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

+ CS(COMM) 136/2020, IA 3962/2020 (Order XXXIX Rules 1 and 2 CPC) and 9286/2020 (Order VIII Rule 10 CPC)

**G4S PLC. (FORMERLY KNOWN AS GROUP 4
SECURICOR PLC) & ANR.**

..... Plaintiffs

Through: Ms. Swathi Sukumar, Mr.
Essenese Obhan, Ms. Taarika Pillai, Mr.
Naveen Nagarjuna and Ms. Tarini Sahai,
Advs.

versus

**G4 EXCELLENCE MANAGEMENT SECURITY
SOLUTIONS PRIVATE LIMITED**

..... Defendant

Through:

CORAM:

HON'BLE MR. JUSTICE C. HARI SHANKAR

J U D G M E N T

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21.10.2021

1. The plaintiffs allege infringement, by the Defendant, of its registered trademarks and passing off, by the Defendant, of their services as connected to the plaintiffs. The prayer clause in the suit reads thus:

“51. It is humbly prayed that a decree be passed in favour of the Plaintiffs and against the Defendant to the following effects:

(i) For a permanent injunction restraining the Defendant, its directors, agents, sister concerns, servants, representatives and all other persons on its behalf from infringing the well-known trademarks

“” and “G4S” and/or any other trademark deceptively similar thereto in relation to the services of

the Plaintiffs being security services and any related services:

(ii) For a permanent injunction restraining the Defendant, its directors, agents, sister concerns, servants, representatives and all other persons on its behalf from passing off their business under the infringing trademarks: “G4EX”, “G4 Excellence”, and

“  ” & “  ” and/or any other trademark deceptively similar thereto in relation to the impugned services of the Plaintiffs being all kinds of security services as that of the Plaintiffs and any other services cognate and allied thereto;

(iii) A decree of rendition of accounts of profits illegally earned by the Defendant by reason of infringement of the Plaintiffs’ trademarks and passing off as aforesaid and a decree be passed against the Defendant in the exact sum of the amount so ascertained:

(iv) An order of damages to the tune of INR 2,00,01,000/-(Rupees Two Crore and One Hundred only) on account of the aforesaid acts of the Defendant;

(v) An order for costs in the proceedings

(vi) Pass any further orders that this Hon'ble Court may deem fit and proper in the facts and circumstances of the case and in order to meet the end of justice.”

2. Ms. Swathi Sukumar, learned Counsel for the plaintiffs, on instructions, restricts the reliefs sought in prayers (i), (ii) and (v) *supra*.

3. Originally, the suit was filed only against Defendant 1, M/s G4 Excellence Management Security Solutions Pvt. Ltd. However, *vide* order dated 9th February, 2021, on an application under Order I Rule

10 of the Code of Civil Procedure, 1908 (“CPC”) by the plaintiffs, Defendant 2, Mr. Sanjay Chettri and Defendant 3, Mr. Ilango Jagadambi Munuswamy, directors of the Defendant 1 company, came to be impleaded.

Facts

4. Plaintiff 1, G4S Plc, is a company incorporated under the laws of England and Wales based out of London. The plaint avers that Plaintiff 1 had earlier been trading under the name “Group 4 Securicor” which was a result of a merger between “Group 4 Falck” & “Securicor”. In 2007, Plaintiff 1 is stated to have changed its tradename from “Group 4 Securicor Plc” to its current tradename “G4S Plc”.

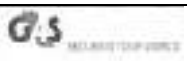
5. It is asserted that Plaintiff 1, along with its group companies, is the world’s leading global security company specialising in rendering of security and related services to its customers across 100 countries and six continents. The plaint avers that Plaintiff 1, apart from its core business of providing secure solutions, facilities management, and security systems, offers a range of services including training, event security, security consultancy and risk management, central monitoring services, fire audit recruitment and placement and garment/uniform manufacturing.

6. Plaintiff 1 claims to have entered the Indian market in 1989 through a company under the name of “Group 4 Securitas Hindustan

Pvt Ltd”. Currently, Plaintiff 1 operates through Plaintiff 2, G4S Secure Solutions (India) Pvt. Ltd (“G4S India” in short), having its registered office in Delhi, which prior to 2005 had been trading under the name of “G4S Security Services (India) Pvt. Ltd.”.

7. The plaint refers to other entities of Plaintiff 1 in India as well, which collectively are stated to be comprising its “integrated security solutions group” in the country providing services under the plaintiffs’ “G4S” mark as also their device mark “” since 2005.

8. Along with the plaint, the plaintiffs have annexed registration certificates for the trade marks registered in the former name of Plaintiff 1, the details of which are tabulated in the plaint thus:

Trademark	Registration No.	Class	Registration Date	Date of use	Status
	1367702	99	29 th June 2005	29 th June 2005	Registered
	1435723	99	30 th March, 2006	30 th March, 2006	Registered
	2754523	45	12 th June, 2014	1 st January, 2009	Registered

9. Of the aforesaid registrations, the trade mark registration granted *vide* No. 2754523 relates to Class 45 providing for classification of security services etc.

10. Plaintiff 1 claims to have adopted the mark “G4S” as its trade name from the abbreviation of its previous trade name “Group 4 Securicor”. It claims to have used the mark openly, continuously and extensively in India from 2005. In order to substantiate the goodwill and reputation that it has garnered in India over the years, the plaintiffs have provided the sales figures of G4S India from 2004-2005 till 2019-2020, with the latest sales figures for 2019-2020 being over ₹ 2700 crores. Advertising expenses in 2019-2020, were in the region of ₹ 2.27 crores. The plaint also refers to the various accolades that the services of Plaintiff 1 have earned over the years.

11. Defendant 1 company is stated to have been incorporated in the year 2018 with Defendants 2 and 3 as its Directors. The defendants provide security services under the marks “G4EX”, “g4 Excellence”,  and .

12. The plaint avers that in the first week of January, 2020, the plaintiffs were made aware that the defendants have also been providing security services, identical to the plaintiffs, under the mark “G4EX” and “”.

