18. My conclusions, on perusal of the aforesaid pleadings and documents and arguments, are:

(A) that no summary judgment of dismissal of suit can be granted in favour of defendant, inasmuch as the grounds urged by the defendant of (i) the plaintiff for the purposes of the present suit having fabricated photographs of its products, invoices and bills; and, (ii) the plaintiff not having used 'FILEX' as a trade mark and having used 'SOLO' only as a trade mark and having no goodwill and reputation attached to the mark 'FILEX', cannot be summarily decided without trial.

(B) thus, there is no merit in IA No.10624/2016, which is dismissed.

(C) However, what is not in dispute is that since the incorporation in the year 1996, the name of the plaintiff Filex Systems Pvt. Ltd. has 'FILEX' as a prominent part thereof and the claim of the defendant of use of the mark 'FILEX' is since the year 2012 i.e. sixteen years after the plaintiff. What is also not in dispute that the name Filex Systems Pvt. Ltd. of the plaintiff is to be found on the products and invoices of the plaintiff, even though only as the manufacturer / seller of the said files.

(D) I have wondered, whether the aforesaid undisputed fact entitles the plaintiff to a summary judgment of injunction against the defendant.

(E) Even though the plaintiff has not filed any application under Order XIII-A of the CPC for summary judgment but I have in ***Mallcom (India) Limited Vs. Rakesh Kumar*** 2019 SCC OnLine Del 7646 held that the Court, notwithstanding Order XIII-A of the CPC requiring an application therefor to be filed, is empowered to on its own, if finds a case for summarily deciding the suit, without requiring any evidence and if finds that there is no other compelling reason why the parties should be put to trial, to proceed to do so. The hearing also has been in the same flavor, with the judgments entitling the plaintiff to the relief on the said ground being cited.

(F) It has been held in ***Sirmour Remedies Pvt. Ltd. Vs. Kepler Healthcare Pvt. Ltd.*** 2014 SCC OnLine Cal 2703 that there is no bar to use of more than one mark. Thus, merely because the plaintiff has been admittedly using the mark 'SOLO', would not disentitle the plaintiff from also using the mark 'FILEX' simultaneously with 'SOLO' and in relation to the very same goods qua which 'SOLO' is used. ***B.K. Engineering Co.*** supra cited by the counsel for the plaintiff is also a binding precedent on the said proposition. The parties therein were engaged in the same business i.e. manufacture and sale of cycle bells. Though the trade mark of the plaintiff was 'Crown and Venus' but the bells of the plaintiff also showed the name of manufacturer as 'B.K. Engineering Co.', with the words 'B.K.'

prominently displayed. The defendant U.B.H.I. Enterprises (Regd.) started manufacturing cycle bells under the mark 'B.K.81'. The plaintiff sued for injunction against passing off and injunction was granted. It was held (i) that "B.K." was the manufacturer's mark of the plaintiff; this is seen by the public; in a common field of activity, it is likely to deceive prospective purchaser if the defendant is allowed to market its product under the mark "B.K.-81"; (ii) there was likelihood of diversion of trade from the plaintiff to the defendant and this is an injury against which an injunction is directed in the action of passing off; (iii) an action of passing off lies if one trader represents his business as being that of or connected with that of the plaintiff; (iv) there is a false suggestion by one competing trader in the same line of business that his business is connected with that of the other – this would damage the reputation and thus the goodwill of the plaintiff's business; (v) the argument, that while the plaintiff was carrying on its business at Delhi and the defendant in Ludhiana and therefore there was no chance of confusion, had no merit because goodwill does not necessarily stop at a frontier; (vi) the argument that "B.K." is a business name used by hundreds of people, also did not have any merit because of the plaintiff as well as the defendant therein being engaged in a common field of activity; (vii) the argument that there was no imitation of getup or appearance of the goods, was also rejected reasoning that there was an injury to the goodwill and the main concern of the law is to protect the plaintiff's property in the goodwill; (viii) if the defendant was permitted to market its goods as "B.K.-81", a person minded to obtain goods

which are identified in his mind with a certain definite commercial source i.e. of B.K. Engineering Company, is likely to accept the goods coming from a different commercial source; (ix) it is not necessary to prove that any members of the public were deceived; an action will lie where it is to be expected that in due course the act of defendant would be calculated to cause confusion in the minds of the purchasing public; and, (x) the modernization of the tort of passing off lies in this that what was previously a misrepresentation of goods has now become misappropriation of other man's property in the business or goodwill or misappropriation of another's personality.

(G) ***Montari Industries Ltd.*** and ***Laxmikant V. Patel*** cited by the counsel for the plaintiff also lays down that goodwill and reputation attaches to the trade name. It is for this reason only that the law i.e. The Companies Act, 2013 and the The Limited Liability Partnership Act, 2008 also bar registration of a company or an LLP with the same name. I have recently in ***Everstone Capital Advisors Pvt. Ltd. Vs. Everstone Ventures LLP*** 2019 SCC OnLine Del 8111 dealt with the said aspect.

