

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

% **Date of decision: 21st April, 2020**
14th October, 2019

+ **CS(COMM) 249/2018**

CREATIVE TRAVEL PVT. LTD. Plaintiff

Through: Mr. Jayant Mehta, Adv. with Mr.
Sudeep Chatterjee, Ms. Sonal
Chabblani, Ms. Sanya Sood & Mr.
Svikar, Advs.

Versus

**CREATIVE TOURS AND TRAVELS (I) PVT. LTD.
& ANR Defendants**

Through: Mr. Arjun Dev, Adv.

CORAM:

HON'BLE MR. JUSTICE RAJIV SAHAI ENDLAW

1. The plaintiff instituted this suit to restrain (i) Creative Tours and Travels (I) Pvt. Ltd.; and, (ii) V.S. Abdul Karim, by way of permanent injunction from using the mark 'CREATIVE' and 'TRAVEL' or any other mark identical or deceptively similar to the plaintiff's mark, as part of their corporate name or in relation to travel industry or for any business, trade, etc., amounting to violation of plaintiff's statutory and common law rights, and for ancillary reliefs.

2. It is the case of the plaintiff in the plaint:

(i) that the plaintiff is engaged in the tours, travels destination management, corporate package, conferences, meetings, ticketing and other related and allied business and the plaintiff company was

incorporated nearly three decades prior to the institution of the suit, in the year 1977;

(ii) that the trade name of the plaintiff company “CREATIVE TRAVEL” is also registered with the Registrar of Trade Marks vide Trade Mark No.1073370 dated 11th January, 2002 in Class 12 and vide Trade Mark No.1239864 dated 26th September, 2003 in Class 39 and vide Trade Mark No.1334239 dated 25th January, 2005 in Class 16;

(iii) that the plaintiff, in May, 2006 learnt of the defendants, from the list of members published by the Travel Agents Association of India (TAAI);

(iv) that the plaintiff got issued a legal notice dated 22nd May, 2006 calling upon the defendants to desist from using identical name and style which was causing confusion and deception amongst the public at large, amounting to infringement of the registered trade mark of the plaintiff;

(v) that the defendants, in their response dated 3rd July, 2006 stated that their business Creative Enterprises, a proprietary concern of defendant no. 2 V.S. Abdul Karim, was subsequently converted into the defendant no.1 company; and,

(vi) the defendants had not only adopted the deceptively similar trade mark as that of the plaintiff but also entered into the same business as that of the plaintiff and were approaching the clients and customers of the plaintiff, not only in Delhi but other parts of the country and outside country.

3. The suit came up first before the Court on 14th July, 2006 when, while issuing summons thereof, vide *ex parte ad interim* order, the defendants were restrained from using the trade name 'CREATIVE', whether in full or as part of any other trade name which may be identical/deceptively similar to 'CREATIVE'.

4. The defendants appeared in response to the summons/notice issued and contested the suit. Vide judgment dated 29th August, 2006, the *ex parte* stay earlier granted was vacated and the application of the plaintiff for interim relief dismissed, reasoning (i) that the defendants were in business since 1979 and their turnover then was over Rs.100 crores, as against that of the plaintiff of Rs.48 crores; (ii) both parties had spent large amounts in promoting their business; (iii) though the plaintiff was the prior user of the mark 'CREATIVE' but since the defendants had been in business for long and seemed to have built up their reputation as indicated from their sale figures, it was not appropriate to bring their business to a grinding halt; (iv) delay and laches have important bearing while deciding intellectual property matters; persons whose rights are being intruded by competitors must keep vigil and must not sleep over their rights; (v) the defendants had filed Membership Directory 2002 of TAAI containing names of persons in the business and it is expected that the plaintiff must have come across this Directory and must be in the knowledge that the defendants were also carrying on business with the mark 'CREATIVE', yet the plaintiff chose not to take any action till 2006; therefore, the plaintiff *prima facie* was guilty of laches; (vi) injunction if granted will create greater hardship on the defendants; (vii) 'CREATIVE' is being used by many other travel agencies in Singapore, Cyprus, Australia, Czech Republic, USA and other countries;

and, (viii) the mark 'CREATIVE' is descriptive and was being openly used by various tours and travel agencies and plaintiff could not claim exclusive right over it.

5. The plaintiff preferred FAO(OS) No.684/2006 against the refusal of interim injunction but which was dismissed vide judgment dated 30th May, 2007, reasoning that (i) *prima facie* there is no evidence of dishonesty on the part of the defendants; (ii) the defendants were doing business in Mumbai and South India, while plaintiff was confined mainly to Delhi; and, (iii) the judgment of the Single Judge was well-reasoned and did not require any interference.

6. The plaintiff preferred an SLP to the Supreme Court which was also dismissed.

7. The plaintiff thereafter amended the plaint, to also plead (i) that the defendants had since been filing trade mark applications under the name Creative Tours and Travels (India) Pvt. Ltd. in Classes 1 to 38 and 42 and the said marks had been advertised and were opposed by the plaintiff; (ii) from such conduct, it is clear that the defendants are seeking a monopoly on the word 'CREATIVE', contrary to its stand in the present proceedings, of the word 'CREATIVE' being generic/common to the trade; (iii) the defendants themselves having applied for registration, are estopped from taking the said plea; (iv) that the defendants, since the institution of the suit had also registered domain name www.creativeholidaysindia.com in addition to the earlier domain name www.creative-inida.com; (v) the defendants had also started using the word 'CREATIVE' in the form of expressions like "CREATIVE HOLIDAYS", "CREATIVE stands for