13. This prompted the plaintiffs to issue a legal notice dated 2nd January, 2020 to the defendants. The plaintiffs objected to the use, by the defendants, of the mark “” for services identical to those provided by the plaintiff, on their website www.g4excellencesecurity.com and on their social media pages. The

plaintiffs called upon the defendants to cease and desist from any further use of the mark “  ” or “G4EX” and were also asked to alter the name of their company - “G4Excellence Security & Facility Services”, within two weeks from the receipt of the notice.

14. Responding to the aforesaid notice, the defendants issued a letter dated 8th January 2020 to the plaintiffs denying any allegations of infringement by the defendants. In the said letter, the defendants admitted that due to “oversight”, the defendants had been using the “G4EX” as their company logo. It was stated that the said logo had been changed from “G4EX” to “g4 EXCELLENCE” which was, as per the defendants, not similar to the plaintiffs’ mark. The defendants further stated that their website had not been updated due to a technical glitch and that the process to rectify the glitch had been initiated. The plaintiffs were called upon to withdraw their notice dated 2nd January 2020.

15. On 22nd January 2020, the plaintiffs responded to the aforesaid reply by the defendants. The plaintiffs asserted that the defendants had, in a *malafide* manner, adopted the mark  for providing services identical to those provided by the plaintiffs with an intent to capitalise on the reputation and goodwill garnered by the plaintiffs over the years. The *malafides* of the defendants, it was alleged, were manifest from the fact that the defendants had only after the plaintiffs’ legal notice dated 2nd January, 2020, preferred an application for registration of the mark “  ” on 7th January, 2020. This

mark, too, alleged the plaintiffs, was phonetically and structurally similar to the plaintiffs' marks and was being used for providing identical services. It was, therefore, contended on behalf of the plaintiffs, bound to cause confusion in the minds of the prospective customers and existing clientele. The defendants were, therefore, called upon to immediately discontinue the use of the mark "G4EX" or "g4 EXCELLENCE" as a mark, corporate name or in any other form.

16. Without further communicating with the plaintiffs or acceding to their requests, the plaint alleges that the defendants continued to offer security services under the infringing marks. Ergo, the present suit.

17. While, the earlier domain name "www.g4excellencesecurity.com" is stated to have been discontinued, it is stated that the defendants have now adopted the website "www.g4xsecurity.com". The plaintiffs have also objected to the use by the defendants of "g4x security" in its domain name which, the plaintiffs claim, is bound to cause confusion.

Course of proceedings

18. On the first date of hearing on 22nd May, 2020, on the application seeking *ad-interim* relief, the Court, in the facts and circumstances of the case, keeping the balance of convenience in mind had thought it fit to allow the defendant to file a reply to the

application. Notice was issued in the suit and the application, which was accepted by Mr. Praveen Alexander, Counsel who had appeared for Defendant No. 1.

19. On the next date of hearing, a preliminary objection had been raised by Mr. Praveen Alexander regarding maintainability of the plaint on the ground that Defendant 1 was no longer in existence and had been wound up. One of the directors, Mr. Sanjay Chettri, it was submitted, had started a proprietorship under the name, M/s g4 Excellence Security and Facility Services which had not been impleaded in the present proceedings. As the fact of the Defendant 1 having being wound up was disputed by Ms. Swati Sukumar, learned Counsel for plaintiffs, opportunity was granted to the defendant to file the relevant records from the Registrar of Companies (RoC). An undertaking was given by the Counsel for the defendant that, till the next date of hearing, the defendant would not use the marks “”, “” or any other marks deceptively similar thereto, in relation to security and safety services.

20. Though Mr. Praveen Alexander, learned Counsel for the defendant, appeared on some of the subsequent dates of hearing, the defendants have not chosen to place any pleadings on record. The assertions in the plaint have, therefore, gone untraversed.

21. After 1st October, 2020, there has been no appearance on behalf of the defendants. Noting the absence of the learned Counsel of the

defendant who had earlier appeared for the defendant and given that the notices issued on the email id of Defendant 1 as well as the email id of Mr. Praveen Alexander had evoked no response, the Court, on 9th April 2021, had set Defendant 1 *ex-parte*.

22. The directors of the Defendant 1, Defendants 2 & 3, too have not participated in the proceedings or filed any pleadings or documents.

23. In these circumstances, the Plaintiff has moved an application under Order VIII Rule 10 of CPC for pronouncement of judgment in light of the fact that the time to file the written statement has elapsed.

24. Despite the non-participation, in the proceedings, by the defendants, the Court has, nonetheless, to analyse the merits of the case of the plaintiffs. The following passages from judgment of Supreme Court in ***Balraj Taneja v Sunil Madan***¹ as also in ***Shantilal Gulabchand Mutha v Tata Engineering and Locomotive Company Ltd***² may be referred in this regard:

Balraj Taneja¹

“27. In view of the above, *it is clear that the court, at no stage, can act blindly or mechanically*. While enabling the court to pronounce judgment in a situation where no written statement is filed by the defendant, the court has also been given the discretion to pass such order as it may think fit as an alternative. This is also the position under Order 8 Rule 10 CPC where the court can either pronounce judgment against the defendant or pass such order as it may think fit.

¹ (1999) 8 SCC 396

² (2013) 4 SCC 396

29. As pointed out earlier, *the court has not to act blindly upon the admission of a fact made by the defendant in his written statement nor should the court proceed to pass judgment blindly merely because a written statement has not been filed by the defendant traversing the facts set out by the plaintiff in the plaint filed in the court. In a case, specially where a written statement has not been filed by the defendant, the court should be a little cautious in proceeding under Order 8 Rule 10 CPC. Before passing the judgment against the defendant it must see to it that even if the facts set out in the plaint are treated to have been admitted, a judgment could possibly be passed in favour of the plaintiff without requiring him to prove any fact mentioned in the plaint. It is a matter of the court's satisfaction and, therefore, only on being satisfied that there is no fact which need be proved on account of deemed admission, the court can conveniently pass a judgment against the defendant who has not filed the written statement. But if the plaint itself indicates that there are disputed questions of fact involved in the case regarding which two different versions are set out in the plaint itself, it would not be safe for the court to pass a judgment without requiring the plaintiff to prove the facts so as to settle the factual controversy. Such a case would be covered by the expression "the court may, in its discretion, require any such fact to be proved" used in sub-rule (2) of Rule 5 of Order 8, or the expression "may make such order in relation to the suit as it thinks fit" used in Rule 10 of Order 8."*

