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O.A. Nos.17 & 18 of 2024



IN THE HIGH COURT OF JUDICATURE AT MADRAS

Reserved on: 30.07.2024

Pronounced on:06.09.2024

OA. Nos.17 & 18 of 2024

in

C.S. (Comm.Div) No.7 of 2024

and (T) OP (TM) No.8 of 2024

P.B.BALAJI, J.

These Original Applications O.A No.17 & O.A No.18 of 2024 have been preferred in the Commercial Suit in C.S No.7 of 2024, seeking an interim injunction to restrain the respondents or anyone claiming under him, from in any manner using in relation to their business/products, directly or indirectly, the mark NIPPON or any other identical or deceptively similar mark, so as to infringe and/or pass off their business/products as that of the Applicants (O.A.No.17 of 2024) and an interim injunction to restrain the Respondents from infringing upon the copyright in the artistic work/label/logos/device or from using the device logo similar or identical to that of the Applicants (O.A.No.18 of 2024), pending disposal of the suit.



2. I have heard Mr.P.S.Raman, learned Senior Counsel for Mr.Arun C.Mohan, learned counsel for the Applicants and Mr.Davesh Vasishta, for Mr.S.M.Vivekanandh, learned counsel for the respondents.

3. The learned Senior Counsel would submit that the 1st Applicant is a global leader engaged in paint and paint products and has been established in 1881 under the laws of Japan and the 2nd Applicant is an affiliate of the 1st Applicant Company, incorporated and operating in India since 19.01.2006.

4. The learned Senior Counsel would mainly submit that the Respondents have adopted an identical mark, NIPPON, that too without any bona fide reason and clearly with a motive to ride on the Applicant's reputation world over. He would also state that though the Applicants' mark has not been declared as well known in India, the mark has been so recognised in Japan and China and even in India the Applicants have invested huge sums and generated enormous surplus revenue. He would further state that the Respondents do not even challenge the reputation of the Applicants.



5. According to the learned Senior Counsel, Mr.P.S.Raman, considering that the Applicants are prior adopters of the mark and have shown unparalleled good will and reputation, there is a probability of confusion and passing off the Respondents' goods as that of the Applicants. He would also state that the fact that the Respondents have adopted a blue and red colour combination also raises eyebrows and cannot be brushed aside as any coincidence. The Respondents are also dealers in paints and this is more reason that an interim order has to be passed in favour of the Applicants, as prayed for.

6. Mr.P.S.Raman, learned Senior Counsel would further state that there is absolutely no honest on the part of the Respondents, in adopting the mark NIPPON and either in the counter to the injunction Applications or in the written statement filed in the suit, there is no explanation as to why NIPPON has been chosen/adopted by the Respondents.

7. The learned Senior Counsel would rely on the following decisions:

i) *Cadila Health Care Limited v. Cadila Pharmaceuticals Ltd.,*



reported in *AIR 2001 SC 1952*;

ii) *N.R.Dongre and others v. Whirlpool Corporation and others*, reported in *(1996) 5 SCC 714*;

iii) *Hindustan Pencils (P) Limited v. India Stationery Products Company & others*, reported in *AIR 1990 Del 19*; and

iv) *Milmet Oftho Industries and others v. Allergan Inc.*, reported in *(2004) 12 SCC 624*.

8. Per contra, the learned counsel for the Respondents would contend that in an Interlocutory Application, it is only the three aspects that need to be considered, viz., prima facie case, balance of convenience and irreparable loss and hardships and according to him, the Applicant fails on all three counts and is not entitled to an interim injunction.

9. The learned counsel would further elaborate his submissions stating that the Respondents had adopted the mark even as early as in 1981 and had also got the mark registered in 1995. According to the learned counsel for the Respondents, the Applicants have not also approached the Court with clean hands and they have suppressed the factum of the Registrar making it clear that the Applicants cannot have any exclusive right over NIPPON. According to the learned counsel for the Respondents, the



Applicants therefore cannot make any claim over NIPPON and Trademark being territorial and NIPPON also being very common, the Applicants are not entitled to any interim orders, when they have not been able to establish that they are well known in India.

10. The learned counsel for the Respondents would further state that the Applicants have not established goodwill and reputation in India and even according to the suit/plaint documents, the advertisements and sales are only in 2016. There is also a delay in approaching the Court with the present suit and when the Respondents claim user from 1981, the notice was issued in 2009 and suit was filed, 15 years later in 2024 only for which there is no explanation or justification. He would state that the Respondents have been in business from 1981 and they are not fly by night operators in the industry. He would therefore state that Section 33 of the Trademarks Act, 1999 (in short 'Act') would come into play and the Applicants have acquiesced themselves of the Respondents' business and claims. He would further state that even in 2015, there was a second notice issued which has been suppressed in the plaint and affidavit in support of the injunction petitions.



