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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**
Date of decision: 9th March, 2022
+ **CS(COMM) 429/2018**
MATTEL, INC & ORS. Plaintiffs

Through: Mr. Pravin Anand, Advocate.

versus

MR. JAYANT AGARWALA & ORS. Defendants
Through: Mr. Sushant Singh & Mr. Ankit
Kaushal, Advocates.

CORAM:
JUSTICE PRATHIBA M. SINGH
Prathiba M. Singh, J. (Oral)

1. This hearing has been done hybrid mode.
2. The long journey of the dispute between ‘SCRABBLE’ and ‘SCRABULOUS’ has ended with an amicable settlement between the parties. The Plaintiff No.1 - M/s Mattel Inc. and its associated companies had filed the present suit seeking permanent injunction, restraining infringement of registered trademarks, infringement of copyright, dilution, passing off, rendition of accounts, damages and delivery-up. The Plaintiffs claim rights in the trademark ‘SCRABBLE’ which has been used in respect of a highly popular word-based board game, as also the various elements including the structure of the board, the pattern, the manner in which the game is played, etc. On the other hand, the Defendants had launched an online game under the name ‘SCRABULOUS’.



3. In the present suit, some interim directions were passed vide order dated 17th September, 2008. The operative portion of the said order is extracted below:

“27. So far as the collocation of lines on the game board are concerned; the diagonal colour scheme with values for words, and the combination thereof, the element of modicum of creativity has not been shown, to measure up to the test of "originality", post Eastern Book Company. Even otherwise, the creative expression, if any is minimalistic not to warrant copyright protection. Furthermore, and most importantly, the application of the doctrine of merger would mean that the colour scheme on such a board can be expressed only in a limited number of ways; if the plaintiffs' arrangement were to be avoided, it is not known whether the idea of such a word game could be played at all. Similarly, the reasoning in Allen and Atari, as far as copyrightability of rules of a game are concerned apply squarely, in this case. This doctrine of merger is applicable with respect to games as (according to those decisions) "they consist of abstract rules and play ideas." By way of illustration, the arrangement of colours, values on the board, the collocation of lines, value for individual alphabetical tiles, etc have no intrinsic meaning, but for the rules. If these rules- which form the only method of expressing the underlying idea are to be subject to copyright, the idea in the game would be given monopoly: a result not intended by the lawmakers, who only wanted expression of ideas to be protected. Thus, this court concludes, prima facie, that the copyright claim of the plaintiff cannot be granted.

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38. The defendants' mark, SCRABULOUS is too close, phonetically and semantically to the plaintiffs' mark, to be an original inventive term. They have not furnished any explanation, why they hit upon this term, for a word



game. Besides, the hyperlinks, which they provide in their websites, to the plaintiffs' websites, evidences that SCRABBLE inspired them to coin their mark. Indeed the tenor and nature of their argument was that SCRABBLE is generic, incapable of protection, and their variant SCRABULOUS thus cannot be enjoined. Besides, the material produced by the plaintiffs, in the form of users' comments, culled out from various 'blog' archived articles, as well as from 'Facebook' and the defendants' "Scrabulous Wall" reveal that the users played the game scrabulous, on the basis of web search for 'online scrabble'. All these are prima facie proof of deceptive similarity and confusion amounting to infringement.

39. The court is also of the opinion that unless appropriately enjoined, from continuing to use SCRABULOUS or any other trademark deceptively or confusingly similar to the plaintiffs' the defendants would continue these acts of infringement and divert internet traffic to their websites, causing considerable commercial loss to the plaintiffs. The balance of convenience too lies in favour of the plaintiffs for grant of temporary injunction, because, the defendants have not shown how their use is bona fide, or how they would be prejudiced. On the other hand, the denial of relief would cause harm and injury to the plaintiffs.

40. In view of the above discussion, the defendants, their partners, agents, or any business associates, etc are hereby restrained from infringing the plaintiffs' registered trademark in SCRABBLE; they shall not use the name SCRABULOUS, or any other mark deceptively or confusingly similar to SCRABBLE, in any manner, including by using it as part of domain name, or other use such as hyperlinking, metatagging, advertisement, or any other such form of use, till disposal of the suit. IA No. 2352/2008 is allowed in these terms. No costs."



