

IN THE HIGH COURT OF DELHI AT NEW DELHI

Judgment delivered on: December 22, 2020

+ CS(COMM) 981/2016, I.A. 16792/2013

FREEMANS MEASURES PVT LTD

..... Plaintiff

Through: Ms. Diva Arora, Adv.

versus

MANKARAN BHANDARI & ORS.

..... Defendants

Through:

CORAM:

HON'BLE MR. JUSTICE V. KAMESWAR RAO

J U D G M E N T

V. KAMESWAR RAO, J

1. The present suit has been filed by the plaintiff against the defendants seeking permanent injunction, restraining infringement of Registered Design, Infringement of Trade Marks, Copyright passing off, rendition of accounts and damages, with the following prayers:

“a) An order of permanent injunction restraining the Defendants, its principal officers, servants, agents, representatives, dealers and all others acting for and on its behalf, from making, selling, offering for sale, advertising, directly or indirectly dealing in measuring tapes being an obvious and fraudulent imitation of the designs of the Plaintiffs measuring tapes amounting to infringement of

Plaintiffs registered design Nos. 188502 and/ or 180562 and / or 189251 respectively;

*b) an order for permanent injunction restraining the Defendant, its wholesalers, distributors, partners or proprietors, as the case may be, its officers, servants and agents from manufacturing, selling, exporting, importing, offering for sale, distributing, advertising, directly or indirectly dealing in measuring tapes or goods of any description bearing the trademark "**Mi-19**" and/ or any deceptively similar mark to the Plaintiff's trademarks "**Hi-WIDE**", "**Hi-16**", "**Hi-19**" and/ or "**Hi-25**", amounting to infringement of the Plaintiff's registered trademark "**Hi-WIDE**" under Nos. 1009497, "**Hi-16**" under Nos. 1008739, "**Hi-19**" under No. 1008740 and "**Hi- 25**" under No. 1008741 in class 9 respectively;*

*c) an order for permanent injunction restraining the Defendant, its wholesalers, distributors, partners, or proprietor as the case may be, its officers, servants and agents from using, manufacturing, selling, exporting, importing, offering for sale, distributing, advertising, directly or indirectly dealing in any packaging and/ or label or any material that contains any artistic work with a get up, layout, colour combination, arrangement of features and text that is identical and/ a substantial reproduction of the get up, layout, colour combination, arrangement of features of the artistic work and text of the Plaintiffs "**Hi-WIDE**" and/or "**Hi-16**" and/ or "**Hi-19**" and/ or "**Hi-25**" and "**CENTIFLEX**" amounting to infringement of the Plaintiffs copyright therein;*

d) an order for permanent injunction restraining the Defendant, its directors, wholesalers, distributors, partners, or proprietor as the case may be, its officers, servants and

agents from manufacturing, selling, exporting, importing, offering for sale, distributing, advertising, directly or indirectly dealing in measuring tapes or other goods bearing trademark "**Mi-19**" and/ or "**CONFLEX**" or any deceptively similar mark/label(s) including, but not limited to "**Hi-WIDE**" and/or "**Hi-16**" and/or "**Hi-19**" and/ or "**Hi-25**" and "**CENTIFLEX**", including any identical / similar trade dress/packaging as that of the Plaintiff's "**Hi-WIDE**" and/or "**Hi-16**" and/or "**Hi-19**" and/ or "**Hi-25**" and "**CENTIFLEX**" or bearing the striking features of the Plaintiffs' measuring tapes so as to misrepresent their products as those of the Plaintiff and from doing any other thing as may cause confusion or deception leading to passing off of the Defendant's goods and business as those of the Plaintiff;

e) For an order for the delivery up on affidavit to the Plaintiffs representative of all the Defendant's inventory of door springs, plates, moulds, dies, blocks, films, negatives and printed matter such as packaging, cartons, stationery, etc. for the purposes of destruction;

f) An order of damages in the sum of Rs. 20,05,000/- in favour of the Plaintiffs and against the Defendant;

g) For an order for rendition of accounts to ascertain the actual profits earned by the defendant by the sales of toothbrushes bearing the impugned design and a decree be passed for the amount found due in favour of the Plaintiffs on such rendition of accounts;

h) For an order for the cost of the proceedings;”

2. The Plaintiff is a company incorporated on November 16, 1984 under the Companies Act, 1956 having its principal place of business and

registered office at GT Road, Jugiana Ludhiana Punjab. Thereafter the Company became a deemed public company and converted into a public ltd. company until January 12, 2004 when the Plaintiff was converted into a Pvt. Ltd. company. The present suit has been filed through Mr. Samir Nayar as the Constituted Attorney. The Power of Attorney has been filed along with the suit.

3. Defendant No. 4 is Ambika Overseas incorporated under the Companies Act, 1956 on April 17, 1996 having its principal place of business and registered office at Ambika House, Model House Road, Basti Sheikh, Jalandhar City 144002 Punjab. Defendant No. 1 - Mankaran Bhandari is the chairman of defendant No. 4 Company and defendant No. 2 and defendant No. 3 Randhir Bhandari and Sameer Bhandari respectively are sons of defendant No. 1 and also directors of defendant No. 4 Company.

4. It is the case of the plaintiff that defendant No. 4 i.e., Ambika Overseas is an entity engaged in dealing in measuring tapes, tools, etc. which is claimed to be identical to the plaintiff's registered design number 180562, 188502 & 189251 and in label marks/trade dresses that are a near identical reproduction of the plaintiff's product packaging/trade dress/label mark for its goods sold under the well-known trademarks '*Hi-Wide*', '*Hi-16*', '*Hi-19*', '*Hi-25*' and '*CENTIFLEX*' respectively.

5. Plaintiff stated that it is one of the first measuring tape companies in India with roots going back to 1950 and has since been in the business of supplying high quality tools and products. Plaintiff company presents itself as being the only Indian Company offering a comprehensive range of tapes of various models and designs in steel tape measure, tape rule and fibreglass tape measure.

6. The plaintiff has also stated that it has acquired a major share in the Indian market due to its high quality of product. Plaintiff has submitted that it is amongst the few companies to get an EEC approval which goes to testify that the plaintiff's products are competent in the International markets and comply with International Quality Standards. The plaintiff also has an ISO-9001-2008 Certification by the American Quality Assessors and has established its brand in over 60 countries around the world. The plaintiff company is also the first Indian company to obtain the ISI Mark in the measuring tape industry as per IS 1269: Part 1: 1997 and IS 1269: Part 2: 1997.

