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

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Date of Decision : 25th April, 2023

+ CS(COMM) 1203/2018, I.A. 14852/2018 (O-XXXIX R-1 & 2 of CPC) and I.A. 18815/2022 (Ch. 15A R-1 of DHC (Original Side) Rules)

AKTIEBOLAGET VOLVO & ORS.

..... Plaintiffs

Through: Mr.Pravin Anand, Ms.Vaishali Mittal,
Mr.Siddhant Chamola and Mr.Karan
Kumar Kamra, Advocates.

versus

GYAN SINGH & ANR.

..... Defendants

Through: Mr.Kunal Khanna, Advocate for D-1
and D-2.
Mr.Umesh Mishra adn Mr.Vishal
Patel, Advocate for D-3 and D-4.

CORAM:

HON'BLE MR. JUSTICE AMIT BANSAL

AMIT BANSAL, J. (Oral)

I.A. 18815/2022 (Ch. 15A R-1 of DHC (Original Side) Rules)

1. The present suit has been filed seeking relief of permanent injunction restraining the defendants from infringing the marks of the plaintiffs, passing off their goods as that of the plaintiffs' and other ancillary reliefs.

PLEADINGS IN THE PLAINT

2. The case set up by the plaintiffs in the plaint is as follows:

2.1 The plaintiff no.1, Aktiebolaget Volvo, plaintiff no.2, Volvo Trademark Holding AB and plaintiff no.3, Volvo Car Corporation (hereinafter collectively referred to as "the plaintiffs"), incorporated under the laws of Sweden, have their core business in transportation

and automotive sector, including the business of manufacturing spare parts, accessories and ancillary parts for vehicles under the mark 'VOLVO'.

- 2.2 The plaintiff no.1, incorporated on 5th May, 1915, executed a global deed of assignment in favour of plaintiff no.2, who became the subsequent proprietor of the plaintiffs' mark 'VOLVO' and subsequently licensed the use of the mark 'VOLVO' to the plaintiffs no.1 and 3 in relation to their respective businesses.
- 2.3 The plaintiff no.1 is an international automotive and transport vehicle group and employs approximately 1,15,000 persons worldwide. The plaintiff no.1 provides a wide spectrum of transportation related products and services, with superior quality and high standards of safety and environmental care to customers.
- 2.4 The plaintiffs established an Indian flagship company, Volvo India Pvt. Ltd., in 1996 and launched two car models in India in 2007. The plaintiffs have sold a large number of cars in India. It has sold close to 2029 cars in India by the year 2017 alone, whereas global sales of cars stood at 571,577 by 2017. The plaintiffs have also incurred an extensive amount in promoting and advertising their goods and services.
- 2.5 The plaintiffs are the registered proprietor of the mark 'VOLVO' and 'VOLVO' formative marks in Class 12 and various other Classes of the Trade Marks Act, 1999 (hereinafter 'the Act'). The earliest registration for the word mark 'VOLVO' in India dates back to the year 1975. Details of registrations of the plaintiffs' 'VOLVO' marks

in India are mentioned in paragraph 10 of the plaint. The said marks of the plaintiffs are also registered by the plaintiffs in various foreign countries.

- 2.6 The plaintiffs' 'VOLVO' marks have acquired the status of 'well-known trademarks' within the meaning of Section 2(1)(zg) of the Act, which fact is recognised in the judgment of *Aktiebolaget Volvo of Sweden v. Volvo Steels Ltd. of Gujarat (India)*, (1998) 18 PTC 47. Further, this Court has passed several orders restraining other defendants from infringing 'VOLVO' marks of the plaintiffs.
- 2.7 In August 2018, the plaintiffs became aware of the defendant no.1 and 2's activities when the plaintiffs came across the advertisements and sale of the bicycles by the defendants no.1 and 2 under the mark 'VOLVO'.
- 2.8 The defendant no 1 is a director of the defendant no.2, Road Master Autotech Private Limited, a company incorporated under the laws of India. The defendant no 2 is engaged in the business of manufacturing and selling bicycles under the trademarks Runner, Launcher, Dragon, Monster and 'VOLVO'.
- 2.9 The investigation conducted by the plaintiffs revealed that the defendants no. 1 and 2 are infringing the mark 'VOLVO' of the plaintiffs. The defendant no.2 offers their products for sale on their website www.roadmasterindia.com as well as on third party merchant platforms like www.indiamart.com. These products are also available for sale in various brick and motor stores through distributors of the defendant no.2.