reliability”, etc.; (vi) from such actions of the defendants, there is actual confusion in the travel and tourism industry which is primarily based on electronic bookings, electronic communications, etc.; (vii) that the case of the defendants in the written statement filed to the suit primarily was that the defendants were involved in the business of air ticketing in a limited jurisdiction; however the defendants, after the institution of the suit had also started entering into the business of tours and travels, beyond the jurisdiction of Mumbai and South India; the defendants had been exhibiting in international fairs under the same name; the plaintiff as well as the defendants had their outlets at ITB Berlin, one of the biggest travel shows; (viii) in June 2009, the plaintiff received an e-mail from Confederation of Indian Industry inviting one of the Directors of the plaintiff to speak; in the draft program enclosed therewith, where the Director of the plaintiff was shown as the Director of the defendant company; (ix) in June, 2008, the plaintiff received a mail from one Stuart Miller enquiring about the opening of a new office by the plaintiff; on enquiry, it was revealed that the defendants had in fact sent a mail to Stuart Miller which was being re-confirmed by Stuart Miller and the said customer confused the defendants to be a part of the plaintiff company; (x) in September, 2007, the Indian Hotels Company Ltd. had forwarded to the plaintiff a contract for the period 2007-2008 which was in fact never sent by the plaintiff; (xi) the plaintiff also received important documents like TDS Certificate, cheques, etc. of the defendants; (xii) all this clearly showed that the use of the mark ‘CREATIVE’ in conjunction with ‘TRAVELS’ by the defendants as part of its corporate name was creating confusion in the market; and, (xiii) the

plaintiff, as proprietor of the trade mark, is entitled to restrain the defendants.

8. The stand of the defendants in their joint written statement to the amended plaint of the plaintiff is, (i) that the defendant no.1 was established as a proprietary concern of the defendant no.2 in the name of 'Creative Enterprises', in the year 1979; the defendant no.2 is presently the Managing Director of the defendant no.1; (ii) the principal business of the defendant no.1, upon its establishment in 1979, was that of a travel consultant; in the year 1993, the defendant no.1 obtained International Air Transport Association (IATA) Passenger Sales Agency Accreditation and was running and operating its business, particularly that of air ticketing, under the name and style of Creative Travel and Tours, as a division of Creative Enterprises; (iii) the defendant no.1 company was incorporated in the year 1997 in the name and style of Creative Tours and Travels (India) Pvt. Ltd.; (iv) the defendants have their head office in Mumbai and branch offices at Kochi, Calicut, Thiruvananthapuram, Kodungallur, Muvattupuzha, Tirur, Kottayam, Quilon and Bangalore; (v) with the advent of electronic internet developments, e-business, e-ticketing, online ticketing, etc. the physical location of any person has ceased to be of much relevance; (vi) the defendant no.1 is a much bigger name in the Indian Travel and Tourism business, in comparison to the plaintiff; (vii) the defendant No.2 is also registered proprietor of trade mark under No.1280212 in Class 39 for the mark "Creative Tours and Travels (India) Pvt. Ltd." dated 22nd April, 2004 with distinct colour scheme and style and with a logo comprising of letter 'C' with the devise of globe, in blue background; (viii) the plaintiff as well as the defendant no.1 are members of TAAI and IATO and the name of both

find mention in Directory issued by IATO since the year 2002; therefore, the plaintiff's claim that the defendants had recently started their business and the plaintiff came to know about it 'now' only, is concocted; (ix) the plaintiff cannot claim proprietary over the generic word 'CREATIVE' in the Travel Industry; there are many businesses using the word 'CREATIVE' in its corporate name or trade name; (x) 'CREATIVE' along with 'TOURS' and/or 'TRAVELS' is used by hundreds of business concerns globally; (xi) the defendants are honest and concurrent users of the trade mark 'CREATIVE', for 30 years prior to the institution of the suit; (xii) that the Courts at Delhi do not have territorial jurisdiction; (xiii) the suit is barred by laches, delay and acquiescence; (xiv) the name and trading style adopted by the defendants, as compared to that of the plaintiff, is different and distinct; (xv) the defendants have never approached any customers of the plaintiff and have never attempted to pass off their services as those of the plaintiff; (xvi) the business interest of the plaintiff is in no way affected by the business of the defendants; (xvii) there was already a company by the name of Creative Holidays Pvt. Ltd. in existence, owing whereunto the defendants could not register their Creative Holidays Pvt. Ltd. and were forced to start Creative Holidays as a unit of Creative Tours and Travels (India) Pvt. Ltd.; and, (xviii) at Cochin there is a company by the name of Creative Tours and Travels Pvt. Ltd. in existence.

9. Though the plaintiff has filed a replication to the written statement aforesaid of the defendants but the need to advert thereto is not felt.

10. Vide order dated 1st December, 2010, the following issues were framed in the suit and the parties relegated to evidence:-

- “(i) Whether the plaintiff is the proprietor of mark ‘Creative’? OPP*
- (ii) Whether the plaintiff is prior user of the mark ‘Creative’? If so, to what effects? OPP*
- (iii) Whether the relief claimed by the plaintiffs are barred/not maintainable in view of the defendant’s registration? OPP*
- (iv) Whether the trade mark ‘Creative’ generic/publici juris in connection with travel related services? OPD*
- (v) Whether the plaintiff has any exclusive right in respect of trade mark ‘Creative’ in class 12, 39 and 16? OPP*
- (vi) Whether the plaintiff is guilty of delay and laches, if so, the consequences thereof? OPD.*
- (vii) Whether the plaintiff has acquiesced to the defendant’s use of mark ‘Creative’? OPD*
- (viii) Whether the parties are honest and concurrent user of the mark ‘Creative’? OPD*
- (ix) Whether the defendant’s had a goodwill and reputation in mark ‘Creative’? If so, to what effect? OPD*
- (x) Whether the use of the mark ‘Creative’ by the defendant is resulting in confusion? If so, to what effect? OPP*
- (xi) Whether this Hon’ble Court has territorial jurisdiction to try and adjudicate the present suit? Onus on parties.*
- (xii) Relief.”*

11. The plaintiff, in its evidence examined its Joint Managing Director Rajeev Kohli as PW1 and its Chairman-cum-Managing Director Ram Kohli as PW2 and closed its evidence. The defendants in their evidence examined defendant no.2 V.S. Abdul Karim as DW1, George Kutty, Managing Director of Oasis Tours (India) Pvt. Ltd. as DW2 and Dilip Gupta, Managing Director of DGS Travel Pvt. Ltd. as DW3, and closed their evidence.