(H) The Trademark Act, 1999 also defines "Mark" in Section 2(m) thereof as including a name; Section 2(o) defines "Name" as including any abbreviation of a name; and, Section 2(zb) *inter alia* defines trademark as a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others. The name of the manufacturer of goods is certainly capable of distinguishing the goods of one person from

those of others and any similarity between the name and a mark though of goods emanating from a manufacturer with a different name, is likely to cause confusion.

(I) This Court in *Manohar Singh Chadda Vs. Sheetal Sweets* 2000 SCC OnLine Del 362, held that the name under which a person transacts business is definitely one of the most concomitant of goodwill and the first thought which would arise in the mind of any businessman in relation to the term 'goodwill' would be the name of the concern. Supreme Court in *Mahendra & Mahendra Paper Mills Ltd. Vs. Mahindra & Mahindra Ltd.* (2002) 2 SCC 147, finding that the name has acquired a distinctiveness and a secondary meaning in the business or trade circles and that people have come to associate the said name with a certain standard of goods and services held that any attempt by another person to use the name in business and trade circles is likely to and in probability will create an impression of a connection with the plaintiff's Group of Companies and such user may also prejudicially affect the business of the plaintiff. In *Virgin Enterprises Ltd. Vs. Virgin Paradise Airlines Training Pvt. Ltd.* 2014 SCC OnLine Del 6568, this Court again restrained the defendant from using the mark 'Virgin' which constituted a prominent part of the name of the plaintiff, holding that it would constitute infringement of the Intellectual Property Rights of the plaintiff and was bound to cause confusion. The High Court of Bombay also in *Asim Gadighar Vs. Abdul Aziz* MANU/MH/0291/1986 held that "there is no magic in the term 'trade mark'; the very definition of 'trade mark' includes 'mark' and the very definition of 'mark' includes 'name'; the term

‘trade mark’ must therefore be considered to be a comprehensive term including within itself ‘trade name’ as also ‘mark’, ‘business name’ as also ‘name’ under which articles, goods, etc. are sold. To the same effect is a subsequent dicta of the same High Court in *Kirloskar Diesel Recon Pvt. Ltd. Vs. Kirloskar Proprietary Ltd.* AIR 1996 Bom 149. The High Court of Calcutta also in *Skipper Limited Vs. Akash Bansal* MANU/WB/0566/2017 held that reputation or goodwill in business generally attaches with the trade name adopted by a business house and such reputation or goodwill is required to be protected. Copying of the name by rival trader was held to be likely to cause an injury to the business of the original adopter of the said name. It was held that no one is entitled to commence or carry on business in such a way as to represent it to be the business of someone else or being associated with such someone else. Mention may also be made of *Laxmikant V. Patel* supra laying down that (i) a person may sell his goods under a trading name or style and with the passage of time, such business associated with a person acquires a reputation or goodwill which becomes a property which is protected by Courts; (ii) a competitor initiating sale of goods in the same name or by imitating that name results in injury to the business of one who has the property in that name; (iii) law does not permit any one to carry on his business in such a way as would persuade the customers in believing that the goods belonging to someone else are his or are associated therewith; (iv) it does not matter whether the latter person does so fraudulently or otherwise; and, (v) principles applicable for passing off action in case of trade marks were held to apply also to trade or business name.

I have also in ***H&M Hennes & Mauritz AB Vs. HM Megabrands Pvt. Ltd.*** 2018 SCC OnLine Del 9369 restrained use by the defendants of the trade / service mark / trade name HM / HM Megabrands, finding the same to be similar / deceptively similar to the trade name H&M Hennes & Mauritz AB of the plaintiff therein.

(J) 'FILEX', forming a prominent part of the trade name of the plaintiff, is not a dictionary word and is an invented word, easily identifiable with the goods / products in which the plaintiff deals. Owing to the said peculiarity, the possibility of trade circles using 'FILEX' instead of 'SOLO', for referring to the plaintiff or its products, can well be fathomed. For the said aspect, it is not deemed necessary to put the parties to trial, in which the parties examine self-serving witnesses and on the basis whereof no inference can be drawn, with the Court being ultimately left even after trial to draw its own inference. It has been held in ***Mahendra & Mahendra Paper Mills Ltd.*** supra followed in ***Larsen and Tuobro Ltd. Vs. Lachmi Narain Traders*** (2008) 149 DLT 46 (DB) that in suits relating to infringement and passing off, examination of self serving witnesses by the parties is of no avail and it is ultimately the Court which has to take a call on similarity / deceptive similarity, keeping in mind the perspective of a consumer with an ordinary intellect and a non-discerning eye. Reference can also be made to ***Staar Surgical Company Vs. Polymer Technologies International*** 2016 SCC OnLine Del 4813, ***Kanungo Media (P) Ltd. Vs. RGV Film Factory*** 2017 SCC OnLine Del 8768, ***Jaideep Mohan Vs. Hub International Industries*** (2018) 249 DLT 572, ***The Financial Times Ltd. Vs. The***