(emphasis supplied)

Shantilal Gulabchand Mutha²

"9. In view of the above, *it appears to be a settled legal proposition that the relief under Order 8 Rule 10 CPC is discretionary, and court has to be more cautious while exercising such power where the defendant fails to file the written statement. Even in such circumstances, the court must be satisfied that there is no fact which needs to be proved in spite of deemed admission by the defendant, and the court must give reasons for passing such judgment, however, short it be, but by reading the judgment, a party must understand what were the facts and circumstances on the basis of which the court must proceed, and under what reasoning the suit has been decreed.*"

(emphasis supplied)

25. However, even while it is settled that despite the non-filing of written statement, the facts as pleaded in the plaint may be required to be proved, in this case, it would not serve any purpose to direct the plaintiff to lead any *ex-parte* evidence. The plaint is verified and is supported by an affidavit and statement of truth. A coordinate bench of this Court, in *Satya Infrastructure v Satya Infra & Estates Pvt. Ltd.*³ while also dealing with a suit seeking permanent injunction for trademark infringement, observed thus:

“5. I am of the opinion that no purpose will be served in such cases by directing the plaintiffs to lead ex parte evidence in the form of affidavit by way of examination-in chief and which invariably is a repetition of the contents of the plaint. The plaint otherwise, as per the amended CPC, besides being verified, is also supported by affidavits of the plaintiffs. I fail to fathom any reason for according any additional sanctity to the affidavit by way of examination-in-chief than to the affidavit in support of the plaint or to any exhibit marks being put on the documents which have been filed by the plaintiffs and are already on record. I have therefore heard the counsel for the plaintiffs on merits qua the relief of injunction.”

This view has been consistently followed by other coordinate benches of this Court in *Samsung Electronics Limited v Mohammed Zaheer Trading as Gujarat Mobiles*⁴, *Impressario Entertainment & Hospitality v. Mocha Blu Coffee Shop*⁵, *Abro Industries Inc. v. Dhirish Nimbawat*⁶ and *Parsvnath v. Vikram Khosla*⁷

³ (2013) 54 PTC 419

⁴ 2017 SCC OnLine Del 9317

⁵ 2018 SCC OnLine Del 12219

⁶ (2016) 234 DLT 582

⁷ 2021 SCC OnLine Del 3147

Submissions

26. The plaintiffs have filed written submissions, contending thus :

(i) The trademarks of the plaintiffs “G4S” & “” are arbitrary and inherently distinctive in nature having been derived from plaintiff’s previous trade name “Group 4 Securicor PLC”. Through long, continuous and extensive use since 2005 in India, the plaintiffs have acquired goodwill and reputation in marks. The marks being registered as well, the plaintiffs have both statutory and common law rights over the aforesaid marks.

(ii) “G4S” is an integral and essential part of the trade mark registration of the plaintiffs.

(iii) The Defendants’ marks “G4EX”, “g4 excellence”,  as also , are deceptively similar to the plaintiffs’ marks and are thus, likely to cause confusion in the minds of the public. Moreover, the defendants are using the marks for services identical to those provided by the plaintiffs i.e. security services, and are also targeting the same/similar class of consumers. Reference is made to Section 29(2)(b) & (c) of the Trade Marks Act, 1999 (“the Act” in short) and the statutory presumption under Section 29(3) of the Act.

(iv) The Defendants' marks are phonetically similar to the plaintiffs' marks. Phonetic similarity is an important element for assessing similarity of competing marks as recognized by Section 29(9) of the Act. Reliance is placed on *Satyam Infoway Ltd. v. Siffynet Solutions (P) Ltd.*⁸, *Heinz Italia v. Dabur India Ltd.*⁹, *United Biotech Pvt. Ltd. v. Orchid Chemicals & Pharmaceuticals Ltd.*¹⁰, *Carlsberg India Pvt. Ltd. v. Radico Khaitan Ltd.*¹¹, *M/s Gufic Ltd. v Clinique Laboratories, LLC*¹², *Alaknanda Cement Pvt. Ltd. v. Ultatech Cement Ltd.*¹³, *Encore Electronics Ltd. v. Anchor Electronics & Electricals Pvt. Ltd.*¹⁴ and *Atlas Cycle Industries Ltd. v. Hind Cycles Limited*¹⁵.

(v) Regardless of the different font under which the defendants are trying to use the marks, specifically the mark “ EXCELLENCE” the marks continue to be phonetically and literally identical. The manner and style adopted by the defendants are structurally identical/similar to those adopted by plaintiffs.

(vi) The defendants have also adopted a deceptively similar domain name “www.g4xsecurity.com” subsequent to the legal

⁸ (2004) 6 SCC 145

⁹ (2007) 6 SCC 1

¹⁰ 2012 (50) PTC 433 (Del)

¹¹ (2012) 186 DLT 368 (DB),

¹² 2010 (43) PTC 788 (Del)

¹³ (2012) 1 Bom CR 519

¹⁴ (2007) 5 Bom CR 262

¹⁵ 1972 SCC OnLine Del 141; ILR (1973) 1 Del 393

notice preferred by the Plaintiff, whereas, prior to the notice, the defendants had been operating under the domain name “www.g4excellencesecurity.com”.

(vii) The *malafide* of the defendants are brought out by the fact that the defendants have not only adopted a similar word mark but also adopted a nearly identical device mark  to the plaintiffs' . Reference is made to *MAC Personal Care Pvt. Ltd. v. Laverana GMBH & Co. KG*¹⁶. Reliance is also placed on *Midas Hygiene Industries P. Ltd. v. Sudhir Bhatia*¹⁷, and *Hindustan Pencils Private Limited v. India Stationary Products Co.*¹⁸

(viii) The defendants have not offered any justified explanation for the adoption of the infringing marks. Reliance is placed on *N.R. Dongre v. Whirlpool Corpn.*¹⁹, *The Timken Company v. Timken Services Private Ltd.*²⁰, *Suzuki Motor v. Suzuki (India) Limited*²¹.