12. Vide order dated 17th October, 2011, the suit was ordered to be listed in the category of 'Finals'. The counsel for the plaintiff and the counsel for the defendants were heard on 5th July, 2019 and on request of the counsel for the defendants, further hearing was adjourned to 26th July, 2019. On request of the counsel for the defendants, on 26th July, 2019, the hearing was again adjourned to 20th August, 2019 and the parties directed to appear in person on that date, to explore the possibility of settlement. On 20th August, 2019 also adjournment was sought on behalf of the defendants and the suit postponed to 14th October, 2019. On 14th October, 2019 again adjournment was sought on behalf of the counsel for the defendants; observing that the hearing cannot be at the *ipse dixit* of the counsels and finding that in spite of direction, the defendant no.2 had not appeared, arguments were closed, with orders to be passed in Chamber.

13. The counsel for the plaintiff, on 14th October, 2019 made his additional submissions and also handed over a brief note of submissions and compilation of judgments. In spite of the order having remained to be passed from 14th October, 2019 till now, the counsel for the defendants has neither sought any opportunity to argue or to submit any written arguments.

14. The counsel for the plaintiff argued:

- (i) that the plaintiff, incorporated in 1977, has been engaged in travel and tour business and is a prior adopter and user of the mark 'CREATIVE TRAVEL';
- (ii) that the defendant No.2 started his "Creative Enterprises" in 1979, in the business of Air Ticketing and not in travel or tourism;
- (iii) that the defendant no.1 company was incorporated in 1997;
- (iv) that the defendants have not led any evidence to show that the defendant no.1 company took over the business "Creative Enterprises";
- (v) that the plaintiff applied for registration of the trade mark (word) 'CREATIVE TRAVEL' on 11th January, 2001, 26th September, 2003 and 25th January 2005 in different classes, claiming user since 1st January, 1977;
- (vi) that the defendant No.1 applied for registration of a label mark comprising of logo and corporate name 'Creative Tours and Travel (India) Pvt. Ltd.', on 22nd April, 2004;
- (vii) that the petition of the plaintiff for rectification of the mark got registered by defendant No.1, was allowed by Intellectual Property Appellate Board (IPAB) on 26th November, 2012 and the writ petition preferred by the defendants thereagainst was dismissed on 11th January, 2013 and the matter is now pending in the Supreme Court;
- (viii) that the defendants, in 2006 started travel and tourism business;

(ix) that though the business of the defendants, at the time of institution of the suit was limited but the defendants today are a competitor of the plaintiff;

(x) that the plaintiff is admittedly prior adopter and user of the mark;

(xi) that during the cross-examination of defendant No.2, it was revealed for the first time that defendants had applied to the Registrar of Companies for Creative Travel and Tours Pvt. Ltd. but the Registrar of Companies rejected the application; thereafter defendant No.1, Creative Tours and Travel (India) Pvt. Ltd. was got incorporated;

(xii) that DW2 George Kutty, who claimed to be a person from the travel industry, also in his cross-examination conceded that there may be a chance of confusion by the usage of the words 'CREATIVE HOLIDAYS', 'CREATIVE VACATIONS', 'CREATIVE GROUP';

(xiii) that DW3 also, during his cross-examination conceded that he was not sure about the actual names of the plaintiff and the defendant no.1 company; and,

(xiv) that the plaintiff has proved the confusion, owing to similarity/deceptive similarity of name/mark of the defendants.

15. The counsel for the plaintiff, in the compilation of judgments handed over, has relied on –

- (i) ***Laxmikant V. Patel Vs. Chetanbhai Shah*** 2002 (3) SCC 65, ***S. Syed Mohideen Vs. P. Sulochana Bai*** 2016 (2) SCC 683 and

- George V. Records, SARL Vs. Kiran Jogani*** 2004 (74) DRJ 306 – On the aspect of passing off.
- (ii) ***Milmet Oftho Industries Vs. Allergan Inc.*** 2004 (12) SCC 624 and ***Cluett Peabody & Co. Inc. Vs. Arrow Apparals*** 1997 SCC OnLine Bom 574 – both on the aspect of prior user.
- (iii) ***Automatic Electric Limited Vs. R.K. Dhawan*** 1999 SCC OnLine Del 27 and ***Anchor Health and Beauty Care Pvt. Ltd. Vs. Procter & Gamble Manufacturing (Tianjin) Co. Ltd.*** 2014 SCC OnLine Del 2968 – on approbate and reprobate.
- (iv) ***Mahendra & Mahendra Paper Mills Ltd. Vs. Mahindra & Mahindra Ltd.*** 2002 (2) SCC 147 and ***Gillette Company LLC Vs. Tigaksha Metallica Private Ltd.*** 2018 SCC Online Del 9749 – on confusion.
- (v) ***Caterpillar Inc. Vs. Mehtab Ahmed*** (2002) 99 DLT 678 – on dilution.
- (vi) ***Info Edge (India) Pvt. Ltd. Vs. Shailesh Gupta*** ILR (2002) I Del 220 – on third party use.
- (vii) ***Power Control Appliances Vs. Sumeet Machines Pvt. Ltd.*** (1994) 2 SCC 448 and ***Pankaj Goel Vs. Dabur India Ltd.*** 2008 (38) PTC 49 (Del.) (DB) – on delay and acquiescence.
- (viii) Judgment dated 25th April, 2014 in IA No.23086/2012 in CS(OS) No.3534/2012 titled ***Abbott Healthcare Pvt. Ltd. Vs. Raj Kumar Prasad*** and judgment dated 10th September, 2014 in FAO(OS) No.281/2014 titled ***Raj Kumar Prasad Vs. Abbott***

Healthcare Pvt. Ltd. – on the effect of defendants obtaining registration.

