



C.S. No.310 of 2014

IN THE HIGH COURT OF JUDICATURE AT MADRAS

Reserved On	23.04.2024
Pronounced On	12.07.2024

Coram:

THE HONOURABLE MR. JUSTICE P.VELMURUGAN

C.S. No.310 of 2014

M/s.N.Ranga Rao & Sons Private Limited
PB No.52, Vani Vilas Road, Mysore-570 004
and also at
25-B, Industrial Estate, Chennai - 600 097
Represented by its Director
Mr.Vishnu Das Ranga
(Amended as per Order dated 09.02.2016 in
App.No.89 of 2016)

... Plaintiff

Vs.

M/s.Sujatha Match Works
No.40, 26th E.C. Road
Gandhi Nagar
Vellore-632 006

... Defendant

Amended Complaint under Order VII Rule 1 CPC and under Order IV
Rule 1 of O.S. Rules read with Sections 134 and 135 of the Trade Marks
Act, 1999, praying to pass judgment and decree as follows:



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C.S. No.310 of 2014

A. Granting permanent injunction restraining the defendant by itself, its servants, agents or any one claiming through it from in any manner infringing the plaintiff's well known, registered trade mark and artistic work "CYCLE BRAND together with the device of cycle" by using the identical and /or deceptively similar offending trade mark "CYCLE with the device of a Cycle" or any other mark or marks which are in way identical, deceptively similar to or a colourable imitation of the plaintiff's registered trade mark and artistic work "CYCLE BRAND together with the device of Cycle" either by manufacturing or selling or offering for sale or in any manner advertising the same.

B. Granting permanent injunction restraining the defendant by itself, its servant, agents or any one claiming through it from in any manner passing off of its "Matches and Match Box" bearing the offending trade mark "CYCLE' with the device of a Cycle" as and for the plaintiff's celebrated products including "incense Sticks and Dhoop Sticks" bearing the plaintiff's



C.S. No.310 of 2014

registered trade mark and artistic work "CYCLE BRAND together with the device of cycle" either by manufacturing or selling or offering for sale or in any manner advertising the same.

C. Directing the defendant to surrender to the plaintiff the entire stock of unused offending labels bearing the offending trade mark "CYCLE' with the device of a Cycle" along with the blocks and dyes for destruction.

D. Directing the defendant to render a true and faithful account of the profits earned by the defendant through the sale of its products, including the products bearing the offending trade mark "CYCLE with the device of a Cycle" and direct payment of such products to the plaintiff for the passing off committed by the defendant.

E. Directing the defendant to pay to the plaintiff the costs of the suit.

For Plaintiff	: Mr.Rajesh Ramanathan
For Defendant	: Mr.R.Sathish Kumar for Mr.P.C.N. Raghupathy



C.S. No.310 of 2014

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JUDGMENT

The suit is filed seeking the relief of permanent injunction to restrain the defendant from infringing the plaintiff's registered trade mark, to surrender to the plaintiff the entire stock of unused offending labels, to render true and faithful account of the profits earned by the defendant and to make direct payment of profits for such passing-off.

2. The averments made in the amended plaint are as follows;

(i) The plaintiff is a registered partnership firm, which is engaged in the business of manufacturing and selling incense sticks/Aagarbathies and Dhooops ever since 1948. The plaintiff honestly conceived and adopted the trade mark "Cycle Brand" and the device of 'Cycle' as a trade mark for its products Aagarbathies and Incense sticks since 3rd July 1981. The trade mark label and artistic work "Cycle Brand" with the device of a "Cycle" in a peculiar colour scheme is in constant use for more than 32 years without any interruption, since its inception and adoption. Due to their hard work,



C.S. No.310 of 2014

high quality products, very strong brand value and efficient services, the plaintiff's trade and reputation have grown immensely and they have now reached the pinnacle of their reputation.

(ii) The plaintiff has spent huge amounts of time, money and efforts to familiarize the trade mark among the traders and consumers and due to such long, extensive and continuous use of the trade mark "Cycle Brand" together with the device of "Cycle" and the trade mark label and artistic work in peculiar colour schemes, the said trade mark has come to be associated exclusively with that of the plaintiff alone and no one else. The plaintiff has also applied for and obtained registration of the mark 'Cycle Brand' with the device "Cycle" in Class 34, in respect of safety Matches, vide Application No.565839 dated 20.01.1999. The said registration is valid and subsisting as on date.