- 2.10 The defendant no. 4 is a partnership firm, M/s Magma Bikes, which is engaged in the business of manufacturing bicycles and bicycle spare parts under various brand names including the mark 'VOLVO'. The defendant no 3, Mr. Punjit Singh, is involved in managing business of the defendant no 4. The products manufactured by the defendants no.3 and 4 are supplied to the defendants no.1 and 2 for sale in the market.
- 2.11 The mark 'VOLVO' was coined by the plaintiffs and the use of the registered and well-known mark of the plaintiffs by the defendants in respect of goods in identical classes amounts to infringement of the plaintiffs' mark 'VOLVO' and passing off the goods of the defendants as that of the plaintiffs.
3. Accordingly, the present suit has been filed on behalf of the plaintiffs.
4. In the written statements filed by the defendants no.1 and 2, it has been stated that the said defendants were only the re-sellers of the bicycles manufactured by other manufacturers, including defendants no.3 and 4. It is the defendant no.4 that manufactures bicycles with the mark 'VOLVO'. Along with the written statement, the defendants no.1 and 2 have filed the catalogue of the defendant no.4, which included the bicycles being manufactured by the defendant no.4 under the mark 'VOLVO'. The defendants no.1 and 2 have also filed invoices of the defendant no.4 to show that the bicycles were purchased from the defendant no.4.
5. The defendants no.3 and 4 have stated in their written statement that they have never used the mark 'VOLVO' in respect of the bicycles manufactured by them. It is further stated that the defendant no.4 is selling bicycles under the mark "Magma".

PROCEEDINGS IN THE SUIT

6. This court, vide order dated 29th October, 2018, while issuing summons in the suit, granted an *ex parte* interim injunction in favour of the plaintiffs under I.A. 14852/2018, restraining the defendants no.1 and 2 from using the mark 'VOLVO' or any other deceptively similar mark in respect of their products or on any advertisements or labels. The Court also appointed Local Commissioners to visit the premises of the said defendants to seize and inventorize infringing goods bearing the mark 'VOLVO'.

7. The Local Commissioners found stock of infringing goods at the premises of the defendant no.2, which were inventorized by them and seized and handed over on *superdari* to the concerned persons present at the premises of the defendant no.2. The reports of the Local Commissioners have been placed on record.

8. Subsequently, an application under Order I Rule 10 of the CPC was filed on behalf of the plaintiffs, seeking impleadment of the defendants no.3 and 4 in the present suit and the same was allowed. The amended plaint was also taken on record.

9. A proposal for settlement was made on behalf of the defendants no.1 and 2 to the plaintiffs to settle the dispute in the present matter. However, the plaintiffs were not agreeable for settlement. Thereafter, the present application was filed on behalf of the plaintiffs seeking summary judgment against the defendants. Reply to the present application has been filed on behalf of the defendants no.1 and 2. Rejoinder thereto, has also been filed by the plaintiffs. However, no reply has been filed on behalf of the defendants no.3 and 4.

10. At the hearing on 19th April, 2023, the counsels for the defendants on

instructions submitted that the defendants were agreeable to a decree of permanent injunction being passed against the defendants. Counsel for the plaintiffs also pressed for costs and damages of Rs.10,00,000/- to be apportioned between the defendants.

ANALYSIS AND FINDINGS

11. I have heard the counsels for the parties and perused the record of the case.

12. A comparison of the marks of the plaintiffs and the defendants are given below:

Plaintiffs' Marks	Defendants' Marks
VOLVO (word per se)  	    

13. A comparison of the marks above shows that the defendants are using

identical mark 'VOLVO' in respect of goods that are covered by the aforementioned registrations of the plaintiffs.