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11. The learned counsel for the Respondents would further state that the suit itself is nothing but a counter blast to the registration obtained by the Respondents, before the Registry. According to the learned counsel for the Respondents, the Respondents operate only in the State of Punjab and few parts of Himachal Pradesh and are small time traders and in any event, there is no similarity in the logo and marks are also not identical. Therefore, the Applicants have to be non-suited on all three grounds, viz. not having made out a prima facie case, balance of convenience being in favour of non-grant of interim order and irreparable harm also not being established by production of relevant documents on the side of the Applicants.

12. Having considered the submissions advanced by the learned Senior Counsel, Mr.P.S.Raman for the Applicants and Mr.Davesh Vashishta, learned counsel for the Respondents and having gone through the pleadings and documents, I proceed to decide the Applications, viz., the interim injunction Applications, seeking interim orders, pending the suit.



13. As rightly contended by the learned counsel on either side, at this stage, the trinity principles alone need to be factored in deciding the Interlocutory Applications.

14. Prima facie case, balance of convenience and irreparable harm/loss are to be considered to arrive at a decision in the above applications. It is not in dispute that both the Applicants and the Respondents trade under identical names. The Applicants use  whereas the Respondents trade, using the name, . The Applicants are internationally well acclaimed and have been in this filed ever since 1881. The Respondents admittedly are local players and not having any international presence and in fact even in India, even according to learned counsel for the Respondents, limited to the state of Punjab and a few parts of Himachal Pradesh. It is also not in dispute that the Respondents has obtained a registration in 1995, earlier to the Applicant's Application which was only in 2004 admittedly.

15. NIPPON is a common word and no exclusive right can be claimed by either of the parties. Equally, PAINT or PAINTS is also common and



none can claim any exclusive use or monopoly over the same.

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16. Therefore, it boils down to the composite mark NIPPON PAINT, its artistic design, copyright and it is to be seen whether in this context the Applicants have made out a case for grant of an interim injunction.

17. According to the Respondents, they have been using NIPPON PAINTS right from 1981 openly and continuously. However, the Applicants besides issuing legal notices to the Respondents in 2009 and 2015, have also opposed the registration Applications of the Respondents in 2009, 2010, 2011, 2014 and 2023. Therefore, it cannot be said the Applicants have acquiesced as contended by the Respondents. In so far as the contention of the learned counsel for the Respondents that the logo as well as marks are distinct and not identical, it is seen that the Respondents themselves have opposed the Plaintiffs' marks on the ground of phonetic, visual and structural similarity. Therefore, it does not even lie in the mouth of the Respondents to now contend, in these Applications, that their logos and marks are distinct and not identical. In fact, the Respondents themselves have claimed registration for NIPPON which is being opposed by the



Plaintiffs. In such circumstances, it is not again open to the Respondents to contend that the Applicants are dis-entitled to claim any right over NIPPON PAINT.

18. Insofar as identical marks/logos or confusion likely to arise, there is no doubt that the marks are identical with Applicants claiming  and the Respondents claiming  and especially with even the red and blue colour scheme being adopted by the Respondents, it is clear that the Respondents are trying to copy the mark/logo of the Applicants with a view to make unlawful enrichment at the costs of the Applicants who have built an enormous reputation and good will worldwide. There is absolutely no explanation as to why the Respondents adopted NIPPON in the first place and when there is no honest adoption, the odds are against the Respondents only.

19. Insofar as the contention of the learned counsel for the Respondents that the Applicants have suppressed material facts and particulars, I am able to see that even though there is no reference to the second notice in 2015 and also order of the Registrar in Application



No.1568282, the relevant documents have been filed along with the plaint, as suit documents. That being the case, the Applicants cannot be said to have come to Court with unclean hands.

20. The next and probably important argument insofar as these Applications are concerned is delay. The Applicants themselves had issued notices in 2009 and again in 2015 but the present suit came to be filed only in 2024 and even the Rectification Petition was filed in November, 2023 only. This according to the learned counsel for the Respondents is unexplained and would clearly amount to acquiescence of the Respondent's use of NIPPON PAINTS and therefore, the balance of convenience is in favour of not granting an order to the Applicants.

21. In response to this argument, the learned Senior Counsel, Mr.P.S.Raman would state that the Applicants need not always go after a person who infringes upon the mark of the Applicants and it is left to the discretion of the Applicants to seek orders against persons who appear to be a threat to the Applicants.



22. In the present case, despite notices being issued by the Applicants in 2009 and 2015, the Applicants did not choose to go after the Respondents until July, 2022 when the Respondents caused advertisements and also adopted the same colour scheme of the Applicants. In fact, though the mark of the Respondents is only NIPPON PAINTS, mischievously in their website, the 'S' is dropped and the mark is projected as NIPPON PAINT, which is identical to the mark of the Applicants and especially when the red and blue colour scheme is also adopted, the Applicants felt that there was a need to approach the Court and prevent infringement as the acts of the Respondents were clearly causing a threat to the Applicant's mark in as much as it was likely to be confused as though the Respondent's mark is that of the Applicants alone.