(iii) Thus, the plaintiff is the registered proprietor of the trade mark "Cycle Brand" with the device of "Cycle" in various Classes including



C.S. No.310 of 2014

Class 34. The plaintiff has obtained registration of the trade mark "Cycle Brand" together with the device of "Cycle" and the trade mark label and artistic work with the word CYCLE written in 13 different languages in a peculiar colour schemes and get up in Class-3 in respect of Aagarbathies, Dhoops and Incense cones. The plaintiff has also obtained registration in several jurisdictions of the world thereby making the mark "Cycle Brand" together with the device of "Cycle" in a peculiar colour scheme and get up and the said mark has now attained the status of the well known trade mark. The plaintiff has also obtained copyright registration for its unique get up and colour scheme for their labels and cartons.

(iv) While so, the plaintiff came to know that the defendant has started using the plaintiff's famed and well-known trade mark "CYCLE" on their Match Boxes with an identical/deceptively similar trade mark "CYCLE" with a device of a "Cycle". The use of a deceptively similar trade mark "CYCLE" with the device of a Cycle" for Matches and Match



C.S. No.310 of 2014

Boxes, which are allied and cognate goods travelling through the same trade channels, is in violation of the plaintiff's statutory and common law rights. The use of the said identical and/or deceptively similar trade mark label by the defendant is a blatant and flagrant violation of the plaintiff's well known, well established and registered trade mark label and copyrighted artistic work in the trade mark label and/or cartons. The defendant had copied the plaintiff's well known, well established, identical and/or deceptively similar and reputed trade mark solely with a view to enrich themselves unjustly and with ulterior motives.

(v) The defendant's act is with a mala-fide intention to damage the plaintiff's trade and reputation and to further ruin the goodwill built up so carefully by plaintiff over all these years. The defendant's use of an identical and/or deceptively similar trade mark label for their cognate goods is likely to create confusion and has indeed created a lot of confusion in the minds of the consuming public, who would be deceived to



C.S. No.310 of 2014

believe that the products sold by the defendant under the impugned trade mark label emanates from the plaintiff. The immensely famous trade mark label of the plaintiff's product, which created a unique identity in the minds of the consuming public, is under threat, because of the defendant's use. The use of the impugned trade mark for "Matches and Match Box", which is a cognate goods, would result in illegal benefits to the defendant. The act of the defendant dilutes the goodwill and the reputation of the plaintiff and the defendant is guilty of infringement of plaintiff's registered trade mark and for passing-off of his goods as that of the plaintiff's. Therefore, this suit is filed seeking the above reliefs.

3. The defendant, in the written statement, denies various allegations made in the amended plaint and the other averments made in the application for interim injunction filed on behalf of the applicant/plaintiff.

The averments as contained in the written statement are as follows :

(i) The defendant is manufacturing and marketing safety Matches



C.S. No.310 of 2014

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under the name and style of 'Sujatha Match Works' at Vellore for the last 27 years. The label mark used by the defendant is 'CYCLE' with a device of "Cycle" thereon. The defendant has obtained Central Excise approval for the said 'CYCLE' label on 12.07.1995, thereby, the defendant is continuously using the 'Cycle' label in respect of the goods namely, safety Matches for the last 27 years. Further, the defendant is marketing the goods under the label 'CYCLE' in a small scale in Vellore District in the State of Tamil Nadu, Chittoor, Kurnool and other neighbouring Districts in the State of Andhra Pradesh, thereby the adoption of the said label mark 'CYCLE' for the safety Matches is honest and bona-fide.

(ii) The defendant has acquired proprietary rights over the said label and mark 'CYCLE' in respect of safety Matches by virtue of 27 years longer user of the mark. The defendant understood that the plaintiff is marketing Aagarbathies under various label marks, viz., CYCLE, FLUTE, LIA, WOODS and RHYTHAM. The defendant is early adopter of CYCLE



C.S. No.310 of 2014

brand in respect of Matches. Accordingly, the defendant is the prior user of the mark 'CYCLE' with the device of "Cycle" in respect of the safety Matches, which will fall in Class 34. The plaintiff may be the prior user for 'CYCLE' label in respect of goods 'Aagarbathies', which falls under Class 03, but not in respect of safety Matches.

(iii) Both the plaintiff's goods and the defendant's goods fall under different classes. The packaging of both products is entirely different from each other. The defendant's safety Matches (small sticks) are packed in (small) square size cardboard box Matches. The plaintiff's goods Aagarbathies (longer sticks) are packed in lengthy carton boxes. The cost of the defendant's 'CYCLE' brand safety match box is Rs.1/-. But, the cost of the plaintiff's Cycle Brand Agrabathi is Rs.25/- or more.