(ix) The Balance of Convenience is also in favour of the plaintiffs as the Defendant No. 1 was only incorporated in 2018 and had only in January 2020, after the plaintiffs had preferred a legal notice to the defendants that the defendants started

¹⁶ 2016(65)PTC357(Del)

¹⁷ 2004 (3) SCC 90

¹⁸ AIR 1990 Del 19

¹⁹ (1996) 5 SCC 714

²⁰ 2013 (200) DLT 453

²¹ 2019(79) PTC 227(Del)

operating the domain name “www.g4xsecurity.com”. Moreover, defendants fraudulently claimed in their reply to the legal notice issued by the plaintiffs that the defendants had registered proprietary rights on “g4Excellence”, whereas, the defendants had only filed for rights over this mark subsequent to the legal notice of the plaintiffs. Defendant did not respond to the follow up notice of the plaintiffs dated 22nd January 2020, but continued to offer security services under the infringing marks.

(x) The plaintiffs have also relied on an *ex-parte ad interim* order dated 9th July, 2018 passed by a Coordinate Bench of this Court in CS(COMM) 995/2018 titled **G4S Plc. v. Mahavir Singh** wherein the defendants therein were restrained from using marks “C4S” and “CS”.

Analysis

27. Even prior to analysing the framework in which the issues in this case need to be addressed, it would be appropriate to say a word about the purpose for which trademarks are protected, for this is a case wherein, as the facts clearly bring out, the defendants’ conduct has been completely antithetical to the principles and the purpose for which this proprietary right of the plaintiff is afforded protection.

28. In protecting the trade mark of a proprietor, the law affords

protection to the goodwill and reputation that the proprietor has been able to meticulously craft for its product²², where the mark serves as a connection, for the consumers, of the product of the proprietor to the proprietor himself. The Division Bench of this Court in *South India Beverages Pvt. Ltd. v General Mills Marketing Inc.*²³ while analysing the philosophy behind the protection afforded to trade marks refers to the concept of “brand image”. Brand image, the Court notes, refers to the role of brand names and other aspects of a brand's trade dress as cues that retrieve or signal product attributes benefits, affect or overall quality. A paramount factor, the Court observes, which influences a consumer's choice in a product is his memory of previous exposures to the brand and distinctive marks serve as a way for a consumer to be able to recall his experience with a brand. A similar mark would cause a slow decline in the accuracy of a consumer's memory-based judgments and this, the Division Bench notes, is a practice which the Trade Marks Act seeks to stop.

29. A trade mark, which can be in the form of a device, label, word or other such forms as given in Section 2(m) of the Act, serves the purpose to identify the trade origin of the goods and services to which it is applied, and allows a proprietor to distinguish his goods or services from that of another.²⁴ The function of a trade mark is to give an indication and to provide an assurance to the consumer that the products he seeks to purchase are the same ones to whose quality and

²² *Laxmikant V. Patel v. Chetan Bhai Shah* (2002) 3 SCC 65

²³ (2015) 61 PTC 231

²⁴ Section 2(zb) of the Trade Marks Act, 1999

manufacture he is assured of.²⁵

30. Adoption of a deceptively similar mark by a person would confuse the consumers and create a false association between the goods of one with that of another, and in the process, allow the adopter thereof to divert customers of someone else to himself. In the present case, in the opinion of the Court, the marks which the defendants have adopted achieve this purpose.

31. Registration of a trade mark, as per Section 28 of the Act, grants its registered proprietor, the exclusive right to use of the said trade mark in relation to goods or services in respect of which it is registered, as also the right to obtain relief in respect of infringement of that mark by third parties. This action for infringement, as the Supreme Court in *Kaviraj Pandit Durga Dutt Sharma v. Navaratna Pharmaceutical Laboratories*²⁶ goes on to observe, “is a statutory remedy conferred on the registered proprietor of a registered trade mark for the vindication of [his] exclusive right to the use of the trade mark in relation to goods [in respect of which it is registered]”. The issue of whether there is an infringement of a registered mark would, then, have to be analysed as per the provisions under Section 29 of the Act keeping in mind the limits of the registration as per Section 30 of the Act.

32. Though, as Section 27(1) clarifies, the right to move for

²⁵ *Sumat Prasad Jain v SheoJanam Prasad* (1973) 1 SCC 56; Eighth Report of Trade Marks Bill, 1993 by the Department Related Parliamentary Standing Committee on Industry, Rajya Sabha

²⁶ AIR 1965 SC 980

infringement and recover damages thereof cannot be *qua* an unregistered mark, nevertheless, the defendant in a case could still be subject to proceedings for passing off, as the remedies under the Act do not take away from the right of proceeding against a person who seeks to pass off its goods as that of another.²⁷

33. I have, in *FDC Limited v Faraway Foods Pvt. Ltd.*²⁸, already had the opportunity to note, in detail, the distinction between the statutory remedy of infringement and the tort of passing off while looking at the dictum of the Supreme Court in various cases. Thus, the need is not felt to delve deep into the same subject. Suffice it to state, as was succinctly done in *Ruston & Hornsby Ltd. v Zamindara Engineers*²⁹, that, in a passing off case, the issue is whether “the defendant is selling goods so marked as to be designed or calculated to lead the purchasers to believe that they are the plaintiff’s good” whereas in an infringement action, the question is whether the “defendant is using a mark which is same or which is a colourable imitation of the plaintiffs registered trademark.” Though the tests of confusion and deception would be the same in both infringement and passing off cases³⁰, however, the point of consideration, as noticed above, varies in both the actions. Resultantly, passing off could be “resisted on the ground of added material, such as packing, procurement through different trade channels, etc., which would distinguish the goods of the defendant from those of the plaintiff and

²⁷ Refer Section 27(2) of the Act

²⁸ 2021 SCC OnLine Del 1539

²⁹ (1969) 2 SCC 727

³⁰ *ibid*

believe the possibility of confusion or deception.”, however, these factors would play no role in an infringement action, wherein once the conclusion of deceptive similarity between the two marks is reached, infringement is made out.

34. As is usual in these cases, the plaintiffs have sought to invoke both its statutory as well as common law rights in respect of its marks in “”, “” and “G4S”. It has placed on record its registrations in device marks “” as also “”.