4. Thereafter, the matter was referred to the Delhi High Court Mediation and Conciliation Centre. After protracted negotiations, the parties have arrived at an amicable settlement. The terms of the said settlement have been captured in the settlement agreement dated 10th February, 2022. As per the said settlement agreement, the parties have broadly agreed as under:

- i. Defendants shall not use the trademark 'SCRABULOUS' or any other mark identical or similar to the trademark 'SCRABBLE';
- ii. The Defendants have agreed to change the structure of their word game by changing certain elements of the game. The same are captured in the settlement agreement as under:

"i) Number of tiles to be played on each turn shall not be 7;

ii) Half or more letters (= > 13 letters out of 26) shall be given different points than the First Party's scrabble game;

iii) Half or more letters (= > 13 letters out of 26) shall have different quantity/distribution than the First Party's scrabble game;

iv) The pattern of special squares on the board of the Second Party's game shall be different from First Party's scrabble game i.e. the Second Party's game will not be arranged to form an X from edge to edge on the board;

v) The symbol in the centre of the board shall be a "plus"/"+" and not a star."

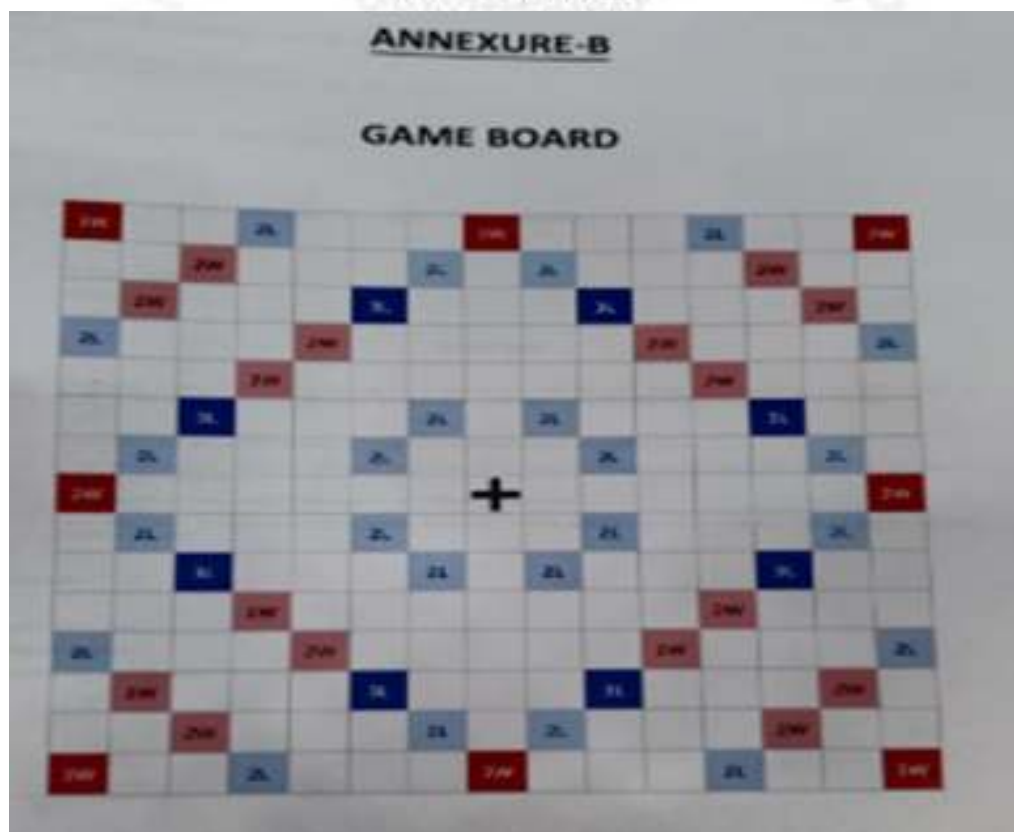
- iii) The Defendants have agreed to use the trademark and domain name 'LEXULOUS' for their word game.



iv) The Defendants undertake to offer the word game in its amended form, only on digital media or the internet, and not in a physical board form.

v) The Plaintiffs have agreed to not press the relief of damages and costs.

5. The terms of the settlement are contained in Clauses 1 to 10 of the settlement agreement dated 10th February, 2022. The agreement has been signed by the Id. Mediator digitally, and the parties have also confirmed the same. As per the said settlement, the new board game with the new structure, annexed as Annexure-B to the settlement agreement, is set out below:





6. Considering the above, the interim order dated 17th September, 2008 shall now stand modified in view of the settlement. The parties and all others acting for or on their behalf, shall be bound by the terms of the settlement.

7. The present suit shall stand decreed, in terms of the settlement agreement dated 10th February, 2022. Decree sheet be drawn accordingly. All pending applications are disposed of.

PRATHIBA M. SINGH
JUDGE

MARCH 9, 2022/Rahul/AD