16. The counsel for the defendants, during the hearing on 5th July, 2019 contended, that (i) there is no confusion as the customers recognize the plaintiff and the defendant no.1 as distinct entities; (ii) that the defendants have been in honest and concurrent use of their name/mark, for 30 years prior to the institution of the suit; (iii) attention was invited to the answers of PW1 Rajeev Kohli to questions 63 to 65 in cross-examination recorded on 26th April, 2011, where PW1 Rajeev Kohli stated that the plaintiff would have no objection to the use of the mark ‘Creative Enterprises’ by the defendants, that the words ‘TOURS’ and ‘TRAVELS’ signify the nature of the business and the plaintiff had not attempted to distinguish itself from the defendants to its clients in spite of denial of interim injunction in this suit; the same shows that the plaintiff has no objection to the use of the word ‘CREATIVE’ and the words ‘TOURS’ and ‘TRAVELS’ are admitted to be merely descriptive of the business; and, (iv) attention was invited to the response of PW1 Rajeev Kohli to question 47 in his cross-examination on 26th April, 2011 where he deposed that in the list of (Indian Association of Tour Operators) IATO and (Travel Agents Association of India) TAAI he had not found any other entity using the word ‘CREATIVE’ but he had not checked (Adventure Tour Operators Association of India) ATOA as that was not the plaintiff’s main association.

17. As aforesaid, the defendants did not avail of subsequent opportunities to argue.

18. I have perused the records.

19. The use by the plaintiff of its word mark 'CREATIVE TRAVEL' registrations is as under:-



However, the registration of the plaintiff, (a) applied on 11th January, 2002, in Class 12, is with respect to vehicles, buses, cars, and without vesting any exclusive right to use of the word 'TRAVEL'; (b) applied on 26th September, 2003, in Class 39, is with respect to Travel Arrangement; and, (c) applied on 25th January, 2005, in Class 16, is with respect to printed matters, leaflets, brochures, stationary, forms, folders, printed blocks, posters and advertisement media.

20. The registration in favour of the defendant No.1, applied on 22nd April, 2004, in Class 39, claiming user since 12th August, 1997, with respect to Tour and Travel Arrangements, of the word mark 'CREATIVE' and device mark was as under:-



21. The plaintiff applied to IPAB, for removal of the aforesaid registration in favour of defendant No.1. IPAB, vide its order dated 26th November, 2012, directed the aforesaid registration in favour of defendant

No.1 to be expunged, reasoning (i) that the defendants use of the mark 'CREATIVE', from 1997, was after twenty years from 1977, when he plaintiff was incorporated and commenced using the same mark; (ii) that the mark of the plaintiff and defendant No.1 are identical and the services provided by the two are also identical; (iii) therefore the possibility of confusion is certain; (iv) that the purpose of an application for registration is to purify the Register; (v) that the plaintiff is prior in use and registration; (vi) that the plaintiff had established actual confusion; (vii) that once a mark is likely to cause confusion, then its entry on the Register is without sufficient cause and it is wrongly remaining on the Register and deserves to be expunged; (viii) that the Registrar of Companies, at the time of incorporation of defendant No.1 informed that the name 'CREATIVE' was already registered in favour of another company; there was no explanation why the defendants inspite thereof proceeded with incorporation with the name 'CREATIVE'; and, (ix) though the defendants claimed user since 1997, but there was no evidence thereof.

22. The writ petition filed by the defendants against the order aforesaid of IPAB was dismissed by a Division Bench of High Court of Bombay on 4th May, 2016, reasoning (i) that there was no merit in the only argument of the defendants on merits, of 'honest concurrent use' since 1979, as the material placed by the defendants in that regard before the IPAB, was found lacking and the defendants, at the time of incorporation of defendant No.1 had been informed by Registrar of Companies of another company by name of 'CREATIVE' and the defendants had failed to discharge the burden in this regard; (ii) that the plaintiff on the contrary had established actual confusion being caused by the two marks remaining on the Register; (iii) that the

defendants, while applying for registration of their mark, had claimed user since 1997 (and not since 1979) and which was twenty years after the plaintiff's incorporation and commencement of use of mark 'CREATIVE'; (iv) that use claimed since 1979, was not by the defendant No.1 but by a distinct entity i.e. Creative Enterprises; the IPAB was concerned with use by defendant No.1 only and which was admittedly from 1997; the argument of use since 1979 was an afterthought; the defendant No.1 also had produced evidence of use since 1998 and not 1997; (v) that the version of the defendants was not consistent and had changed from time to time; (vi) that the defendant No.1 had failed to prove honest concurrent use; (vii) that the denial of interim order to plaintiff in this suit, had no bearing on the outcome of Rectification Proceedings; and, (viii) that IPAB did not commit any error in allowing the Rectification Application of the plaintiff.

23. The defendant No.1 preferred SLP(C) No.16654/2016 against the judgment of the Division Bench of High Court of Bombay and vide order dated 15th July, 2016 of the Supreme Court, notice thereof was ordered to be issued and the order dated 25th February, 2013 of the High Court directing the Trade Mark Registry to not act on the order of IPAB, was continued further.

24. It would thus be seen that the mark aforesaid of the defendant No.1 is continuing on the Register of Trade Marks, only under the interim order aforesaid and otherwise has been held to have been wrongly entered on the Register, owing to the prior application of the plaintiff.

25. The exclusive jurisdiction to adjudicate on Rectification, if sought of any entry on the Register of Trade Marks, is of the IPAB and not of this

Court exercising ordinary Original Civil Jurisdiction. Since the issue of Rectification is still pending consideration before the Supreme Court, while deciding this suit, this Court has to deal with both eventualities i.e. in the event of, the order of IPAB being upheld by the Supreme Court, as well as of, the order of IPAB being set aside by the Supreme Court and the mark of the defendants remaining on the Register of Trade Marks. If the mark of defendants is removed, the test would be of infringement, i.e. whether use by the defendants of their mark aforesaid amounts to infringement of registered trade mark of plaintiff. However if the mark of the defendants is to remain on Register of Trade Marks, the test would be of passing off, i.e. whether use by the defendants of their mark aforesaid amounts to the defendants representing their business/services to be that of the plaintiff.