Statutory Rights of the Plaintiff

35. The plaintiff holds registrations in respect of device marks “” as also “”, the details of which have already been provided in a table in Para 8 *supra* which is not being extracted here again. Apart from these, though, the plaintiffs also hold a registration of the word mark “G4S” in respect of Class 45 (Security Services), since 9th November, 2020, vide No. 4738401 with the registration being valid till 2030, the registration certificate relating to this mark has not been placed on record.

36. Regardless, in light of the proposition of law, as enunciated by a Division Bench of this Court in *United Biotech Pvt. Ltd.*¹⁰, that even the registration of label/device mark would, in certain cases, entitle the proprietor to protection of the word mark contained therein, the aspect

of infringement is also being considered from the viewpoint of rights of the plaintiff in the word “G4S”.

37. In *United Biotech*¹⁰, the Division Bench, placing reliance on the Supreme Court decision in *Ramdev Food Products (P) Ltd. v Arvindbhai Rambhai Patel*³¹, noted that though “ORZID” was a label mark, the word “ORZID”, being the essential feature of this label/device mark, would also be entitled to protection. *Vardhman Buildtech v Vardhman Properties*³² distinguishes *United Biotech*¹⁰ on facts of the case. In *Vardhman Buildtech*³², the Division Bench noted that “Vardhman” *per-se* or the word “Plazas” was not the distinctive element of the label mark which contained the words “Vardhman Plazas”. Both the words taken together, it was held, were the distinctive elements of the mark and therefore, the Court did not accord any protection to the word “Vardhman” itself on registration on the label mark alone. However, that distinction would not come into the picture in the present case, as the mark of the plaintiff only contains the word “G4S”. In a circumstance wherein the label/device contains only a prominent word, this essential element would also be entitled to protection thereof.

38. Thus, the question of infringement will have to be analysed from the standpoint of the plaintiff’s rights in not only the device , but also its statutory rights in regard to word “G4S”, even without considering the registration of the word mark.

³¹ (2006) 8 SCC 726

³² (2016) 233 DLT 25(DB)

Common Law Rights of the Plaintiffs

39. In analysing the common law rights of the plaintiff, the focus has to shift from that of registration of the marks to that of goodwill and reputation amassed by the plaintiff and whether the plaintiff is the prior user of the marks in question, for the analysis has to hinge on the five elements of passing off - “(1) a misrepresentation, (2) made by a trader in the course of trade, (3) to prospective customers of his or ultimate consumers of goods or services supplied by him, (4) which is calculated to injure the business or goodwill of another trader (in the sense that this is a reasonably foreseeable consequence), and (5) which causes actual damage to a business or goodwill of the trader by whom the action is brought or (in a *quia timet* action) will probably do so.”³³

40. A look at the activities of the plaintiffs in India and worldwide, makes it clear that the plaintiffs have amassed substantial reputation and goodwill in its business of providing security services. The extent of sales of the plaintiffs, as also its advertising expenses in India alone, with the latest sales figures for 2019-2020 being over ₹ 2700 crores and advertising expenses in 2019-2020 to the tune of ₹ 2.27 crores, leave no manner of doubt that the plaintiff has an established reputation in the market.

41. Insofar as priority of user is concerned, it was not even the case

³³ *Cadila Health Care Ltd. v Cadila Pharmaceuticals Ltd. (2001) 5 SCC 73, Heinz Italia ibid*

of the defendant in its reply to the notice sent by the plaintiff that it had been using the mark “G4EX” for a sufficiently long period of time or prior to plaintiff’s use of the mark “G4S” in India. In fact, the defendants go on to state that the mark “G4EX” was “due to an oversight” being used as their company logo and it was claimed that the same had been changed to “g4 Excellence”. Even in respect of the mark “ ” the application, filed on 7th January, 2020, of registration of mark by the defendant, was filed on a “proposed to be used basis”. Furthermore, the plaintiffs point out the Defendant 1 corporation had only come to be incorporated in 2018.

42. The plaintiff having claimed continuous and extensive use of marks “G4S” as also its device marks “” in relation to its trade security services, there is no reason to believe that plaintiffs are not the prior user of the marks.

43. Thus, the plaintiffs having established their statutory as well as common law rights in the marks “G4S” and its device marks including , the issue which requires to be answered is whether the defendants in using impugned marks have engaged in infringement or passing off.

44. It is well settled that where the alleged infringement consists of not using the exact mark on the register, but something similar, the tests of confusion and deception i.e. deceptive similarity arising from the similarity of marks would be the same both in infringement and

passing off cases, with the differences in both the actions already having been adverted to, in para 33 *supra*.

45. However, even prior to coming the question of comparison of the marks, it is necessary for the Court, in the first instance, to visualise a customer who would happen to have dealings with both the plaintiffs and the defendants, for it is the customer from whose eyes the question of confusion and deception would have to be addressed. The class of such customers/purchasers who are likely to buy the goods bearing the marks is equally important in question of assessing confusion and deception.³⁴ The standard for assessing similarity, as has been reiterated so many times, would have to be of the test of a man of average intelligence and of imperfect recollection.³⁵

46. In the present case, both the plaintiffs and the defendants are engaged in providing security services and as the plaintiff claims, both cater to a same/similar class of customer base. The plaintiff states that its clientele in India exists in various sectors including business process outsourcing, retail, healthcare, infrastructure. IT, banking, diplomatic missions & embassies, residential, hospitality, communication and aviation. Though the plaintiffs also state, in its plaint, that it caters to a wide variety of customers and are not restricted to any class of customers, even presuming that the plaintiffs' clientele, and in the absence of rebuttal by the defendants, the defendants' clientele, would consist of only sophisticated consumers,

³⁴ *ibid*

³⁵ **Corn Products Refining Co. v. Shangrila Food Products Ltd. AIR 1960 SC 142**

such as in the cases of institutions, the possibility of confusion would not be precluded merely by the said fact. The following paragraph from *Grotrian, Helfferich Schulz, Th. Steinweg Nachf, a Corporation v. Steinway & Sons*³⁶, which is cited with approval in *South India Beverages Pvt. Ltd.*²³ and *United Biotech*¹⁰ exposit the said principle:

“Plaintiff argues that purchaser will not be confused because of the degree of their sophistication and the price (*B & L Sales Associates v. H. Daroff & Sons, Inc., supra, 421 F.2d at 354*). It is true that deliberate buyers of expensive pianos are not as vulnerable to confusion as to products as hasty buyers of inexpensive merchandise at a newsstand or drug store [Callmann, *Unfair Competition Trademarks and Monopolies*, (3d ed. 1971)]. *The sophistication of buyers, however, does not always assure the absence of confusion [Communications Satellite Corp. v. Comcet, Inc., 429 F.2d at 1252]. It is the subliminal confusion apparent in the record as to the relationship, past and present, between the corporate entities and the products that can transcend the competence of even the most sophisticated consumer. Misled into an initial interest, a potential Steinway buyer may satisfy himself that the less expensive Grotrian - Steinweg is at least as good, if not better, than a Steinway. Deception and confusion thus work to appropriate defendant's good will. This confusion, or mistaken beliefs as to the companies' interrelationships, can destroy the value of the trademark which is intended to point to only one company [American Drill Busing Co. v. Rockwell Mfg. Co., 342 F.2d 1922, 52 CCPA 1173 (1965)]. Thus, the mere fact that purchasers may be sophisticated or discriminating is not sufficient to preclude the likelihood of confusion. “Being skilled in their own art does not necessarily preclude their mistaking one trademark for another when the marks are as similar as those here in issue, and cover merchandise in the same general field”*

(Emphasis supplied)

47. Moreover, given that the services that both the plaintiffs and defendants are dealing in, are identical, the degree of similarity of marks necessary to support a finding of infringement would also be

³⁶ 365 F. Supp. 707 (1973)

lesser than in the case of dissimilar, non-competing products.³⁷

48. On the question of deceptive similarity which is the *sine qua non* for a finding of infringement or passing off, this Court has already in *PhonePe Pvt. Ltd. v Ezy Services*³⁸ while relying on its earlier decisions in *FDC Ltd. v. Faraway Foods Pvt. Ltd.*²⁸, *Natures Essence Pvt. Ltd. v. Protogreen Retail Solutions Pvt. Ltd.*³⁹ and *Britannia Industries Ltd. v. ITC Ltd.*⁴⁰, analysing a conspectus of decisions on the subject, culled out the principles relating to deceptive similarity as applicable to infringement and passing off cases. In this regard, Para 21 of the decision in *PhonePe*³⁸ may be reproduced in extenso:-

“21. On the aspect of confusing or deceptive similarity, which is the *sine qua non* for any successful action for infringement or passing off, this Court has, in its decision in *FDC Ltd. v. Faraway Foods Pvt. Ltd.*²⁸, *Natures Essence Pvt. Ltd. v. Protogreen Retail Solutions Pvt. Ltd.*³⁹ and *Britannia Industries Ltd. v. ITC Ltd.*⁴⁰, culled out the following principles, from the decisions in *Satyam Infoway (P) Ltd. v. Siffynet Solutions (P) Ltd.*⁸, *Cadila Health Care Ltd. v. Cadila Pharmaceuticals Ltd.*³³, *Kaviraj Pt. Durga Dutt Sharma*²⁶, *National Sewing Thread Co. Ltd. v. James Chadwick & Bros Ltd.*⁴¹, *Corn Products Refining Co. v. Shangrila Food Products Ltd.*³⁵, *Amritdhara Pharmacy v. Satya Deo Gupta*⁴², *K. R. Krishna Chettiar v. Shri Ambal & Co.*⁴³, *F. Hoffman-La Roche & Co. Ltd. v. Geoffrey Manners & Co. Pvt. Ltd.*⁴⁴, *Mahendra & Mahendra Paper Mills Ltd. v. Mahindra & Mahindra Ltd.*⁴⁵, *Laxmikant V. Patel v. Chetanbhai Shah*²², *Khoday Distilleries Ltd. v. Scotch Whisky Association*⁴⁶, *Nandhini Deluxe v. Karnataka Co-operative Milk Producers*

³⁷ South India beverages *ibid*

³⁸ 2021(86) PTC 437(Del)

³⁹ 2021 SCC OnLine Del 1538

⁴⁰ MANU/DE/0622/2021

⁴¹ AIR 1953 SC 357

⁴² AIR 1963 SC 449

⁴³ (1969) 2 SCC 131

⁴⁴ (1969) 2 SCC 716

⁴⁵ (2002) 2 SCC 147

⁴⁶ (2008) SCC 72310

***Federation Ltd.*⁴⁷ and *Wockhardt Ltd. v. Torrent Pharmaceuticals Ltd.*⁴⁸:**

(i) In assessing deceptive similarity, the class of the customer who would purchase the product is relevant. The look/appearance, and the sound, of the trade marks, as well as the nature of the goods, are all relevant considerations. Surrounding circumstances are also relevant.

(ii) The onus of proof is on the plaintiff who alleges passing off. As against this, in an opposition to the registration of a trade mark, the onus to prove [the lack of] deceptive similarity is on the defendant who seeks non-registration, or removal of the trade mark from the register.

(iii) “Confusion” refers to the state of mind of the customer who, on seeing the mark, thinks that it differs from the mark on the goods which he has previously bought, but is doubtful whether that impression is not due to imperfect recollection. The question is one of first impression.

(iv) This is especially true in the matter of phonetic similarity. A meticulous comparison of the words, syllable by syllable, is to be avoided. The possibility of careless pronunciation and speech, both on the part of the buyer walking into the shop, as well as the shop assistant, is also required to be factored into consideration.

(v) The matter has to be examined from the point of view of a person of average intelligence and imperfect recollection. It has to be seen as to how such a purchaser would react to the trade mark, the association which he would form and how he would connect the trade marks with the goods he would be purchasing.

(vi) The *Pianotist test*⁴⁹, postulated over a century ago, has repeatedly been endorsed by the Supreme Court, as the definitive test to be adopted while comparing rival trade marks. According to this test, the Court is required to judge the rival trade marks by their look and sound, and consider,

(a) the goods to which they are to be applied

⁴⁷ (2018) 9 SCC 183

⁴⁸ (2018) 18 SCC 346

⁴⁹ In *In re. Pianotist Application* (1906) 23 RPC 774 by Parker, J.