7. The plaintiff submitted that, in the present case the plaintiff company has dealt with specially two of its better-known products/ designs which are sold under the mark *Hi-16* and *Fiber Plastika*. Plaintiff's product *Hi-16* is a measuring tape bearing Design Registration no. 188502 (Exh.PW 1/10) dated March 21, 2002, which has been duly

renewed and is currently valid and is sold under the trademark *Hi-16*'. The shape, configuration and surface pattern are distinctive and unique to the plaintiff's measuring tape sold under the trademark 'Hi-16'. Plaintiff has another Design registration no. 180562 (Exh.PW 1/12) dated October 12, 1999 (and the same has been duly renewed and is currently valid) for its *Hi-16*' product i.e., a measuring tape bearing novel and distinctive features in shape and configuration.

8. It is the case of the plaintiff that the Design Registration No. 189251 (Exh.PW 1/14) pertains to the '*Fiber Plastika*' product. Plaintiff has also obtained registrations of designs with respect to the parts of the measuring tapes i.e., the shape and configuration of the Tape Winder.

9. The Plaintiff has stated that it has been using the steel measuring tape under the design number 180562 since November, 1999 and steal measuring tape under the design No. 188502 since April, 2002 and the Fibre Measuring Tapes under design no. 189251 since June 2002. The plaintiff has stated that they have marketed and promoted the said products in India and abroad on a substantial scale and have said to have been met with unprecedented success and further stated that the design of the aforesaid measuring tapes has come to be exclusively identified with the plaintiff by the members of the trade and the public in general. The plaintiff has contended that they have earned substantial good will and

reputation *inter alia* in the designs of the said measuring tapes; due to its creation of the said designs, the same have acquired a secondary meaning in the eyes of the public denoting them as the goods of the plaintiff.

10. Plaintiff has stated that it has well known trademarks i.e., 'Hi' series of label marks/ trade dress such as 'Hi-Wide', 'Hi-16', 'Hi-19', 'Hi-25' and 'CENTIFLEX' (Exh.PW 1/19) under Class 9 and stated that the plaintiff has been manufacturing tapes under the said trademarks and that these trademarks have been exclusively associated with the plaintiff. It has stated that the defendants have infringed upon the same, since the trademarks have used distinctive colour schemes, layout, get up, fonts and the said label marks/ trade dresses have exclusively been associated with the plaintiff company's products. Another application numbered 1009498 for registration of the 'Hi-Wide' device/label under class 9 pending before Registrar of Trade Marks.

11. The plaintiff has stated in the plaint that it has coined the arbitrary mark 'Hi-Wide' and has been using the same in respect of its goods since 1999 continuously and extensively. That apart, the plaintiff also uses a series of marks with the prefix 'Hi' in combination with various numbers for example 'Hi-16', 'Hi-19' and 'Hi-25' under the umbrella trademark of the plaintiff company 'GK FML' in respect of its products. In addition it is stated that common law rights exist in favour of

the plaintiff due to the adoption of innately distinctive trademarks 'Hi-Wide', 'Hi-16', 'Hi-19' and 'Hi-25', of which the plaintiff has been the long, extensive, and continuous user of. The plaintiff has also stated that these trademarks have been duly renewed and are subsisting and has stated that by virtue of the said registrations the plaintiff has the exclusive right to use the trademarks in relation to the goods in respect of which the trademark is registered and seek relief in respect of the infringement of the registered trademark as provided by the Trademarks Act, 1999 (Trademarks Act for short). The Plaintiff had provided the details of their registered trademarks, which are reproduced hereunder:

<i>Trademark</i>	<i>Class</i>	<i>Registration No.</i>	<i>Date of registration</i>	<i>Goods</i>
<i>Hi-WIDE</i>	<i>9</i>	<i>1009497</i>	<i>15th May 2001</i>	<i>Measuring tapes, snap off cutter, torpedo level and tie hanger and other measuring instruments, falling in class 9</i>
<i>Hi-16</i>	<i>9</i>	<i>1088739</i>	<i>20th March 2002</i>	<i>Measuring tapes, snap off cutter, torpedo level and tie hanger and other measuring instruments, falling in class 9</i>

<i>Hi-19</i>	9	1088740	20 th March 2002	<i>Measuring tapes, snap off cutter, torpedo level and tie hanger and other measuring instruments, falling in class 9</i>
<i>Hi-25</i>	9	1088741	20 th March 2002	<i>Measuring tapes, snap off cutter, torpedo level and tie hanger and other measuring instruments, falling in class 9</i>

12. In addition to the aforementioned the plaintiff submitted that it also used its registered house mark/ label mark i.e. 'GK-FML' on most of its products, the house mark being 'GK FML AKVN Enterprise' registered under No.1369625 in Class 9 and label mark 'GK FML Standard Measures' also under Class 9.

13. Plaintiff stated that it had been using the label mark/trade dress in respect of its products under the registered trademark 'Hi-Wide' since 1999 along with the series of label marks / trade dress under the registered trademark 'Hi-16', 'Hi-19' and 'Hi-25' in respect of its products with minor/ slight modifications/ variations in the label mark /trade dress in respect of variants of measuring tapes in order to indicate size, width, etc.

The applications for the said label marks and its variants are pending before the Registrar of Trade Marks.

14. Plaintiff also claimed that it has copyright, as per section 2 (c) of the Copyright Act 1957 (hereinafter Copyright Act) over its trade/label mark and trade dress, the colour combination, layout, get up and the lettering style used on the logo, i.e., white base along with black and white alphabets, font style, letters in black and white colour and words written in English and Urdu bearing plaintiff's trademark '*Hi-Wide*', '*Hi-16*', '*Hi-19*' and '*Hi-25*'.

15. Plaintiff has also claimed to have been using the mark '*CENTIFLEX*' since the year 2000. The plaintiff also claims that the product bearing the mark '*CENTIFLEX*' bearing colour combination, layout, get up and lettering style used on the logo, i.e., yellow base, orange, blue and white alphabets, bearing the trademark '*CENTIFLEX*' constitute original artistic work under section 2 (c) of the Copyright Act.

