

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

***Reserved on: 02.11.2022***

***Date of decision: 17.11.2022***

+ **CS(COMM) 466/2019 & I.A. 11762/2019**

**EBAY INC.**

..... Plaintiff

Through: Ms.Nancy Roy, Ms.J.Sharanya,  
Adv. (M-9711120868)

versus

**MOHD. WASEEM T/AS SHOPIBAY & ORS.** ..... Defendants

Through: None.

**CORAM:**

**HON'BLE MR. JUSTICE NAVIN CHAWLA**

1. The present suit has been filed by the plaintiff seeking a decree of permanent injunction against the defendants, their partners, directors, principals, proprietors, officers, employees, agents, distributors, suppliers, affiliates, subsidiaries, franchisees, licensees, representatives, group companies and assigns, restraining them from using the marks

‘**SHOPIBAY/** ’, or any other mark deceptively or confusingly similar to the plaintiff’s registered trade marks ‘**eBay/EBAY/** ’, (hereinafter referred to as the ‘**eBay Marks**’), which would amount to either infringement, passing off, dilution, tarnishment of the plaintiff’s mark; and/or unfair competition.

2. As none had appeared for the defendants in spite of service, vide order of this Court dated 27.07.2022, the defendants were proceeded *ex-parte*.

**FACTUAL BACKGROUND**

3. It is the case of the plaintiff that the plaintiff provides an online marketplace for the sale of goods and services through their e-commerce platform, which utilises the domain name [www.ebay.com](http://www.ebay.com). The domain name was registered in the year 1995 and is accessible to users globally, including in India. It is asserted that the website of the plaintiff, that is, [www.ebay.com](http://www.ebay.com), at the time of filing the present suit, is ranked as the 11<sup>th</sup> most visited website in the United States of America and the 42<sup>nd</sup> most visited website globally.

4. The plaintiff has country-specific domain names for countries such as Australia, Hong Kong, Netherlands, Taiwan, Austria, Philippines, Thailand, Belgium, Ireland, the United Kingdom, Canada, China and Japan to name a few, to connect local buyers to sellers. The plaintiff also has a domain name specific for Indian users, that is, [www.ebay.in](http://www.ebay.in), which was created on 16.02.2005.

5. It is asserted that as on the date of filing the suit, the plaintiff has over 180 million active buyers in 190 markets around the world, with over one billion live listings featuring hundreds of different categories of goods and services, *inter alia*, antiques, art, electronics, books, home and garden as also music. Furthermore, at the time of filing the suit, the mobile application of the plaintiff has seen 459 million downloads worldwide.

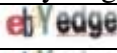
6. It is asserted that the plaintiff has extensive presence on social media platforms, including but not limited to *Twitter, Facebook, LinkedIn* and *Google+*. The plaintiff has hundreds of thousands of followers on

each platform, and in the case of social-media platform *Facebook*, the plaintiff has almost 11 million followers.

7. The plaintiff has provided in paragraph 13 of the plaint, the figures of their annual world-wide revenue from the years 2006 to 2018. The plaintiff also claims to have expended large amounts of money through various media, including visual and print, without territorial jurisdiction, in promoting and advertising its trade name/trade marks. The details of the expenditure for the years 2006 and 2018 have been provided by the plaintiff in paragraph 14 of the plaint.

8. The plaintiff's '**eBay Marks**' have also been extensively discussed and advertised in major international magazines and newspapers, which are circulated globally as also in India. The plaintiff-company, including the plaintiff's corporate name as also trade marks (both containing the word '**eBay**'), have been the subject of books as also newspaper articles, in publications such as '*Fortune*', '*The New York Times*', '*The Wall Street Journal*', '*Reuters News Service*' and '*Forbes*'. The plaintiff's '**eBay Marks**' have also been a part of lists such as '*Fortune Magazine's World's Most Admired Companies*' and '*Forbes Magazine List of the Worlds' Most Valuable Brands*.' In the year 2015, '*Interbrand*' ranked the plaintiff's '**eBay Marks**' as 32<sup>nd</sup> of the '*100 Best Global Brands*', with an estimated value of USD 13.94 Billion. The plaintiff-company is also the recipient of an award by the President of India at the 15<sup>th</sup> Federation of Indian Export Organizations '*Niryat Shree*' and '*Niryat Bandhu*'.