- (b) the nature and kind of customer who would be likely to buy those goods,
- (c) all surrounding circumstances and
- (d) the consequences which would follow if each of the marks is used in the normal way as the trade mark for the goods of the respective owners.

While doing so, the common part of the words forming the competing marks may not be decisive. The overall similarity of the composite words is required to be seen, having regard to the circumstance (if applicable) that both are on like goods of similar description. The test to be applied is whether, if the two marks are used in a normal and fair manner, there is likelihood of confusion or deception.

(vii) The whole word/mark is to be considered. An ordinary man would not split a word or name, in a trade mark, into its components, but would go by the overall structural and phonetic similarity of the marks at the nature of the goods previously purchased, or of which he has been told and which he wants to purchase. It has to be examined whether the totality of the trademark of the defendant is likely to cause deception/confusion or mistake in the minds of the persons accustomed to the existing trade mark of the plaintiff.

(viii) The resemblance may be phonetic, visual or in the basic idea represented by the plaintiff's mark. The Court is, however, required to apply both the phonetic and the visual tests. At times, ocular similarity may be sufficient to find possibility of confusion/deception, even if the marks are visually dissimilar, though ocular similarity, by itself, may not, generally, be the decisive test. Where, however, (i) in all other respects, the marks of the plaintiff and defendant are different, (ii) the word/words, in the marks, which are phonetically similar, cannot be regarded as the dominant word, or essential feature, in the marks, and (iii) the surrounding circumstances also belie any possibility of confusion, it has been held that deceptive similarity cannot be found to exist merely on the basis of phonetic similarity or even identity. The matter, apparently, is always one of fact. The Court would have to decide, on a comparison of the two marks, and the parts thereof which are phonetically similar, as to whether such phonetic similarity is likely, considering all other circumstances, to confuse or deceive a purchaser of average intelligence and imperfect recollection, always bearing in mind the nature of the

goods, and the degree of circumspection which would be expected of the purchasers who would purchase such goods.

(ix) The Court is required to examine whether the essential features of the plaintiff's mark are to be found in the mark of the defendant. Identification of the essential features is a question of fact, left to the discretion of the Court.

(x) No objective standards are possible, regarding the degree of similarity which is likely to cause deception. It has to be seen from the viewpoint of the purchasers of the goods.

(xi) The test to be applied would depend on the facts of the case. Precedents are valuable only to the extent they specify tests for application, and not on facts.

(xii) On the issue of deceptive similarity, and especially with respect to the aspect of phonetic similarity, English cases are not of relevance. English cases are useful only to the extent they aid in understanding the essential features of trade mark law. The tests for deceptive similarity, which apply in other jurisdictions, may not always apply in India.”

49. Even prior to looking at the comparison of the marks, it needs to be appreciated, as stated in the principles above, that the question of whether this purchaser of average intelligence and imperfect recollection would be confused in one of first impression.⁵⁰

50. Moreover, it is important to note that the mark “G4S” of the plaintiff is one which is completely arbitrary. It is an invented word, being an abbreviation derived from plaintiff’s previous trade name “Group 4 Securicor PLC”. In cases of adoption of arbitrary mark, the law accords a higher degree of protection⁵¹ and thus, even the analysis

⁵⁰ Corn Products *ibid*

⁵¹ Kirorimal Kashiram Marketing and Agencies Pvt. Ltd. v. Shree Sita Chawal Udyog Mill 2010 (44) PTC 293 (Del)

of the comparison of the marks of the plaintiff and the defendant has to be done keeping the said aspect in mind.

51. Since, this is a case wherein the interplay of rule of anti-dissection with that of principle of identification of dominant elements of a mark would also come into play, it would be appropriate that the principles to this effect are also analysed prior to analysing issue of deceptive similarity in the facts of the case.

52. While a mark has to be analysed as a whole, with its overall structural, phonetic and contextual similarity, however, as has been stated in *South India Beverages*²³ and *P.K. Overseas Pvt. Ltd. v Bhaagwati Lecto Vegetarians Exports Pvt. Ltd.*⁵², this rule of anti-dissection which is based on an understanding that an ordinary man would not split a word or name in a trade mark into its components, is not antithetical to the concept of identification of dominant elements in a mark. On analysis of the cases involving the application of this principle, this Court in *PhonePe*³⁸ had expounded the legal position which could be borne out from all the decisions. The paragraph which succinctly summarises the position deserves to be reproduced here *in extenso*:

“76. The legal position that merits from the aforesaid decisions may be explained as under:

(i) Exclusivity can be claimed, and infringement/ passing off alleged, only in respect of the entire mark of the plaintiff, and not in respect of part thereof. The registration of the whole mark

⁵² (2016) 68 PTC 216 (DB)

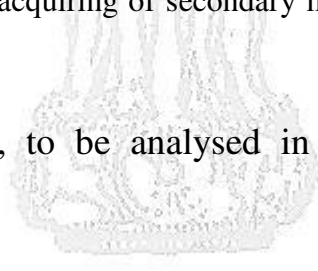
cannot confer any exclusive rights, on the holder thereof, to any part of such registered mark.

(ii) It is open, however, for the plaintiff to assert infringement on the ground that a part of the mark has been copied by the defendant, provided the part so copied is the *dominant part* or the *essential feature* of the plaintiff's trademark.

(iii) No exclusivity can be claimed, over a descriptive mark, or a descriptive part of the mark, even by misspelling it.

(iv) To this general proposition, there is one exception, where the descriptive mark or descriptive part has attained distinctiveness, i.e. it has acquired a secondary meaning, indelibly linking the mark, in the mind of the consumer, to the goods or services provided by the proprietor thereof. Acquisition of secondary meaning is essentially a matter of trial and evidence. Evidence of extensive use is insufficient. The proprietor claiming that his mark has acquired secondary meaning must show that the secondary meaning has entirely displaced the primary descriptive meaning of the mark, and has resulted in the mark becoming identified exclusively with his goods or services. This requires evidence of members of the public, testifying to that effect. Where the defendant also makes out a case of extensive use of its mark, it militates against any acquiring of secondary meaning by the mark of the plaintiff."