16. The plaintiff in the plaint has submitted its sales' figures which have grown from Rs.1,48,000 in the year 2003-04 to Rs.4,04,030 in the year 2010-2011. The plaintiff has spent over a sum of Rs.7,64,000 till date on advertisement and promotion of its said products.

17. The plaintiff claimed that measuring tapes under the trademarks '*Hi-Wide*', '*Hi-16*', '*Hi-19*', '*Hi-25*' and '*CENTIFLEX*' bearing the

unique and distinctive label marks/trade dress respectively are sold throughout India and overseas and have acquired reputation and goodwill, due to the excellent quality, distinctive packaging, colour combination, stylised manner of writing, etc. The plaintiff submitted that as a result of continuous and extensive use of both the said label mark/ trade dresses over a long period of time spanning a wide geographical area coupled with promotion and publicity the said trademarks enjoy a reputation and goodwill in the market and have acquired the status of a 'well known' trademark and that the products under the said marks are associated solely and exclusively with the plaintiff and no one, else by the members of the trade and public in general.

18. The plaintiff has submitted that the cause of action arose in the first week of March 2012, when the plaintiff was shocked to learn of a label mark/ trade dress of defendant No. 4's products bearing the mark and label of 'Mi-19' with respect to measuring tapes which the plaintiff claims to be deceptively similar to the Plaintiff's 'Hi-Wide', 'Hi-16', 'Hi-19' and 'Hi-25'; the plaintiff stated that the defendants had made minor/insignificant changes in the impugned label. Thereafter plaintiff submitted that another cause of action arose when they came across defendant No. 4's advertisement published in the Yellow Pages wherein the defendants had shown steel measuring tapes identical to the plaintiff's

registered design numbers 188502 and 180562 used under the mark 'Hi-16'; additionally, submitted that the defendants were also copying plaintiff's registered design under number 189251 the mark 'Fiber Plastika'. The plaintiff has further taken a stand in the plaint that the cause of action is present and subsisting.

19. Furthermore, it was also submitted by the plaintiff, that the label mark/trade dress of defendants' products under the mark 'CONFLEX' is also infringing the plaintiff's label mark/trade dress of its measuring tapes bearing the mark 'CENTIFLEX'. The plaintiff had also contended that the defendant had no plausible explanation to adopt such deceptively similar marks and label marks/trade dress but with a *mala fide* intention to come close to the plaintiff's product and were also infringing and passing off various registered designs, trademarks and its copyright, in violation of the plaintiff's intellectual property.

20. The plaintiff stated that since it had believed that the defendants had no plausible explanation to adopt such a deceptively similar mark/trade dress, and it has done so with *mala fide* intention in order to ride on the plaintiff's goodwill. In the month of April 2012, plaintiff is stated to have commissioned an investigator in order to find out about the activities of the defendants. The investigator is stated to have visited the shops of defendants' dealer i.e., Dewan Chand Madan Lal & Sons located at

Hakim Baqa Street, Hauz Kazi, Delhi; where the investigator met one Neeraj Aggarwal, who stated that they are dealers/agents of the defendants and that they sell products in Delhi, the investigator was also stated to have been informed about the launch of their measuring tapes in about one or two months. The plaintiff has also filed the visiting cards and brochures herewith.

21. The plaintiff has argued that it is clear to any observer when judged solely by the eye, the design of the defendants' product under the mark '*Mi-19*' is a fraudulent and obvious imitation of the plaintiff's products under the trademark '*Hi-16*' which are subject matter of registered designs and stated that the defendants have tried to imitate the plaintiff's registered design nos. 188502 and 180562. The plaintiff further stated when solely judged by the eye, the design of defendants' product under the trademark '*Fibertex*' is a also a fraudulent imitation of the registered design of the plaintiff's products sold under the trademark '*Fiber Plastika*' which is also a matter of a registered design No 189251 and therefore stated that the use of same shape, configuration, surface pattern, composition of lines, colours is too similar to be a mere coincidence, it was stated that the distinctive pattern is also a key factor in the consumer's decision to purchase the products. The plaintiff then goes on to argue that there is no difference between, any of the essential

features of the plaintiff's registered designs and that of the defendants' impugned product designs and that this amounts to an infringement of plaintiff's prior statutory rights. It was also contended that this was an attempt by the defendants to borrow the fruit of plaintiff's labour and ride on their goodwill and reputation in order to divert to itself the business generated by success of the plaintiff's products which the plaintiff stated amounted to infringement of their design as well as passing off its products as those of the plaintiff.

22. The plaintiff argued that this adoption by the defendants of the marks and labels/ trade dress '*Mi-19*' and '*CONFLEX*' which are confusingly and deceptively similar trademarks/label marks to the plaintiff's trademarks/label marks '*Hi-WIDE*', '*Hi-16*', '*Hi-19*' and '*Hi-25*' and '*CENTIFLEX*' are rendered even more dishonest as the trade/dress/get up etc. are absolutely identical to that of the plaintiff's marks. The plaintiff has argued that there is a clear case of infringement of trademark and copyright along with passing off and dilution. The argument advanced by the plaintiff has been that the slavish imitation and reproduction of the overall get up, layout, arrangement of features, colour schemes etc. is too similar to be a coincidence and appears as if an attempt is made out to counterfeit the plaintiff's aforementioned trademarks.

23. It was argued by the plaintiff that the colour combination, get up of and the lettering style, i.e. white base, font style and lettering of the words in black and white, red rectangles on the logo, 'Hi-Wide' and/ or 'Hi-16' and/ or 'Hi-19' and/ or 'Hi-25' in black colour renders the said label as an original artistic work within the meaning of Section 2 (c) of the Copyright Act and that the plaintiff being the owner of such copyright in the aforesaid labels and is entitled to all the exclusive rights that flow from such ownership as set out in section 14 of the Copyright Act. The plaintiff argues, similarly the copyright of artistic work with the mark 'CENTIFLEX' comprising of the colour combination, layout, get up of and the lettering style, i.e., yellow base, font style and lettering of the words in yellow, black and white, belongs to the plaintiff.