9. The plaintiff's '**eBay Marks**' have been accorded protection under the provisions of the Trade Marks Act, 1999 (in short, 'the Act') by way of registrations, the details whereof have been reproduced hereinbelow:

| Trade Mark                                                                          | Registration Date | No.     | Class                           |
|-------------------------------------------------------------------------------------|-------------------|---------|---------------------------------|
|    | November 28, 2005 | 1248689 | 42                              |
|    | March 5, 2007     | 1248687 | 38                              |
|    | November 23, 2005 | 1248691 | 1248691                         |
|    | February 22, 2013 | 2483328 | 35                              |
|    | March 12, 2013    | 2494005 | 9,14,<br>16,25,<br>28,41,<br>42 |
|    | March 12, 2013    | 2494004 | 35,36,<br>38                    |
| EBAY                                                                                | August 12, 2005   | 851310  | 25                              |
| EBAY                                                                                | November 28, 2005 | 1248688 | 42                              |
| EBAY                                                                                | November 23, 2005 | 1248690 | 35                              |
| EBAY                                                                                | July 25, 2006     | 1241397 | 41                              |
| EBAY                                                                                | November 10, 2005 | 1248686 | 38                              |
| EBAY                                                                                | May 23, 2007      | 851307  | 9                               |
| EBAY                                                                                | August 6, 2005    | 851308  | 14                              |
| EBAY                                                                                | July 25, 2006     | 851309  | 16                              |
|  | March 31, 2008    | 1241399 | 41                              |
| Ebay Edge                                                                           | October 31, 2012  | 2097401 | 35                              |
| Ebay Edge                                                                           | November 01, 2012 | 2097400 | 16                              |
|  | October 31, 2012  | 2097402 | 35                              |
|  | November 01, 2012 | 2097399 | 16                              |
|  | December 15, 2011 | 2250574 | 35                              |
|  | April 20, 2012    | 2319194 | 35                              |

10. The plaintiff asserts that it has also been accorded statutory as also common law protection in its '**eBay Marks**' internationally.

11. The plaintiff has managed to take successful action against potential infringers internationally, in countries such as Australia, China, Spain, the United Kingdom and the United States of America.

12. It is the case of the plaintiff that in May, 2017, the plaintiff came across a trade mark application filed by the defendant no. 1 seeking registration of the mark ‘**SHOPIBAY/Shopibay**’, before the Trade Marks Registry bearing application no. 3470343 under Class 35, dated 30.01.2017. The said application was opposed by the plaintiff on 20.06.2017. In the said proceedings before the Trade Marks Registry, the right of the defendants to file their counter-statement to the notice of opposition under Section 21(2) of the Act and Rule 44 of the Trade Marks Rules, 2017 stands closed.

13. Upon investigation, it was discovered that the domain names, [www.shopibay.com](http://www.shopibay.com) (registrant country being the United Kingdom) and [www.myshopibay.com](http://www.myshopibay.com) (registrant region being Haryana, India) were both registered in the name of the defendant no. 2. A more thorough investigation before the Ministry of Corporate Affairs, the Government of India, revealed that the defendant no. 1 is one of the directors of the defendant nos. 2 and 3.

14. The plaintiff asserts that the website hosted by the domain name [www.shopibay.com](http://www.shopibay.com) offers consumers links to various e-commerce platforms, including hosting the plaintiff’s domain name [www.ebay.com](http://www.ebay.com). The website of the defendants also prominently features the plaintiff’s ‘**eBay Marks**’ and makes a claim that the plaintiff is one of the partners

of the defendants and was seen to offer the same services as that of the plaintiff, that is, e-commerce sales.