Times Publishing House Ltd. (2016) 234 DLT 305, ***Mallcom (India) Ltd.*** supra and judgment dated 22nd November, 2018 in CS(COMM) No.1668/2016 titled '***Biofarma Vs. Bal Pharma Ltd.***'

(K) The defendant, setting up / commencing the same business as the plaintiff and claiming knowledge on the said account by the plaintiff of use by the defendant of the mark since the year 2013, is deemed to have also had knowledge of prior business in the same goods by the plaintiff with 'FILEX' as prominent part of its trade name. The defendant has given no explanation whatsoever, as to why the defendant started using the mark 'FILEX' for the same products. I may in this regard also record that the documents of the defendant themselves show the defendant using, besides 'FILEX', also 'DEEPIKA AND CHANDAN' as its trade mark. Though it is quite normal of the defendant named 'Deepika File Products' to use 'DEEPIKA' as a trade mark but it was incumbent on the defendant to explain use of 'FILEX', when the defendant was aware as per its own admission from the Directory of Delhi File Nirmata Sangh of the plaintiff. It was not for the defendant to on its own take a decision that though the plaintiff had 'FILEX' as a part of its trade name but no goodwill or reputation attached to it, especially when the word 'FILEX' in the trade name of the plaintiff is a coined word and not a dictionary word. It can safely be assumed that the defendant, aware of the goodwill attached to the word 'FILEX', adopted the same as a trade mark, to take advantage thereof.

(L) The plaintiff, even if not using 'FILEX', as a trademark and using only 'SOLO' as its trademark, cannot be expected to not show its name on its products, in its advertisements and on its invoices. Once the plaintiff shows so, the possibility of the persons dealing with the plaintiff and/or the plaintiffs products, associating the plaintiff and its products with the word 'FILEX' which as aforesaid is peculiar to the business of files, instead of as 'SOLO', cannot be ruled out. Thus, the need to put the suit to trial to determine whether the products of the plaintiff prominently showing the name of the plaintiff and/or using 'FILEX', besides as part of the name of the plaintiff, were in the market earlier or not, is not felt. The plaintiff, being the senior user of the said coined word/mark cannot be restrained from using or showing its name with 'FILEX' as a prominent part in its advertisements, invoices and on its products. As held in **B.K. Engineering Co.** supra, the purpose of the law of passing off is not only to protect private interests but also public interest. It is essential to ensure that members of the public, wanting to deal with the plaintiff and/or buy products of the plaintiff are not deceived into dealing with the defendant and/or buying the products of the defendant.

(M) As far as the judgments cited by the counsel for the defendant are concerned, once the legal issues have been thrashed out over the years and the law developed is found to have settled, the Courts cannot continue to put suits to trial in the name of, achieving a reputation and having a goodwill being required to be proved by

adducing evidence. I reiterate that considering the coinage / adoption by the plaintiff of the name 'FILEX' for a business of manufacture and sale of files, the reputation and goodwill is *res ipsa loquitur* and the customers of the plaintiff are likely to seek the goods of the plaintiff by remembering either 'SOLO' or 'FILEX' and use by defendant of the mark 'FILEX' is likely to indicate a connection between the plaintiff and the defendant.

(N) The plea of the defendant, of the plaintiff having fabricated bills for use in this suit and being not entitled to the relief of injunction on this ground, however cannot be adjudicated without trial. However, once I have found the plaintiff to be entitled to restrain the defendant owing to defendant having adopted the prominent part of the trade name of the plaintiff as its mark, the need to put the said claim of the defendant to trial is not felt.

(O) I am therefore satisfied that on the aforesaid fact alone, the defendant has no possibility of succeeding in its defence and the plaintiff is entitled to a decree for injunction as sought.

(P) I am however not inclined to put the claim of the plaintiff for *mesne* profits / damages to trial and to award any costs of the suit to the plaintiff for the reasons (i) of delay, even if not fatal of about two years in instituting the suit; (ii) the advertisements of the plaintiff indeed showing use of 'FILEX' only in the name of the plaintiff and otherwise showing use of 'SOLO' as the trade mark; (iii) the defendant being the prior applicant for registration of the mark 'FILEX'; (iv) the likely possibility of the plaintiff, after realizing use

by the defendant of 'FILEX' as a trade mark, having applied for registration thereof and having commenced using the same along with 'SOLO' as a trade mark.

19. A decree of permanent injunction is thus passed, in favour of the plaintiff and against the defendant, in terms of prayer paragraph 26(a) &(b) and of destruction of the infringing goods in terms of prayer paragraph 26(c) of the plaint dated 28th May, 2016, leaving the parties to bear their own costs.

Decree sheet be drawn up.

RAJIV SAHAI ENDLAW, J.

MARCH 12, 2019

'bs/M'..

(corrected & released on 7th May, 2019)

नित्यमेव जयते