26. I have perused the depositions of the witnesses examined.

27. PW1 Rajeev Kohli, in his affidavit by way of examination-in-chief, besides deposing of the extent of business of plaintiff, *inter alia* deposed that (i) the plaintiff, before 2006 had no knowledge of defendants and immediately on learning of defendants, got the cease and desist notice issued; (ii) the customers, hotels etc. are unable to distinguish between plaintiff and defendants because of use of word 'CREATIVE'; there being hardly any difference between 'Creative Travel' and 'Creative Tours and Travels'; both operating in tourism and travel and because of the said industry functioning through electronic bookings and internet; (iii) though the defendants, at the time of institution of suit, were only in business of air ticketing, but during institution of suit had commenced same operations as the plaintiff i.e. of organizing tours and travels; (iv) TDS Certificates,

emails, cheques, communications meant for one were being delivered to the other; (v) the defendants, during the pendency of suit had started using expressions like ‘Creative Holidays’, ‘Creative stands for reliability’; the defendants were using the domain name www.creativeholidaysindia.com; and, (vi) the defendants were thereby encashing on plaintiff’s good name and reputation. In cross-examination, (a) in response to question, whether not the name of defendant No.1 was shown in the Directory of Members of IATO published since the year 2002, he replied that he had not seen the name of defendant No.1 in the said Directory; (b) he admitted that the word ‘CREATIVE’ was descriptive of services offered; (c) he stated that he did not know any other entity in India using the word ‘CREATIVE’ for such business, but had no knowledge of any entity abroad, as his focus was on India and he did not have any objection to use of ‘CREATIVE’ by a foreign entity. No challenge was made in the cross-examination, to the deposition of PW1 qua actual confusion from similarity of names of plaintiff and defendant No.1 or qua both being in identical business. Similarly, in the cross-examination, the defendants could not confront the PW1 with anything to show that the plaintiff knew of the defendants before May, 2006, as deposed by the said witness. I may add, that merely because the name of defendant No.1 may have appeared in the Directory of Members of IATO, of which plaintiff also was a member, does not *ipso facto* lead to presumption of plaintiff being aware of defendants since 2002. A Directory is referred to, only to find contact particulars of the person one is searching for and not to go through each and every entry therein. Also, the defendants, in cross-examination of PW1, save for suggesting existence of “Creative Outdoor Development Education Private Limited” and that

Google search for 'Creative Travel India' and 'Creative Tours and Travels' throwing up thousands of results, and which suggestions were not admitted by PW1, could not confront the witness with any other entity in the field of Travel and Tourism, with sizeable operations, with the word 'CREATIVE' as part of its name/mark, though defence in this respect is taken. The admission elicited, of entities abroad, with 'CREATIVE' as part of their name, is of no avail since trade mark is essentially territorial in character, as recently reiterated in *Toyota Jidosha Kabushiki Kaisha Vs. Prius Auto Industries Limited* (2018) 2 SCC 1. Thus, in cross-examination of PW1, no dent could be made to case of plaintiff, save for extracting concession that plaintiff would have no objection to use by defendants of 'Creative Enterprises' and by which concession plaintiff would remain bound. However, I am unable to accept contention of counsel for defendants, that the said concession negates the case of plaintiff. The plaintiff, in the plaint itself has claimed reliefs of injunction against use of 'CREATIVE' in conjunction with 'TRAVEL'.

28. PW2 Ram Kohli, in his affidavit by examination-in-chief *inter alia* deposed, (i) that when he incorporated plaintiff in 1977, there were very few tour operators catering in inbound tourism and he adopted the mark 'CREATIVE' because he wanted to bring creativity in tourism for Indian subcontinent; (ii) that due to long usage, in so far as India Tours and Travel Industry is concerned, mere mention of 'CREATIVE' or 'CREATIVE TRAVEL', signifies plaintiff and the defendants, entering the same business, must have been aware of plaintiff; and, (iii) that prior to 2006, plaintiff had no knowledge of defendants. The defendants, in their cross-examination, by suggesting that Ram Kohli was popular in Travel Industry

and not the plaintiff, obliquely admitted popularity and knowledge of plaintiff, at the time of setting up identical business. The said witness denied the suggestion that owing to relationship of plaintiff with bulk of its business associates, there was no possibility of confusion (however the defendants, by making this suggestion, admitted likely confusion otherwise). Again, the testimony of this witness also remains undented.

29. The defendant No.2 V.S. Abdul Karim, appearing as DW1, in his affidavit by examination-in-chief, deposed on same lines as in the written statement. He however sought to prove as Ex.DW1/23, a list of tour and travel operators using 'CREATIVE'. However objection was taken by counsell for plaitniff, to admision thereof into evidence on the ground of the same having not been filed earlier and having been filed with the affidavit only; the same was accordingly not admitted into evidence. In cross-examintion, (i) he admitted knowledge of plaintiff since the year 1999 and could not tell since when he knew of PW2 Ram Kohli; (ii) admitted that some airlines referred to defendant No.1 as 'Creative Travel and Tours India'; (iii) admited that he had applied to Registrar of Companies for incorporation in name of 'Creative Travel and Tours Pvt. Ltd.' but which application was rejected owing to plaintiff being incorporated in said name; (iv) deposed that on the website of Registrar of Companies, six companies were shown related to travel and tourism, with the word 'CREATIVE' as part of their name, including the plaitniff and defendant No.1 and that he was not aware of the whereabouts or operations of the others; (v) could not tell the income of Creative Enterprises from the year 1983-1984 to 1986-1987; (vi) stated that Creative Enterprises continues to exist, with business of Travel Consultants, Overseas Recruitment Consultants, Government

approved Haj Package Operators and IATA accredited Travel Passenger Sales Agent (thereby falsifying the stand of, defendant No.1 being successor of Creative Enterprises) and that Creative Enterprises does only outbound travel and not inbound; (vii) admitted existence of service outlet in Delhi; (viii) admitted having not produced any advertisement published of defendants, of prior to 2003 and that brochures of defendants produced before Court were published in 2007-2008; and, (ix) denied for want of knowledge that the plaintiff was first company to use the word 'CREATIVE' in relation to travel and tourism business.