24. It is the case of the plaintiff that the features of the designs of the plaintiff's measuring tapes are non-functional and that the said designs have come to be exclusively associated with the plaintiff and are identified by the customers as belonging to the plaintiff only, it was also submitted that the distinctive pattern is also a key factor in the consumer's decision to purchase the products.

25. It is the case of the plaintiff that there is no difference between any of the essential features of the plaintiff's registered designs and that of the defendants' impugned product designs. It has been submitted that the

said designs have come to be exclusively be associated with the plaintiff and by replicating the plaintiff's novel shaped measuring tapes made of steel and fibre; the defendants have tried to divert business through misrepresentation. The plaintiff has argued that the defendants have imitated the overall get up, layout, arrangement of features, colour scheme, etc. Which they state is not a mere coincidence and that the defendants have no reason to adopt such labels or marks. Further it has been submitted that products of the plaintiff and the defendants are sold in markets in rural and semi-rural areas where people are not educated and hence confusion is bound to occur between the products of the plaintiff and defendants. It has been further argued, that the infringement of the plaintiff's rights by the defendants is itself a ground to show that huge pecuniary damage is likely to be caused to the plaintiff's business as a result of defendant's activities.

26. Plaintiff has stated in the plaint that the defendants have not yet launched their infringing products and hence the present suit is *in quia timet* in nature and states that if the defendant is allowed to go unchecked, they would acquire sufficient production capacity to manufacture and launch products bearing the designs of plaintiff's products. The plaintiff apprehends the usage of designs No. 188502, 180562 and 189251 under the proposed marks and labels/trade dress 'Mi-19' and 'CONFLEX'. The

plaintiff admits that to the best of his knowledge that the defendants have not put the impugned designs, label marks/trade dress and marks 'Mi-19' and 'CONFLEX' to any use in any manner, whatsoever in India and further states that the equity is in favour of the plaintiff and that the defendants would not be harmed or prejudiced by an order of this court wherein the defendants are restrained from using the marks 'Mi-19' and 'CONFLEX' before their launch or commencement of manufacture and sale of measuring tapes under the said designs, marks or labels.

27. The defendants in their written statement, the amendment of which was allowed vide order dated July 16, 2013 have stated that defendant No. 4 manufactures over 400 types of tools e.g., hand-tools, non-sparking tools, power-tools, measuring tapes, tool kits, toolboxes, tool-chests, tool-cabinets, tool-trolley, etc. and has established itself in the Indian trade market and also supplies goods to over 80 countries and that defendant No. 4 had established itself in a substantial position in the domestic and international market.

28. The defendants have stated that in the month of September 2011, defendant No. 4 got into an agreement with M/s. APT Manufacturers Pvt. Ltd. based in Ludhiana, wherein all the machinery along with dies, jigs and fixtures were bought over by defendant no. 4 and it was also agreed that M/s. APT Manufacturers Pvt. Ltd. would hand over the plant and

machinery in running condition; M/s. APT Manufacturers Pvt. Ltd., defendant No. 4 avers was also a well-established name in the hand tool industry.

29. It is the case of the defendants that they have never used the mark '*CONFLEX*' for any of their products and neither they have any intention to use that mark in the future, therefore the question of infringement of the plaintiff's mark '*CENTIFLEX*' does not arise and therefore any action of passing off holds no merit.

30. Defendant No. 4 denies that the measuring tapes of the defendant No. 4 are identical to that of plaintiff's registered design nos. 180562, 188502 & 189251 respectively and also denies that the trade dress of the products of defendant No. 4 are nearly identical reproduction of the plaintiff's product packaging/ trade dress/ label mark for its goods sold under the trademarks '*Hi-Wide*', '*Hi-16*', '*Hi-19*' and '*Hi-25*' and '*CENTIFLEX*'. Moreover, it was stated that the designs of the tools bear no resemblance to plaintiff's registered designs and the same are distinct. The defendants have repeatedly stated in their written statement that they have never used and do not intend to use the marks '*Mi-19*' and '*CONFLEX*'. Hence the all allegations of infringement of trademark, design and copyright made by the plaintiff against the defendants are baseless and that the defendants are using the marks namely '*A-13*', '*A-*

16', 'A-19' where 'A' stands for 'Ambika' and denominations 13/16/19 stands for the width of the steel tape. These marks are itself unique and distinct and in appearance and bear no resemblance to that of the plaintiff's marks and labels and the question of infringement, passing off, dilution or tarnishing holds no merit.

31. While continuously denying the contents of the plaint the defendants state that M/s. APT Manufacturers Pvt. Ltd., had been using the said label/mark trade dress since 2005, whose machinery, dies, jigs, were bought over by defendant No.4 through assignment deed. M/s. APT Manufacturers Pvt. Ltd. had filed an application before Registrar of Trade Marks for registration of mark 'FIBERTEX' and further stated that the term itself had been coined by M/s. APT Manufacturers Pvt. Ltd.

32. The defendants submitted that shape of the measuring tape manufactured by the plaintiff is not novel or original and that the shape of the measuring tape manufactured by the plaintiff has been used by every other measuring tape manufacturer in every part of the world. Therefore, the shape of measuring tape cannot be solely attributed to the plaintiff's product and denies that the defendants have tried to ride on the goodwill of the plaintiff. The defendants have also denied using the steel tapes under design No. 180562, 188502 and Fibre measuring tapes under design No.189251.

33. The defendants have stated that they have never launched the allegedly infringing products. They have also stated, they would be harmed and prejudiced by an order of this court since defendants have never used the impugned mark. The defendants had no knowledge of the products or marks of the plaintiff and moreover the defendants have been using their own marks 'A-13', 'A-16', 'A-19' where 'A' stands for 'Ambika' and the label mark/ trade dress bear absolutely no visual similarities with that of the plaintiff's. A person of ordinary intelligence and imperfect recollection would not misunderstand the defendants' marks and labels marks/trade dress to that of the plaintiff. Even though the products of the plaintiff's and the defendant's products are sold in the markets of rural and semi-rural areas where people are not educated, confusion would not occur since the products bear no visual similarities and the defendant No.4 also holds a reputation in the market.

34. The defendants have stated that the impugned products have not been used by the defendants and therefore there is no question of a huge undeserved profits being made by the defendants by riding on the plaintiff's goodwill. It has also been stated that there is also no incalculable loss or damages caused to the plaintiff's business, goodwill, reputation either in India or abroad. On the contrary this suit has been filed only to harass the defendants and that the plaintiff has also failed to

show how the manufacture or sale of the product would cause any damage to the plaintiff.