15. That upon gaining knowledge of the misuse and *mala fide* adoption of 'SHOPIBAY/Shopibay', by the defendants, the plaintiff, through their counsel, issued multiple cease-and-desist letters in the year 2017 to the defendants but received no response up until the time of filing the suit.

16. Between this period, the plaintiff asserts that the defendants expanded their scope of business and apart from providing e-commerce services; the defendants had also opened a brick-and-mortar store in Lucknow, Uttar Pradesh and began promoting their business on [www.indiamart.com](http://www.indiamart.com).

#### **COURT PROCEEDINGS IN THE MATTER**

17. Vide order dated 28.08.2019, this Court granted an *ex-parte ad-interim* injunction in favour of the plaintiff and restrained the defendants from using the impugned trade mark 'SHOPIBAY/Shopibay', or any other mark deceptively similar to the plaintiff's registered trade marks, as part of any trade mark/trade name/domain name, until the next date of hearing. Vide the same order, GoDaddy LLC (the Registrar of the domain names [www.shopibay.com](http://www.shopibay.com) and [www.myshopibay.com](http://www.myshopibay.com)) were directed to block the aforementioned domain names, pending further orders of this Court.

18. Vide order of the learned Joint Registrar (Judicial) dated 20.12.2019, it was noted that the defendants had been duly served by way

of e-mail, on the ID provided by them on the website of Ministry of Corporate Affairs. The plaintiff was directed to serve the defendants also through publication. The substituted service of the defendants was recorded in the order of the learned Joint Registrar (Judicial) dated 09.09.2020.

19. Thereafter, as noted hereinabove, the defendants, vide order of this Court dated 27.07.2022, were proceeded *ex-parte*.

**SUBMISSION ON BEHALF OF THE LEARNED COUNSEL FOR THE PLAINTIFF:**

20. The learned counsel for the plaintiff, placing reliance on the judgment of this Court in *Satya Infrastructure Ltd. and Ors. v. Satya Infra & Estates Pvt. Ltd.*, 2013 SCC OnLine Del 508, submits that in the event the defendants have failed to appear in the proceedings and voluntarily chosen not to respond to the plaint, it is indicative of the fact that the defendants have nothing substantial to urge, by way of a response to the allegations in the plaint. She submits that this is a fit case where a Summary Judgment in terms of Order XIII-A of the Code of Civil Procedure, as applicable to commercial disputes of a specified value, read with Rule 27 of the Delhi High Court Intellectual Property Rights Division Rules, 2022 (in short, 'IPD Rules'), deserves to be passed in favour of the plaintiff and against the defendants.

**ANALYSIS AND FINDINGS:**

21. I have considered the submissions of the learned counsel for the plaintiff.

22. From the averments made in the plaint and the documents filed therewith, the plaintiff has been able to prove that it is the registered proprietor of the '**eBay Marks**', the details whereof are given herein above. The plaintiff has also been able to show its goodwill and reputation in the '**eBay Marks**' not only in India but internationally. The mark adopted by the defendants, that is, '**SHOPIBAY/Shopibay**', is deceptively similar to that of the plaintiff and is clearly intended to ride on the goodwill and reputation of the marks of the plaintiff. It is an infringement of the marks of the plaintiff and amounts to passing off the goods and services of the defendants as that of the plaintiff. The defendants not only seem to take unfair advantage of the mark of the plaintiff's reputation and goodwill, but also deceive unwary consumers of their association with the plaintiff. Such acts of the defendants would also lead to dilution of the mark of the plaintiff.