30. With respect to testimonies of DW2 and DW3, suffice it is to state that the same do not advance the defendants' defence any further. Rather, from cross-examination of both, confusion between the name/mark of plaintiff and the name/mark of defendant No.1, is evident.

31. I had during the hearing on 5th July, 2019 also drawn the attention of the counsels to Section 22 of Companies Act, 1956 providing, that if through inadvertance or otherwise the name by which a company is registered is identical with or too nearly resembles, the name by which a company in existence has been previously registered or the name in which a company has been registered is identical with or too nearly resembles a registered trade mark under the Trade Marks Act, 1999, for change/rectification of such name. Similarly the Companies Act, 2013 also, in Section 4(2) provides that the name in which a company is sought to be incorporated would not be identical with or resemble too nearly the name of an existing company and in Section 16 providing for rectification of name if a company is registered by a name in which the company has been

registered or the name in which the company is registered too nearly resembles a registered trade mark. Of course the plaintiff has not exercised rights thereunder but mention of the said provision was made to show the legislative intent of not permitting incorporation of a company in a name too nearly resembling the name of an earlier incorporated company or of a registered trade mark. The said provisions supplant the law of trade marks. The name i.e. Creative Tours and Travels (I) Pvt. Ltd. by which the defendant no.1 Company was incorporated, undisputably after the plaintiff company Creative Travel Pvt. Ltd., does indeed too nearly resembles the name of the plaintiff company. The identifying feature of the name of the plaintiff company is 'CREATIVE', with the remaining words 'TRAVEL PVT. LTD.' merely connoting the business carried on by the plaintiff company. The same is the position with respect to the name in which the defendant no.1 Company was subsequently incorporated, with 'CREATIVE' only being the distinguishing feature thereof and the remaining words "TOURS AND TRAVELS (I) PVT. LTD." merely denoting the nature of business and the territory of operation of the business. The definition in Section 2(m) of the Trade Marks Act, includes a 'name'. Even otherwise, neither the plaintiff nor the defendants are selling any goods; both are in the business of rendering travel related services, in their names, which as aforesaid, are identical.

32. The purpose served by trade mark, and including under the legal provisions in the Trade Marks Act and the Companies Act and under the common law, is to avoid confusion in the mind of the public at large and especially section of the public at large dealing with the concerned business entities. The said confusion arises on account of the recall factor of the

human mind and the manner in which human mind perceives, stores and recalls names, marks, trade marks. The brain/mind of a person who has commenced dealing with the plaintiff would not remember the entire name of the plaintiff i.e. Creative Travel Pvt. Ltd., so as to distinguish it, if faced with Creative Tours and Travels (I) Pvt. Ltd. All that the human mind will perceive, store and recall is that the earlier dealings in relation to travel/tour business were with 'CREATIVE' and often in conversation or otherwise, the full names are not taken and only the most prominent or distinguishing feature of the full name mentioned to refer to the individual or the entity. Applying the said test, the confusion is implicit, with the prominent and distinguishing part of the name of both, plaintiff and defendants, being 'CREATIVE'.

33. In this light, incorporation of defendant No.1, twenty years after incorporation of plaintiff, is contrary to provisions of Companies Act; more so, when the Registrar of Companies objected to incorporation of defendant No.1 in name of 'Creative Travel and Tours Pvt. Ltd. owing to plaintiff having earlier been incorporated in name of Creative Travel Pvt. Ltd'; merely interchanging the placement of word 'TRAVEL' and 'TOUR' in name of defendant No.1, considering that said words are descriptive of business, is ineffective.

34. Though the defendants have obtained registration as a trade mark, not only of the word mark "CREATIVE TOURS AND TRAVELS (I) PVT. LTD." but also of the device mark as aforesaid, but the incorporation of the defendant No.1 is not as a device mark but with the name "CREATIVE TOURS AND TRAVELS (I) PVT. LTD.", by which it is remembered. Even

otherwise, the device mark of the defendant No.1 is nothing else than the name and has no other feature, qua which it can be said that the absence of which in the plaintiff would distinguish the plaintiff from defendants. The



logo in the device mark of the defendants is again, primarily the first alphabet 'C' of the word 'CREATIVE' and presence or absence of which does not make a distinguishing feature.

35. The plea of the defendants, of 'CREATIVE' being a generic word of English language, also in the facts, is contrary to the settled law. It has been held in *Automatic Electric Limited* and *Anchor Health and Beauty Care Pvt. Ltd.* supra that a defendant who has itself obtained a registration, is estopped from taking the said plea. Though the registration in favour of the defendants, I reiterate, is not of the word mark CREATIVE but of a device mark with the word marks "CREATIVE TOURS AND TRAVELS (I) PVT. LTD." contained therein, but again it is the prominent and distinguishing feature of the device mark which is to be seen and which is nothing else but the word 'CREATIVE'. The defendants, instead of applying for cancellation of registration in favour of plaintiff, on the ground of the mark got registered by the plaintiff being generic, having opted to also apply for and obtain registration, are barred from contending that the registration in favour of the plaintiff of 'CREATIVE TRAVEL' is of no avail on this ground. I may mention that the registration in favour of the plaintiff of the word mark 'CREATIVE TRAVEL' in Class 12 is with the limitation that the same will not vest any right to exclusive use of the word 'TRAVEL'.