35. In the instant case the defendants have stated to have launched tapes under its mark '*FIBERTEX*' but not steel tapes and hence there would be no question of losses caused to the plaintiff, and stated that the products themselves bear no resemblance to each other and the question of deceptive similarity has no merit. Defendants further pray that the present suit be dismissed on account of defendants not using the impugned marks '*Mi-19*' and '*CONFLEX*' including no intention of using them in the future.

36. The plaintiff thereafter filed a replication to the written statement and explained relationship between the plaintiff and M/s. APT Manufacturers Pvt. Ltd. wherein the plaintiff denied the agreement entered in September, 2011 between defendant No.4 and M/s. APT Manufacturers Pvt. Ltd. based in Ludhiana where all the machinery along with dies, jigs and fixtures were bought over by defendant No.4. Plaintiff also stated that M/s. APT Manufactures Pvt. Ltd. did not have any right to license/assign the trademark or designs to the defendants.

37. The plaintiff stated that the plaintiff company itself was previously owned by family members of a joint and undivided Hindu Family amongst whom some disputes had arisen and the matter was

referred to the Company Law Board. The Company Law Board as per order dated November 04, 2008 based on the Memorandum of Understanding, dated October 16, 2008 ('MoU' hereinafter) executed between Mr. Samir Nayar (MD of plaintiff company) and Mr. Navneet Nayar of M/s. APT Manufacturers Pvt. Ltd. settled their disputes which included the use of the trademark and designs of the plaintiff and restrictions thereof. The plaintiff stated that aforesaid MoU clearly provided for the use of trademark and designs of the plaintiff by M/s. APT Manufacturers Pvt. Ltd.. Wherein M/s. APT Manufacturers Pvt. Ltd. were allowed to use the following brands, designs as long as the control, management and majority shareholding of APT Manufacturers Pvt. Ltd. remains with Mr. Navneet Nayar:

- i. Hi-16 with Lock 3M
- ii. Record
- iii. Record 676
- iv. PVC Engineer
- v. Engineer Steel

38. The plaintiff also stated that the MoU also provides that in case of majority control, management and majority shareholding of M/s. APT Manufacturers Pvt. Ltd. does not remain with Mr. Navneet Nayar or his family members and therefore the common brand name, trademarks and the designs of the models mentioned above will not be used by M/s. APT

Manufacturers Pvt. Ltd.. Plaintiff also stated that the assignment and license related to the above items shall stand terminated and same shall revert to the plaintiff exclusively and that in such a case, M/s. APT Manufacturers Pvt. Ltd. would not have any right whatsoever in relation to above brand name, trademarks and designs of the models which will exclusively belong to the plaintiff. The plaintiff had contended that the parties also entered into a license agreement dated September 01, 2004 whereby the plaintiff had granted a non-transferable irrevocable and exclusive license to M/s. APT Manufactures Pvt. Ltd. to use certain trademark and design Nos. 188502 and 180562. The plaintiff stated that the unauthorised use of the plaintiff's registered designs being No. 188502, 180562 and 189251 by the defendants amounts to infringement of the plaintiff's registered designs and the plaintiff has argued that therefore M/s. APT Manufacturers Pvt. Ltd. did not have any right to transfer/ assign/ license any of the trademarks or the designs of measuring tapes including but not limited to 188502, 180562 and 189251 to any third party whatsoever and the defendants cannot claim any right from M/s. APT Manufacturers Pvt. Ltd.

39. Plaintiff stated that, the defendant's statement that they have absolutely no intention to use the said mark in the future may be recorded. It was submitted that the defendants had published an advertisement in the

magazine the Yellow Pages bearing products with the impugned designs, label marks and marks '*Mi-19*' and '*CONFLEX*'. Further also submitted that a photograph of the defendant's mark '*CONFLEX*' had also been filed along with the Yellow Pages advertisement. Plaintiff stated that it was evident from the above that the defendants have used the mark '*CONFLEX*' and were guilty of deliberately making contrary statements in order to mislead the court.

40. The plaintiff submitted that the label mark/trade dress of the products of the defendants under the mark '*CONFLEX*' is also infringing the plaintiff's label mark/ trade dress of its measuring tapes bearing mark '*CENTIFLEX*'. Further it was submitted that the defendants have only changed the Mark '*Mi-19*' to '*A-19*' and the label/trade dress of its products '*Mi-19*' after order dated May 14, 2012. The plaintiff submitted that prior to the aforesaid order, the defendants were using substantially similar trade dress/ labels for its products and nearly identical marks, photographs of which have been filed; even the modified trademark and trade/dress label is deceptively similar to that of the plaintiff.

41. The plaintiff contended that defendants were using the mark '*Mi-19*' prior to the order dated May 14, 2012 and it was only after the said order the defendants changed their mark from '*Mi-19*' to '*A-19*' and changed the trade dress/ label of its measuring tapes. The plaintiff

reiterated that even the modified/amended trademark and trade dress/ label is deceptively similar to that the plaintiff's trademarks and trade dress and label.

42. The plaintiff contests the averment made by the defendants wherein they have denied using the marks 'Mi-19' and 'CONFLEX' since they published advertisements in the magazine Yellow Pages bearing the products with the impugned designs and requested that the statement of the defendants stating that they would abstain from future use may be recorded. It was further submitted that M/s. APT Manufacturers Pvt. Ltd. did not have any right to license/ assign any trademark or designs that belong to the plaintiff to the defendants. Further it was submitted that the design of the product under the mark 'A-19' is identical to the design of the plaintiff's product under the mark 'Hi-16'.

43. Plaintiff stated that the registered designs of the plaintiff Nos. 180562, 188502 & 189251 were not common to trade and that there are numerous parties which are using different trade designs in respect of measuring tapes and that photographs of third parties' designs have been filed in these proceedings and that plaintiff had taken action against third parties who violated its intellectual property rights.