14. From the documents on record, the plaintiffs have been able to prove that they are the registered proprietors of the mark 'VOLVO'. The plaintiffs have also been able to show their goodwill and reputation in respect of the mark 'VOLVO' not only internationally but in India as well. The said mark has acquired the status of a 'well-known trademark' in terms of section 2(zg) of the Act.

15. A perusal of the material placed on record makes it abundantly clear that the defendants no.3 and 4 were manufacturing bicycles bearing the trademark 'VOLVO' and the defendants no.1 and 2 were selling the same through their own showrooms as well as multiple franchisees across the country. The website of the defendants no.1 and 2 also invites the interested persons to join hands as franchisees of the defendant no.2, thereby ensuring their widespread commercial presence. Further, Section 29(6) of the Act clarifies that 'use' is not restricted to manufacture of goods, but also includes the acts of affixing the impugned mark, offering for sale goods bearing the impugned mark and use of such mark in advertisements. Therefore, such acts of the defendants amount to infringement of the mark 'VOLVO' of the plaintiffs and passing off the goods of the defendants as that of the plaintiffs.

16. As noted above, the defendants have no objection to a decree of permanent injunction restraining them using the mark 'VOLVO' in respect of their products, being passed against them.

17. I am of the opinion that no purpose would be served by directing the plaintiffs to lead evidence by filing examination-in-chief by way of affidavit.

The defendants have no reasonable prospect of succeeding in the present suit. Therefore, in my opinion, 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 plaintiffs and against the defendants.

18. In view of the above, the present application is allowed.

RELIEF

19. In view of the fact that the defendants are agreeable to a decree of permanent injunction being passed against them, the present suit is decreed in terms of prayer clauses 34 (a) and (b) of the plaint.

20. Insofar as the reliefs of damages and costs as sought in prayer clauses 34 (e) and (f) are concerned, the defendants have blatantly infringed the well-known mark of the plaintiffs. The Local Commissioners appointed by this Court found various 'VOLVO' branded stickers and infringing products bearing the mark 'VOLVO' on the premises of the defendant no.2 as well as invoices to show that the defendants were dealing with the goods bearing the mark 'VOLVO'. Further, the defendant no.2 has also advertised and offered their products for sale on their website and various third party websites.

21. The defendant no.3 and 4 are the manufacturers of the bicycles and from the brochures, catalogues and invoices on record, it is clear that the defendants no.3 and 4 are manufacturing bicycles under the mark 'VOLVO' and supplying the same to the defendants no.1 and 2.

22. Clearly, the customers are being misled by the defendants and the entire effort is deliberate and dishonest. This amounts to dilution of the reputation and goodwill of the plaintiffs' marks and causing loss to the

plaintiffs in business and reputation. The members of the public are bound to confuse bicycles manufactured and sold by the defendants under the mark VOLVO as emanating from the plaintiffs. The defendants have been making unlawful gains at the expense of the plaintiffs. I am convinced that this is not a case of innocent adoption by the defendants. The Court cannot ignore such flagrant misuse of the plaintiffs' marks by the defendants. Even though the claim of the plaintiffs for damages, based on the recoveries made at the premises of the defendant no.2 and the invoices placed on record, is close to Rs. 20,00,000/-, I deem it appropriate to award a sum of Rs.10,00,000/- towards damages and costs to the plaintiffs.

23. Taking into account that the defendants no. 3 and 4 are the manufacturers and suppliers of the aforesaid goods and the defendants no.1 and 2 were selling the goods supplied by the defendants no.3 and 4, out of the aforesaid amount, the defendants no.3 and 4 shall be liable to pay Rs. 6,50,000/- in favour of the plaintiffs and the defendants no.1 and 2 shall be liable to pay Rs.3,50,000/- in favour of the plaintiffs.

24. Accordingly, the suit is decreed in terms of prayer clauses 34 (e) and (f) of the plaint.

25. Counsel for the plaintiff does not press for the prayers clauses 34 (c) and (d) of the plaint.

26. Let decree sheet be drawn up.

27. All pending applications stand disposed of.

AMIT BANSAL, J

APRIL 25, 2023

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