36. I am also of the view that the word 'CREATIVE', in the context of travel and tourism trade, cannot be said to be descriptive or generic to the trade, for it to be argued that the plaintiff can have no monopoly over it. It is for this reason only that the Registrar of Trade Marks has made the registration with limitation aforesaid.

37. The only other argument of the counsel for the defendants, of others in the trade also using the word 'CREATIVE', has neither been factually substantiated nor has any merit in law. The owner/proprietor of a trade mark is required to involve himself in business in relation to which the trade mark has been registered and not to involve itself in the business of litigation, running from post to post to see whosoever may be found to be or to have intended to use the mark, even if of no consequence to the plaintiff, and for the reason of becoming barred from suing another who may be causing prejudice to the plaintiff by infringement and passing off.

38. On the basis of discussion aforesaid, this is felt to be apposite stage for commencing answering the issues framed in the suit.

39. Issues No.(i) and (ii) are found to be incorrectly framed. There was/is no controversy, that the plaintiff is the proprietor of the mark 'CREATIVE' and vis-à-vis the defendants, is the prior user of the mark 'CREATIVE'. Being a prior user, the plaintiff would have the advantage, of 'first user in the market' test laid down in *Neon Laboratories Limited Vs. Medical Technologies Ltd.* (2016) 2 SCC 672 and *Milmet Oftho Industries* supra. Issues No.(i) and (ii), since have been framed, though incorrectly, are answered in favour of plaintiff and against defendants.

40. As far as Issue no.(iii) is concerned, the registration of the mark obtained by the defendants, on the application of the plaintiff, has already been cancelled. Thus, as of today, there is no registration in favour of defendants, for it to be said that the plaintiff is not entitled to reliefs claimed, on the ground of infringement. However, the challenge thereto before the Supreme Court is stated to be pending. If the order of cancellation/removal of registration in favour of defendants is upheld, the plaintiff would be entitled to relief on the ground of infringement as well as passing off. If the order of cancellation/removal of registration in favour of defendants is set aside by the Supreme Court, the plaintiff, though would not be entitled to the reliefs claimed, on the ground of infringement, but as first user of the mark, would remain entitled to the reliefs, on the ground of passing off, subject to discussion hereunder on other issues. Issue No.(iii) is decided accordingly.

41. The defendants have also got issue framed on the territorial jurisdiction of this Court though no arguments on this aspect were urged. The defendant no.2 in his affidavit by way of examination-in-chief also did not depose on this aspect. On the contrary the defendants in their written statement have admitted that with the advent of internet the physical location of any person has ceased to be of much relevance. I thus decide Issue no.(xi) in favour of the plaintiff and against the defendants by holding this Court to be having territorial jurisdiction to entertain the suit.

42. On the basis of discussion aforesaid, I decide Issues no.(iv) & (v) in favour of the plaintiff and against the defendants, by holding that the trade mark 'CREATIVE' is not generic or *publici juris* in connection with travel

related business and that the plaintiff has exclusive right to use the word 'CREATIVE' in Classes 12, 39 & 16.

43. Axiomatically, I also decide Issue no.(x) in favour of the plaintiff and against the defendants. The plaintiff in its evidence has proved that use by the defendants of the mark 'CREATIVE' is resulting in confusion.

44. That brings me to the main issues in the present suit and owing whereto the plaintiff was denied interim relief i.e. of delay on the part of the plaintiff in instituting the suit, and on which Issues no.(vi) and (vii) have been framed.

45. I may at the outset state that the defendants have not led any evidence of knowledge of the plaintiff of the defendants for it to be held under Issue no.(vii), that the plaintiff has acquiesced in the defendants' use of the word 'CREATIVE' as part of its name and trade mark. The only evidence is of a Directory of Members published. However merely because of being a member of an organization which has published the Directory of its members, it cannot be said that the other members have knowledge of each and every entry in the Directory.

46. On the aspect of delay and laches, for it to be said that the plaintiff, on account of delay has permitted the defendants to expand their business, the defendants were first required to prove knowledge of the plaintiff of the defendants and which the defendants have failed to do. As aforesaid no evidence whatsoever in this regard has been led by the defendants. Merit is also found in the contention of the counsel for the plaintiff, that the defendants, though initially not in the segment of travel and tourism trade, over the years have encroached on the segment in which the plaintiff was

operating, since the year 1977, giving rise to confusion and deception because of identical names. The owner/proprietor of a mark has cause of action on the ground of passing off, only when such confusion/deception occurs. Similarly, cause of action on the ground of infringement also occurs from use in relation to services for which mark is registered. As long as plaintiff felt that there was no confusion/deception or use in relation to same services, the plaintiff is not compelled to sue. Reliance by the counsel for the plaintiff in this context on *Power Control Appliances* and on *Pankaj Goel* supra is apposite. It was held, (a) acquiescence implies positive acts; not merely silence or inaction such as is involved in laches; (b) acquiescence must be such as to lead to the inference of a licence, sufficient to create a new right in the defendants; (c) there can be only one mark, one source and one proprietor—it cannot have two origins; (d) a man is not to be deprived of his legal rights unless he has acted in such a way as would make it fraudulent for him to set up those rights; (e) a plaintiff is not expected to sue all small type infringers, who may not be affecting plaintiff's business; (f) passing off is a recurring cause of action and delay as defence in equity would not be available if the defendants' conduct is fraudulent; and, (g) delay and concurrent use if any cannot be a ground for refusing (interim) injunction. Even otherwise, the said aspects though may be of some relevance at the stage of granting interim injunction, are of no relevance at the stage of final disposal of the suit.

47. I thus decide Issues no.(vi) & (vii) in favour of the plaintiff and against the defendants, by holding the plaintiff to be not guilty of any delay and laches or for consequences thereof and by further holding that the

plaintiff has not acquiesced in any manner to the defendants use of the word 'CREATIVE'.