44. It was the plaintiff's submission that M/s. APT Manufacturers Pvt. Ltd. did not have any right whatsoever to assign/license any brand

name, trademarks and designs of the models and the said trademarks and designs belong solely and exclusively to the plaintiffs. Therefore, the defendants cannot claim any right whatsoever from M/s. APT Manufacturers Pvt. Ltd.; it is the case of the plaintiff that only the plaintiff's measuring tapes have this particular type of shape and configuration and additionally, a comparison of the plaintiff's products which are the subject matter of prior registered designs and the defendant's impugned products are identical in all the respects and the defendants have made every effort to imitate the plaintiff's registered designs and the same cannot be a mere coincidence. It is evident that impugned product of the defendant under the mark 'A-16' and 'FIBERTEX' constitutes an infringement of prior statutory rights vested in the plaintiff with respect to registered designs nos. 180562, 188502 and 189251.

45. Plaintiff stated that if the defendants had never launched the infringing products and had never used the impugned marks, then the questions of the defendants being prejudiced by an order of this Court would not arise. Plaintiff states that it is highly unlikely that the defendants were not aware of plaintiff and its products, since the plaintiff has been in business since the 1950s and the defendants are in the same industry for 35 years. It was submitted that the defendants had adopted the

nearly identical marks and trade dress/solely with a view to trade upon the vast repute of the plaintiff's trademarks i.e., trademarks 'Hi-Wide', 'Hi-16', 'Hi-19', 'Hi-25' and 'CENTIFLEX'.

46. As per order dated July 27, 2016 the following issues were framed by this Court:

- I. *Whether the Plaintiff is the registered property of the designs of its measuring tapes registered under No.188502 dated 21st March 2002; registration No.180562 dated 12th October 1999 and registration No.189251 dated 19th June, 2002? OPP*
- II. *Whether the Plaintiff is the registered proprietor of the trademark/label marks 'Hi-WIDE', 'Hi-19' and 'Hi-25'? OPP*
- III. *Whether the Plaintiff is the proprietor of the trademark 'CENTIFLEX'? OPP*
- IV. *Whether the Plaintiff is the owner of the copyright in the artistic work and literary work/text of the Plaintiff's products sold under the trademarks 'Hi-WIDE', 'Hi-16', 'Hi-19', 'Hi25' and 'CENTIFLEX'? OPP*
- V. *Whether the Plaintiff's designs of its measuring tapes sold registered under No.188502 dated 21st March 2002; registration No.180562 dated 12th October 1999 & registration No.189251 dated 19th June 2002 respectively are not new, novel and has been prior published before the grant of the said registrations? OPD*
- VI. *Whether the designs of the measuring tapes manufactured by the Defendants bear resemblance to the Plaintiff's registered designs as enumerated in the plaint? OPP*

- VII. *Whether the trademarks/label marks of the measuring tapes manufactured by the Defendants are similar to the Plaintiff's trade dress/label mark in respect of the Plaintiff's measuring tapes sold under the marks 'Hi-WIDE' and/or 'Hi-16' and/or 'Hi-19' and/or 'Hi-25' and 'CENTIFLEX'? OPP*
- VIII. *Whether the Defendants' use of a design of a measuring tape under the mark 'Mi-19' is identical/substantially similar to the Plaintiff's prior registered design under No.188502 dated 21st March 2002 and registration No.180562 dated 12th October 1999 constitutes infringement of the Plaintiff's registered design under No.188502 dated 21st March 2002 and registration No.180562 dated 12th October 1999 and if so, to what effect? OPP*
- IX. *Whether the Defendants' use of a design of a measuring tape under the mark 'Fibertex' is identical/substantially similar to the Plaintiff's prior registered design under No.189251 dated 19th June 2002 constitutes infringement of the Plaintiff's registered design under No.189251 dated 19th June 2002 and if so, to what effect? OPP*
- X. *Whether the use of marks 'Mi-19' by the Defendants and/or amounts to infringement of the Plaintiff's registered trademarks 'Hi-WIDE', 'Hi-16', 'Hi-19' and 'Hi-25'? OPP*
- XI. *Whether the Defendants have infringed the plaintiff's copyright in respect of trademarks 'Hi-WIDE' and/or 'Hi-16' and/or 'Hi-19' and/or 'Hi-25' and 'CENTIFLEX'? OPP*
- XII. *Whether the Defendants' use of the design 'Mi-19' and/or 'Fibertex' and the trademarks 'Mi-19' and/or 'CONFLEX' amounts to passing off their goods and services of the plaintiff? OPP*

XIII. *Whether the use of the marks 'Mi-19' and 'CONFLEX' or any deceptively similar marks that of the Plaintiff's trademarks/label marks, 'Hi-WIDE' and/or 'Hi-16' and/or 'Hi-19' and/or 'Hi-25' and 'CENTIFLEX' by the Defendants amounts to passing off their goods and services as that of the Plaintiffs? OPP*

XIV. *Reliefs, if any? OPP*

47. Having heard the learned counsel for the plaintiff and perused the record. At the outset, I may state that the defendants were proceeded *ex-parte* after framing of the issues. The plaintiff's witness has filed his examination-in-chief (PW-1) and proved on record, the documents which are exhibited as Exh.PW-1/1 to PW-1/4 and PW-1/6 to PW-1/34 with one document marked X2.

48. I may also state that during the proceedings in the instant suit, as per order dated September 02, 2013 in I.A.13741/2013, it was clarified on behalf of the plaintiff that the plaintiff has not made any prayer with regard to the trademark '*FIBER PLASTIKA*' being used by the defendants for their products. It was also stated that they are not opposed to the use of the terms '*FIBERTEX*' by the defendants.

49. The examination-in-chief of the plaintiff's witness has gone un rebutted. The witness has proved the affidavit and the documents as

exhibited along with affidavit a reference of which is made above. My issue wise findings are as under:

Issue No. I

50. In regard to this issue, the plaintiff has exhibited the registration of the designs of its measuring tapes under No.188502 dated March 21, 2002 (Exh.PW-1/10); registration No.180562 dated October 12, 1999 (Exh.PW-1/12) and registration No.189251 dated June 19, 2002 (Exh.PW-1/14). The registration of the designs through exhibits being unrebutted by the defendants, the registration of designs vide registration Nos. 188502, 180562 and 189251 stands duly proved. This issue is decided in favour of the plaintiff.