23. In *Hindustan Pencil's* case (referred herein surpa), the Hon'ble Supreme Court had an occasion to deal with the aspect of delay in affecting the outcome of an injunction Application. The Apex Court held that if the Defendant acts fraudulently and violates the Plaintiff's right voluntarily, then if there is inordinate delay, the relief of injunction cannot be denied. The ratio laid down in this case would squarely apply to the facts of the



present case.

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24. I am also not able to accept the argument of the learned counsel for the Respondents that the Applicants have acquiesced themselves on account of delay and laches on their part. The conduct of the Applicants does not suggest that they have allowed the Respondents to grow using the mark of the Applicants. They have satisfactorily explained that as soon as the threat loomed large, they have approached the Court and therefore, they cannot be blamed for any inaction or delayed action. Equally, I do not see Section 33 of the Act acting as an impediment for the Applicants in claiming an interim injunction as prayed for, in the present suit.

25. The learned counsel for the Respondents relied on the decision in *Toyota Jidosha Kabushiki Kaisha v. Prius Auto industries Limited and others*, reported in (2018) 2 SCC 1, where the Apex Court held that spillover of reputation in India has to be proved and that the Applicants have not established the same.

26. Excepting the Defendant, no one is shown to use NIPPON for



paints. It is the case of the Respondents that NIPPON is not common to the paint trade. The Applicants are global leaders in the industry and their reputation is not even challenged by the Respondents, excepting for contending that their presence in India was not there at the relevant time when the Respondents adopted NIPPON PAINTS. However, I find that by filing a 3rd party affidavit of a reputed paint Company's responsible official as well as 'Retrospective Discussion on Overseas Market expansion after World War II', the translated copy of "Nippe News" July, 1956 Edition, the Applicants have clearly established an Indian connect well before the Respondents adopted their mark and got it registered.

27. Firstly, the adoption of the mark NIPPON by the Respondents remains unsubstantiated. Secondly, it is farfetched to believe that the Respondents came up with the same colour scheme using red and blue, as that of the Applicants. Coincidence to such an extent is not imaginable. It is thus clear that the Respondents have been aware of the mark of the Applicants and have adopted the same, along with the colour scheme only with a dishonest intention to ride on the reputation and goodwill of the Applicants. The infringement by the Respondents is clearly deliberate and



certainly not honest and therefore the Respondents cannot put the aspect of delay in the Applicants approaching the Court as a shield and contend that the Applicants are not entitled to any interim relief. In *Whirlpool's* case (referred herein supra), the Apex Court took note of the facts that there was no plausible explanation offered by the Defendants for adopting the mark of the Plaintiff and held that it would amount to unfair trade activity in an attempt to obtain economic benefit of the reputation established by the Plaintiff.

28. The next contention of the learned counsel for the Respondents is that the Respondents are small players and are doing business only in the states of Punjab predominantly and in small pockets of Himachal Pradesh and in such circumstances, no harm would be caused to the Applicants. I am unable to countenance the said submission of the Respondents. In the technology driven world today, e-commerce has grown by leaps and bounds and it is possible for a person sitting in his drawing room at a remote place in the southern most part of India to place an order and purchase a product that is being sold even in the northern most part of the state of Jammu and Kashmir. In the present case, the cause of action on which the Applicants



have actually filed the suit is that the Respondents have carried a misleading information in their website and consequently there is a likelihood of customers believing that the goods viz., the paints sold by the Respondents are actually that of the Applicants.

29. In fact, the Apex Court envisaged such a scenario even in 2004, when in *Milmet Oftho's* case, (referred herein supra) held that with goods being widely advertised in newspapers, periodicals, magazines and other media available in the country, there is a chance of a product acquiring worldwide reputation also and it would lead to an anomalous situation where a product is associated with a person worldwide and an identical mark is allowed to be sold in India.

30. On a perusal of the documents exhibited on either side, I find that the Applicants have prima facie established use in India and such use being before the first adoption of the mark by the Respondents as well.

31. In such circumstances, I have no hesitation in holding that the Applicants have made out a prima facie case for grant of an interim



injunction as prayed for in these Applications. Balance of convenience is also only in favour of the Applicants since if no interim order is granted, then the Respondents would only continue to take undue advantage of their identical mark and cash in on the goodwill and reputation of the Applicants. Equally, if an interim order is not granted, as prayed for by the Applicants, it would certainly lead to irreparable harm to their goodwill and reputation since admittedly the Respondents are small time players and the high standards in quality, they have set for themselves may easily be eroded by the acts of infringement by the Respondents.

32. In fine, the Applications are allowed as prayed for. However, there shall be no order as to costs.

06.09.2024

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**Pre-delivery Order in
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