48. That brings me to Issue No.(viii), on the plea of defendants, of honest and concurrent user. At the outset, adoption by the defendants, of the name 'Creative Tours and Travel (I) Pvt. Ltd.', after it had been informed of plaintiff and after its application for incorporation in name of 'Creative Travel and Tours Pvt. Ltd.' had been rejected, can by no stretch of imagination be said to be honest. As far as use of the word 'CREATIVE' by the defendant No.2 prior to incorporation of defendant No.1 is concerned, the defendants have failed to prove that the defendant No.1 is the successor-in-interest of Creative Enterprises, the sole proprietary of defendant No.2. Rather, there is dichotomy in stand of defendants in this regard. While in written statement, an impression was conveyed that defendant No.1 is successor-in-interest of Creative Enterprises, in cross-examination of defendant No.2, it has emerged that Creative Enterprises continues to carry on business, even after incorporation of defendant No.1. The plaintiff has already stated that it has no objection to use of Creative Enterprises. Use, even if any by defendant No.2 of 'CREATIVE TRAVELS', in conjunction with Creative Enterprises or as a division of Creative Enterprises, is again not the same as use of by defendant No.1. As far as use of name of defendant No.1, from 1997 till institution of this suit in 2006 is concerned, it is evident from written statement of defendants, that the defendants, over the years, have encroached on the segment of Travel and Tourism business, in which the plaintiff was operating, though earlier the defendants were not in the said segment. Thus, neither is the adoption honest nor use concurrent. I thus decide issue No.(viii), in favour of plaintiff and against the defendants.

49. The goodwill and reputation, even if any, of the defendants, in the name/mark 'CREATIVE' is admittedly of after adoption thereof by the plaintiff. Thus, the said goodwill and reputation if any, will not defeat the rights, statutory and under the common law, of the plaintiff, as the first adopter and first in the market, of the mark. The size of business, of plaintiff and defendants, is also irrelevant in this regard. Even if the defendants have a larger volume of business than the plaintiff, it will not still entitle the defendants to continue using the name/mark, which the defendants adopted after knowledge of plaintiff. A subsequent user of the mark, by growing bigger than the first user, taking advantage of goodwill and reputation platform built by the first user, cannot crush the first user of the mark. Such reputation, goodwill, size, is a fruit of the forbidden tree and cannot vest any strength to the defendants. Significantly, the defendants, while applying on 22nd April, 2004 for registration of the device mark with 'CREATIVE' as most prominent part thereof, though aware of the plaintiff, at least since 1997 if not earlier, did not apply under Section 12(3) of the Trade Marks Act and did not claim any honest and concurrent use (with the plaintiff) of the word 'CREATIVE' since 1979, as is now claimed. The Division Bench of this Court in *Cadila Healthcare Ltd. Vs. Diat Foods (India)* 2010 (44) PTC 318 (Del) also reiterated that for doctrine of honest and concurrent use to apply, there should be no possibility of confusion amongst public and public should not confuse goods/services of one with another, as, qua marketing of goods/services, the purchasing/consuming public is a vital stakeholder. Here, the plaintiff has already proved actual confusion. For this reason too, the defendants are not entitled to any benefit

thereof. Thus, issue No.(ix) is decided in favour of plaintiff and against the defendants.

50. Resultantly, the plaintiff is entitled to the relief claimed of permanent injunction. The plaintiff has however not led any evidence on the loss or damage, if any, caused to it by such conduct of the defendants.

51. A decree is passed, in favour of the plaintiff and jointly and severally against the defendants, of:

- (i) permanent injunction in terms of prayer paragraph 28(i), (ii) & (iii) of the plaint dated 14th July, 2009;
- (ii) mandatory injunction in terms of prayer paragraph 28(vi) of the plaint dated 14th July, 2019; and,
- (iii) recovery of cost computed at the court fees paid and legal fees and expenses assessed at Rs.11 lacs, for the fourteen years for which this litigation has remained pending.

52. However since the plaintiff, in testimonies of PW1 and PW2 as well as during the hearing, has conceded that the defendant No.1 can use the name 'Creative Enterprises', the aforesaid decree of injunction would not come in the way of the defendant No.1 changing its name to/adopting the mark, 'Creative Enterprises' or 'Creative Enterprises Tours (India) Pvt. Ltd.', with the word 'ENTERPRISES' in the same font style and font size as the word 'CREATIVE'. I have also considered, whether the defendants be also permitted to use the word 'TRAVEL', since the same is descriptive of the services/business and further since the registration of the mark 'CREATIVE TRAVEL' in favour of plaintiff, in Class 12, is with the

limitation that the registration would not vest exclusive right to use the word 'TRAVEL'. However, no such limitation is found in registrations of the mark 'CREATIVE TRAVEL' in favour of plaintiff in Class 39 (Travel Arrangement) or in Class 16 (Printed matter, leaflets, brochures, stationary, forms, folders, printed blocks, posters and advertisement media). I have wondered, whether absence of such limitation/condition, while granting registrations in these classes to which the business relates, would vest any exclusive right in plaintiff to use of the word 'TRAVEL' and am of the considered view that though there can be no exclusive right to use the word 'TRAVEL' in favour of any person carrying on business of 'Travel', but if the other/s registrant of trade mark 'CREATIVE TRAVEL', even if without any limitation/condition, want/s to use the word 'TRAVEL' in conjunction with the word 'CREATIVE', such other/s can certainly be restrained from doing so. The defendants would however be entitled to use the word 'TRAVEL', if not using the word 'CREATIVE'.

53. Further, since the defendants, in pursuance to decree, would be required to make change of name of the defendant no.1 Company and to inform all their patrons of the change, it is deemed appropriate to make the decree for permanent and mandatory injunction effective from 1st August, 2020.

Decree sheet be drawn up.

RAJIV SAHAI ENDLAW, J.

APRIL 21, 2020

OCTOBER 14, 2019

'ak/pp'