53. The case is, thus, to be analysed in the backdrop of these principles.

"G4EX" and "G4EX"   

54. In comparing the marks "G4EX" and "G4EX"  of the defendants with that of the plaintiffs' "G4S" and "G4S" , the *malafide* of the defendants in adopting the former marks is apparent. The plaintiff being a global leader in provision of security services, the defendants, with a clear fraudulent attempt, adopted marks which are

not only phonetically and literally similar, but in adopting the device mark “”, the defendants picked up the same structure of depicting their mark “G4EX” as the plaintiffs do theirs for “G4S”. Though fraudulent intent is not an essential element for making out the case of passing off, the blatant attempt by the defendants in seeking to misrepresent its goods as that of the plaintiffs can clearly be seen from its adoption of the mark.

55. As stated hereinbefore, in assessing phonetic similarity, the words are not to be analysed syllable for syllable. Instead, the question is to be approached from the standpoint of an average consumer with imperfect recollection and the capacity for mispronunciation should also be kept in mind. Moreover, even in regard to discerning customers, the possibility of mispronunciation cannot be ignored. The pronunciation of “G4EX” and “G4S” is similar enough that such a purchaser with average intelligence and imperfect recollection, would, in the opinion of the Court, no doubt be confused into associating the mark of the defendant with that of the plaintiff.

56. Looked at in this light, the fact that the defendants in adopting the mark “G4EX” and , the defendants are in clear violation of the plaintiff’s statutory as well as common law rights.

57. In the reply to the legal notice of the plaintiffs, the defendants, on 8th January, 2020, claimed that it was only “due to oversight” that they had been using “G4EX” as their company logo and that it had

been changed from “G4EX” to “G4 Excellence”, and that the website of the defendants had not been updated to a technical glitch. However, in response to the defendants’ reply, the plaintiffs on 22nd January, 2020, clearly pointed out that the defendants had continued to use the “”.

www.g4xsecurity.com

58. The *malafide* conduct of the defendant is further substantiated by the fact that even after having stated in its reply of 8th January, 2020, that it, now, has transitioned to “g4 excellence”, the proprietor of the Defendant 1 had thereafter gone on to register the domain name “www.g4xsecurity.com” wherein the dominant element of “g4x” is structurally even more closer to the plaintiff’s mark “G4S” than the defendants’ earlier adoption of “G4EX”. Phonetically, as well, the mark would be at par with “G4EX”.

59. That a domain name is akin to a trade mark so as to say that it is capable of distinguishing the subject of trade or service made available to users of internet stands affirmed by the Supreme Court in *Satyam Infoway Ltd. v. Siffynet Solutions (P) Ltd.*⁸

60. In the present case, the plaintiffs have pointed out that apart from the website www.g4s.com, registered in 1999 which is their global website, the plaintiffs have also been using www.g4s.in as their India specific website since 2005. The use of same or similar domain

name, as the Supreme Court holds in *Satyam Infoway Ltd.*⁸ would lead to diversion of users which could result from such users mistakenly accessing one domain instead of the other.

61. The adoption of the domain name “www.g4xsecurity.com” is another attempt by the defendants to capitalise on the goodwill and the reputation of the plaintiffs. The use of the same clearly makes out a case for infringement and passing off.

“g4 Excellence” and “ ”

62. The comparison of the marks “G4 Excellence” and “ ” with those of the plaintiffs’ marks, are what bring into the picture, the interplay between the rules of anti-dissection and identification of dominant elements of a mark.

63. The plaintiffs are correct in pointing out that defendants could have chosen any other word, combination of words, abbreviations from a vast repository of words available in the English language but they have mischievously and fraudulently chosen to adopt the prefix “G4”.

64. The assessment of essential or dominant elements of a mark is a question of fact. The issue which arises herein is whether in “G4S”, the prefix “G4” is dominant so that the plaintiff can be granted monopoly thereof.

65. When analysed from a standpoint of an average consumer with imperfect recollection, in the opinion of the Court, the prefix “G4” would certainly attract attention more than what follows. In *South India Beverages*²³, the Court notes that “Usually, the dominant portion of a mark is that which has the greater strength or carries more weight.” It is in this regard, the Court looks at the decision of the United States Court of Appeals for the Federal Circuit reported as **380 F.3d 1340 Re Chatam Int’l, Inc** wherein in comparison of “Jose Gaspar Gold” with “Gaspar’s Ale”, the Court had gone on to hold that “Gaspar” would be dominant part of the mark and that “Ale” in “Gaspar’s Ale” and “Jose” and “Gold” in “Jose Gaspar’s Gold” assumed less significance.

66. In looking at the mark of the plaintiff, a customer, in the opinion of the Court would give greater prominence to “G4”. The aspect is to be looked at from that of first impression. The presence of “G4” in the defendants’ marks would certainly create a false association in the minds of the consumer between the services provided by the plaintiff and that of the defendants. The mark of the plaintiff being arbitrary in nature, and there being no justification for anyone else to place “G4” as a prefix when being used in provision for providing security services, the existence of the same, in the opinion of the Court, would lead a consumer to place greater emphasis on it and lead to confusion in the mind of the public as to the trade origin of the services.

67. Thus, even in respect of “G4 Excellence” and “”, the defendants can be said to infringing the marks of the plaintiff and passing off their services as those of the plaintiffs.

Conclusion

68. Thus, the plaintiffs have been able to make out a case for infringement and passing off of its services by the defendants. There is an interim injunction which has been operating against the defendant from 1st June, 2020 when the Counsel for the defendants had undertaken that there would be no usage by the defendants of  and  or any other deceptively similar thereto in relation to security and safety services. If the usage of the marks by the defendants is allowed, it would cause irreparable harm to the plaintiffs as also the public at large.

69. The plaintiff is entitled to a decree of permanent injunction against the defendants from using the marks as sought in the prayer clause (i) and (ii) as also the costs of the proceedings, as per the affidavit of costs submitted by the plaintiffs in this regard. Registry is directed to prepare a decree sheet accordingly.

C.HARI SHANKAR, J

OCTOBER 21, 2021

r.bararia