Issue No. II

51. In support of this issue, the plaintiff has exhibited trademarks/ label marks registration with respect to 'Hi-WIDE', 'Hi-16', 'Hi-25' by way of Exh.PW-1/22 (Colly) (at pages 37, 39 and 41 of the documents). The said documents in the absence of any cross examination, stands proved. This issue is decided in favour of the plaintiff.

Issue No. III

52. Insofar as the issue No. III is concerned, the plaintiff has not filed on record any document with regard to the registration of the mark '*CENTIFLEX*' in its favour but has placed a document which is Exh.PW-1/24 wherein the marks '*CENTIFLEX*' has been appropriately depicted. In the absence of any cross examination, it is proved that the plaintiff is the proprietor of the trademark '*CENTIFLEX*'. This issue is decided in favour of the plaintiff.

Issue No. IV

53. Insofar as the issue No. IV is concerned, learned counsel for the plaintiff has stated that the plaintiff is the owner of the copyright in the trademarks and the artistic work / text of the plaintiff product sold under the trademark '*Hi-WIDE*' (Exh.PW-1/21), '*Hi-16*' (Exh.PW-1/13), '*Hi-25*' (Exh.PW-1/21) and '*CENTIFLEX*' (Exh.PW-1/24). The said documents having not been contested by the defendants, it is proved on record that the plaintiff has copyright in the works comprising of the artistic work / text under the trademarks '*Hi-WIDE*', '*Hi-16*', '*Hi-25*' and '*CENTIFLEX*'. This issue is decided in favour of the plaintiff.

Issue No. V

54. In support of the designs in measuring tapes the plaintiff has relied upon the registration certificates depicting registration with Nos. 188502 dated March 21, 2002 (PW-1/10), 180562 dated October 12, 1999 (PW-1/12) and 189251 dated June 19, 2002 (Exh.PW-1/14). It is clear that the designs being new and novel and have been registered. The onus being on the defendants, they have not appeared to prove this issue that designs are not novel. This issue is decided against the defendants.

Issue Nos. VI and VIII

55. On a comparison of the documents at Exh.PW1/26 (defendants design *Mi-19*) with Exh.PW-1/10 (plaintiff's design) and the Exh.P1 (defendants' design) with Exh.PW-1/15 (plaintiff's design) and document P3, it is clear that the measuring tapes manufactured by the defendants at Exh.1/26 and Exh.P1 bears resemblance with the registered design of the plaintiff. But the design with regard to the product of the defendants bearing trade / label mark '*CONFLEX*' at Exh.P3 does not resemble the design of the plaintiff's product at Exh.PW-1/24. These issues are partially decided in favour of the plaintiff.

Issue No.VII

56. On a comparison of the documents at Exh.PW-1/11 with Exh.PW-1/26, Exh.PW-1/13 with Exh.P2 and Exh.PW-1/21 with Exh.P2,

it is clear that the trademarks of the measuring tapes manufactured by the defendants are similar to the trademarks / label marks in respect of the plaintiff's measuring tapes sold under the marks '*Hi-WIDE*', '*Hi-16*' and '*Hi-25*'.

57. Insofar as the trademark/label mark *CENTIFLEX* is concerned, on a comparison of documents, Exh.PW-1/24 and Exh.P3, I do not see any similarity in the trademark / label mark. To the aforesaid extent, this issue is decided in favour of the plaintiff.

Issue No. IX

58. On a comparison of the documents at Exh.PW-1/15 (plaintiff's product) with the trademark '*FIBERPLASTIKA*' and the document Exh.P1 which is defendants' product, under the trade name '*FIBERTEX*', it is clear that the design of the defendants is similar/identical to the plaintiff prior registered design under registration No.189251 dated June 19, 2002 (Exh.PW-1/14) and constitute infringement of the plaintiff's registered design under the said registration no. This issue is decided in favour of the plaintiff.

Issue No. X-XIII

59. It is the case of the plaintiff and so stated in the affidavit filed by plaintiff's witness which is un rebutted, that the plaintiff trades in the well-

known trade/label marks i.e. ‘*Hi*’ series such as ‘*Hi-WIDE*’, ‘*Hi-16*’, ‘*Hi-19*’, ‘*Hi-25*’ and ‘*CENTIFLEX*’ and that they had been manufacturing and selling its steel measuring tapes under the trademarks ‘*Hi-WIDE*’, ‘*Hi-16*’, ‘*Hi-19*’, ‘*Hi-25*’ and ‘*CENTIFLEX*’ and that the said marks are used in distinctive colour schemes, layout, get up, fonts and the said label marks /trade dresses and the same have come to be exclusively associated with the plaintiff company’s products. It was the plaintiff’s submission that the mark ‘*Hi-WIDE*’ is a coined and an arbitrary mark and that they have been using the said trademark in respect of its goods since 1999 continuously; additionally, plaintiff also uses a series of trademarks with the prefix ‘*Hi*’ in combination with various numbers such as ‘*Hi-16*’, ‘*Hi-19*’ and ‘*Hi-25*’ under the trademarks of the plaintiff company ‘*GK FML*’. Exh.P6 price list of the plaintiff admitted by the defendant.

60. The plaintiff buttresses his arguments on the combined long, extensive and continuous user in addition to being a registered proprietor of the trademarks ‘*Hi-WIDE*’, ‘*Hi-16*’, ‘*Hi-19*’ and ‘*Hi-25*’ in India, in this regard the plaintiff has relied on the trademark registrations as exhibited as Exh.PW 1/19. The plaintiff’s witness also stated in the affidavit that the plaintiff company had filed an application for registration of ‘*Hi-WIDE*’ device/label mark before the Registrar of Trade Marks dated May 15, 2001 in class 9, which was pending before the Registrar of Trade Marks and

extract from the trademark journal no. 1339 dated February 1st, 2006 has been marked as Exh.PW 1/20.

61. It is also stated in the affidavit that the plaintiff uses its registered house mark/ label mark '*GK-FML*' on most of its products; according to the plaintiff's witness the said house mark / devise mark '*GK FML AKVN*' is also registered as under No. 1369625 in class 9 as well as the label mark GK FML Standard Measures under no. 1426203 also in class 9. The label mark/ trade dress in respect of its products '*Hi-WIDE*', '*Hi-16*' and '*Hi-25*' have been exhibited as Exh.PW 1/21.