23. As far as the domain name/website of the defendants is concerned, the same is also deceptively similar to that of the plaintiff. It is likely to deceive an unwary consumer of its association with the plaintiff. Recently, in *Anugya Gupta v. Ajay Kumar and Anr.*, 2022 SCC OnLine Del 1922, this Court has held that the right of a proprietor in a domain name is entitled to equal protection, applying the principles of the trade mark law. The use of the same or similar domain name may lead to diversion of users, which could result from such user mistakenly accessing one domain name instead of another. Therefore, a domain name may have all the characteristics of a trade mark and could found an action for passing off.

24. As far as the claim on the corporate names of the defendant no. 2 and 3, in my opinion, again the plaintiff is entitled to succeed. The use of the ‘SHOPIBAY/Shopibay’, being phonetically similar to the mark of the plaintiff is likely to deceive unwary consumer of the association of these companies with the plaintiff. [Ref: *Cadila Healthcare Ltd. v. Cadila Pharmaceuticals Ltd.*, (2001) 5 SCC 73.]

25. In the present case, the defendants have chosen neither to file their written statements nor to enter appearance in the suit to defend the same. In my opinion, therefore, this is a fit case where a Summary Judgment in terms of Order XIII-A of the CPC, as applicable to commercial disputes of a specified value, read with Rule 27 of the IPD Rules, deserves to be passed in favour of the plaintiff and against the defendants.

26. In *Satya Infrastructure Ltd. and Ors.* (*supra*), this Court has held has under:-

*“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.”*

27. This Court, in *Su-Kam Power Systems Ltd. v. Kunwer Sachdev and Another*, 2019 SCC OnLine Del 10764 reiterated as under:

*“90. To reiterate, the intent behind incorporating the summary judgment procedure in the Commercial Court Act, 2015 is to ensure disposal of commercial disputes in a time-bound manner. In fact, the applicability of Order XIII A, CPC to commercial disputes, demonstrates that the trial is no longer the default procedure/norm.*

*91. Rule 3 of Order XIII A, CPC, as applicable to commercial disputes, empowers the Court to grant a summary judgement against the defendant where the Court considers that the defendant has no real prospects of successfully defending the claim and there is no other compelling reason why the claim should not be disposed of before recording of oral evidence. The expression “real” directs the Court to examine whether there is a “realistic” as opposed to “fanciful” prospects of success. This Court is of the view that the expression “no genuine issue requiring a trial” in Ontario Rules of Civil Procedure and “no other compelling reason.....for trial” in Commercial Courts Act can be read mutatis mutandis. Consequently, Order XIII A, CPC would be attracted if the Court, while hearing such an application, can make the necessary finding of fact, apply the law to the facts and the same is a proportionate, more expeditious and less expensive means of achieving a fair and just result.*

*92. Accordingly, unlike ordinary suits, Courts need not hold trial in commercial suits, even if there are disputed questions of fact as held by the Canadian Supreme Court in Robert Hryniak. Fred Mauldin, 2014 SCC OnLine Can SC 53, in the event, the Court comes to the conclusion that the defendant lacks a real prospect of successfully defending the claim.”*

28. Applying the above principles, in my opinion, no useful purpose would be served in insisting upon the plaintiff to file its affidavits of evidence. This is a fit case where Summary Judgment deserves to be passed in favour of the plaintiff.

29. In view of the above, the suit is decreed in terms of the prayers made in paragraph 65 (A), (B) and (C) of the plaint.

30. As far as the relief of damages and rendition of accounts is concerned, this Court in *Intel Corporation v. Dinakaran Nair & Ors.*, 2006 SCC OnLine Del 459 has held as under:

*“13. The only other question to be examined is the claim of damages of Rs. 20 lakh made in para 48(iii) (repeated) of the plaint. In this behalf, learned Counsel has relied upon the judgments of this Court in Relaxo Rubber Limited v. Selection Footwear, 1999 PTC (19) 578; Hindustan Machines v. Royal Electrical Appliances, 1999 PTC (19) 685; and CS (OS) 2711/1999, L.T. Overseas Ltd. v. Guruji Trading Co., 123 (2005) DLT 503 decided on 7.9.2003. In all these cases, damages of Rs. 3 lakh were awarded in favour of the plaintiff. In Time Incorporated v. Lokesh Srivastava, 2005 (30) PTC 3 (Del) apart from compensatory damages even punitive damages were awarded to discourage and dishearten law breakers who indulge in violation with impunity. In a recent judgment in Hero Honda Motors Ltd. v. Shree Assuramji Scooters, 125 (2005) DLT 504 this Court has taken the view that damages in such a case should be awarded against defendants who chose to stay away from proceedings of the Court and they should not be permitted to enjoy the benefits of evasion of Court proceedings. The rationale for the same is that while defendants who appear in Court may be burdened with damages while defendants who chose to stay away from the Court would escape such damages. The actions of the defendants result in affecting the reputation of the plaintiff and every endeavour should be made for a larger*

*public purpose to discourage such parties from indulging in acts of deception.*

*14. A further aspect which has been emphasised in Time Incorporated case (supra) is also material that the object is also to relieve pressure on the overloaded system of criminal justice by providing civil alternative to criminal prosecution of minor crimes. The result of the actions of defendants is that plaintiffs, instead of putting its energy for expansion of its business and sale of products, has to use its resources to be spread over a number of litigations to bring to book the offending traders in the market. Both these aspects have also been discussed in CS(OS) No. 1182/2005 titled Asian Paints (India) Ltd. v. Balaji Paints and Chemicals decided on 10.3.2006. In view of the aforesaid, I am of the considered view that the plaintiff would also be entitled to damages which are quantified at Rs. 3 lakh.”*

31. In the case of ***Hindustan Lever Ltd. and Anr. V. Satish Kumar***, 2012 SCC OnLine Del 1378, this Court again held as under that:

*“23. One of the reasons for granting relief of punitive damages is that despite of service of summons/notice, the defendant had chosen not to appear before the court. It shows that the defendant is aware of the illegal activities otherwise, he ought to have attended the proceedings and give justification for the said illegal acts. Since, the defendant has maintained silence, therefore, the guilt of the defendant speaks for itself and the court, under these circumstances, feels that in order to avoid future infringement, relief of punitive*

*33. Damages is to be granted in favour of the plaintiff.”*

32. Applying the above principles and taking into account that the defendants first chose not to reply to the cease-and-desist notices sent by the counsel of the plaintiff but expanded the scope of their commercial activity from the e-commerce space to brick-and-mortar stores; the defendants have in the meantime failed to appear before this Court, the plaintiff is entitled to damages of a sum of Rs. 2 Lakh (Rupees Two Lakh only) in addition to the costs of the Suit.

33. The learned counsel for the plaintiff has filed her Bills of Costs, which I find to be reasonable. The plaintiff shall be entitled to a decree to the said sum as well.

**RELIEF**

34. Accordingly, a permanent injunction in terms of the prayers mentioned in paragraph 65 (A) to (B) of the plaint is granted in favour of the plaintiff and against the defendants.

35. The plaintiff is also held entitled to the relief claimed in paragraph 65 (C) of the plaint and the defendant nos. 2 and 3 are directed to change the name of the companies '*Shopibay Internet Private Limited*' and '*Shopibay Ventures Private Limited*' so as to remove the mark/word '**SHOIBAY**' from the said company names.

36. As far as prayers made in paragraph 65 (D) and (E) of the plaint, the plaintiff is held entitled to an award of damages to the tune of Rs. 2 Lakh as also the costs of the suit.

37. Let a decree-sheet be drawn accordingly.

**NAVIN CHAWLA, J.**

**NOVEMBER 17, 2022/AB**



Signature Not Verified

Digitally Signed By:RENUKA

NEGI

Signing Date: 21.11.2022 **CS(COMM) 466/2019**

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