62. It was stated that the plaintiff's '*Hi-WIDE*' trademark/label mark and trade dress, the colour combination, layout, get up and lettering style used in the logo, i.e., white base, black and white alphabets, font style and letters in black and white colour, words written in English and Urdu bearing the plaintiff's mark '*Hi-WIDE*' and/or '*Hi-16*' and '*Hi-19*' and/or '*Hi-25*' constitute an original artistic work within the meaning of the Copyright Act. Exh.PW1/23 original packaging of plaintiff's product '*Hi-WIDE*'.

63. The plaintiff's witness has stated that the mark '*CENTIFLEX*' and the label mark/ trade dress in respect of its products under the mark '*CENTIFLEX*' have been in use by the plaintiff since the year 2000. The plaintiff's products sold under the mark '*CENTIFLEX*' bearing the colour

combination, layout, get up and the lettering style used on the logo, i.e., yellow base orange, blue and white alphabets, font style and letters in white, yellow and white colour bearing the trademark '*CENTIFLEX*' constitute an original artistic work within the meaning of the Copyright Act which has been exhibited as Exh.PW 1/24.

64. In support of the statement that the products of the plaintiff have acquired substantial reputation and goodwill the plaintiff has submitted the total amount spent on advertisement and promotion of its product '*Hi-16*' during the period from 2009-10 till 2013-14, which has been marked as Exh.PW 1/25.

65. As per the plaintiff's witness, the measuring tapes under the trademarks '*Hi-WIDE*', '*Hi-16*', '*Hi-19*', '*Hi-25*' and '*CENTIFLEX*' bearing the unique and distinctive label marks / trade dress respectively are sold throughout India and abroad and have acquired an enviable reputation and goodwill due to its excellent quality, distinctive packaging, colour combination, stylized manner of writing, etc. It was also his submission that the measuring tapes bearing the unique and distinctive label marks / trade dresses are the highest selling brands of the plaintiff and are considered as the largest selling tapes in India. According to him, as a result of continuous and extensive use the plaintiff's label marks / trade dresses coupled with promotion and publicity the said trademarks have

acquired the status of a 'well-known' trademark and that the products '*Hi-WIDE*', '*Hi-16*', '*Hi-19*', '*Hi-25*' and '*CENTIFLEX*' are associated solely with the plaintiff and no one else by the members of the trade and public in general.

66. The plaintiff's witness has stated that the label mark / trade dress of the defendant No. 4's product bearing the mark '*Mi-19*' exhibited as Exh.P2 which he stated is deceptively similar to the plaintiff's '*Hi-WIDE*', '*Hi-16*', '*Hi-19*', and '*Hi-25*' label mark/trade dress when the plaintiff learned of the label mark/ trade dress of the defendant. Thereafter the plaintiff came across the advertisement of defendant No. 4 published in the Yellow Pages which has been exhibited as Exh.P4 wherein the said product '*Mi-19*' had been advertised, which according to the plaintiff is deceptively similar to the marks '*Hi-WIDE*', '*Hi-16*', '*Hi-19*', and '*Hi-25*'.

67. As per the plaintiff's witness the registered design of the plaintiff under no 189251 dated June 19, 2002 (Exh.PW1/14) was for the product '*FIBER PLASTIKA*' was also infringed by the defendants' product under the mark '*FIBERTEX*' as exhibited as Exh.PW1/15.

68. As per the affidavit filed by the plaintiff's witness the defendant's '*Mi-19*' was deceptively similar to the plaintiff's '*Hi-WIDE*', '*Hi-16*', '*Hi-19*', and '*Hi-25*' label marks/ trade dress, to which the defendants had made minor changes/insignificant changes in the impugned

label that it infringes the plaintiff's series of 'Hi' marks and labels/trade dress such as 'Hi-WIDE', 'Hi-16', 'Hi-19', and 'Hi-25' the defendants have admitted the label mark/trade dress of their product as exhibited as Exh.P2 and the advertisement as published by them Exh.P4.

69. With regard to the label mark / trade dress of the defendants' product under the mark 'CONFLEX' is also infringing the plaintiff's label mark / trade dress of its measuring tapes bearing the mark 'CENTIFLEX' he has exhibited the defendants' impugned product as Exh.P3

70. Having noted the statements and documents relied upon by the plaintiff it is also necessary to take into account the stand of the defendants in their written statement wherein they have in paragraph 8 stated as under:

"It is submitted that the Defendants have never used and do not intend to use the marks 'Mi-19' and 'CONFLEX'. Hence the allegations of infringement of trademark, design and copyright made by the Plaintiff against the Defendants are absolutely baseless. It is further submitted that the Defendants are using the series of marks namely A-13, A-16, A-19 where 'A' stands for 'Ambika' and denominations 13/16/19 stand for width of the Steel Tape."

So, it follows that the defendants have categorically stated they shall not use the marks 'Mi-19' and 'CONFLEX'. The said statement is taken on record. These issues have been decided accordingly.

Issue No. XIV

71. Accordingly, the suit is decreed in terms of prayers (a) and (b). Prayers (c) and (d) are granted in favour of the plaintiff with respect to the

products sold under the marks '*Hi-WIDE*', '*Hi-16*', '*Hi-19*' and '*Hi-25*'; however, in terms of the findings hereinabove the plaintiff has not been able to prove its case with respect to infringement of its mark '*CENTIFLEX*' by the defendants use of the mark '*CONFLEX*', it may be stated here however that the statement of the defendants in terms of the averments made in the written statement in paragraph 8 are taken on record. The suit is also decreed whereby the defendants are enjoined from using the marks '*Mi-19*' and '*CONFLEX*'. As it is a conceded case of the parties that the defendants have not brought the products in the market and the suit is *quia timet* in nature and in the facts of this case the plaintiff is not entitled to damages. Prayer (e) has become infructuous in terms of the undertaking given by the defendants as recorded above. Prayers (f), (g) and (h) are not granted. Decree sheet be drawn up. No costs.

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72. This is an application filed by the defendants under Order XI Rule 1 of the Code of Civil Procedure, 1908. In light of the above conclusion in paragraph 71 along with the fact that the defendants are *ex parte*, the same has become infructuous and is dismissed.

V. KAMESWAR RAO, J

DECEMBER 22, 2020/jg