(iv) Accordingly, the price, size of the goods, packaging of goods and utility of both the goods are entirely different from each other. The public and traders are able to distinguish between what is "CYCLE brand



C.S. No.310 of 2014

Agarbathies" and what is "CYCLE brand safety Matches". Therefore, there will be no possibility of deception and confusion in the market in selling the defendant's "safety Matches" under the label mark CYCLE. Hence, the question of passing-off or infringement of the plaintiff's trade mark will never arise.

(v) Further, the plaintiff is not entitled to claim monopoly over the word "CYCLE" across all the products sold in the country. Any accolades or awards received by the plaintiff as a trader, will not confer monopoly over the trade mark "CYCLE" for all products cutting across goods. 'CYCLE' is a well known English word. Adoption of the common dictionary will not give exclusive right to the plaintiff over the said name. It is an arbitrary choice of the defendant to use the word "CYCLE" for its product 'safety Matches'. It is not in bad faith.

(vi) The plaintiff has not filed any document to show that they are dealing with safety Matches under the trade mark CYCLE. The plaint



C.S. No.310 of 2014

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averment clearly confines their claim of reputation and operation in respect of incense and Aagarbathies. Therefore, the use of trade mark 'CYCLE' by the defendant for their goods, will no way cause infringement or passing off. Further, the plaintiff obtained trade mark registration for the name 'CYCLE' and its devices almost in all other classes apart from Class '03'. But, there are no such averments either in the plaint or in the affidavit to the effect that the plaintiff is dealing with all other goods under the trade mark 'CYCLE' apart from Aagarbathies.

(vii) The goods such as safety Matches could not be considered as cognate goods to the plaintiff's goods such as Aagarbathies as alleged by the plaintiff. The incense sticks or dhoop sticks or Benzoin may be considered as cognate goods to Aagarbathies, but not safety Matches. The plaintiff has not sold any match boxes till this date. As far as safety Matches are concerned, the defendant is the prior user of the same since 1995. As far as infringement is concerned, under Section 29 of the Trade



C.S. No.310 of 2014

Marks Act, 1999, a registered trade mark is said to be infringed in relation to goods or services in respect of which trade mark is registered. But in this case, the averments in the plaint and the documents filed by the plaintiff would show that they obtained trade mark registration in Class '03'. But, the defendant has been using the mark 'CYCLE' for safety Matches continuously from the year of 1995. Since the defendant's trade mark is applicable to different kinds of goods, the question of infringement will never arise.

(viii) Further, the defendant is entitled to claim honest and concurrent use of the mark 'CYCLE' in respect of safety Matches. As far as the questions of passing-off action is concerned, there is no misrepresentation on the part of the defendant in his trade mark 'CYCLE' for safety Matches, wherein, they described their trade name as Sujatha Match Works and the plaintiff was not selling Matches. The defendant is not selling any Agrabathies under the label trade mark 'CYCLE' as that of



C.S. No.310 of 2014

the plaintiff's goods. Therefore, the question of passing-off will not arise and thereby, the suit is liable to be dismissed.

(ix) Further, the defendant undertakes not to manufacture and sell Aagarbathies under the label mark 'CYCLE' except safety Matches with regard to the specific 4 districts namely Vellore and Ranipet in Tamilnadu and Chittor and Dhone in Andhra Pradesh. Further, there is no prima-facie case against the defendant and the plaintiff has not suffered any injury or loss for sale of their product Aagarbathies because of the defendant's safety Matches under the label mark 'CYCLE' being sold mainly in the above said Districts. Hence, there is no balance of convenience in favour of the plaintiff and therefore, the suit is liable to be dismissed.

4. Upon considering the pleadings and documents, the following issues have been framed by this Court on 20.04.2023;

1. Whether the defendant's use of the mark "CYCLE" with device of a "cycle" is infringing upon the plaintiff's mark "CYCLE" brand together with the device of a "Cycle"



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C.S. No.310 of 2014

and other similar trade mark registration?

2. Whether the defendant's use of the mark "CYCLE" with the device of a "Cycle" constitutes an act of passing-off?

3. Whether the plaintiff is entitled to the relief of permanent injunction restraining the defendant from infringing and passing-off his trade mark "CYCLE BRAND together with a device of a cycle"?

4. Whether the defendant is liable to surrender his entire stock of unused offending labels bearing the impugned mark?

5. Whether the defendant is liable to render a true and faithful accounts of profits earned through the sale of its products bearing the impugned mark and further be liable to pay such profits to the plaintiff for the act of passing-off committed by the defendant?

6. Whether the defendant is prior user with regard to trade mark CYCLE in respect of goods safety Matches?

7. Whether the plaintiff can claim exclusive monopoly right over the name "CYCLE and its device in



C.S. No.310 of 2014

respect of all the goods in all the classes (Class 1 to 45),
apart from Aagarbathies"?.

5. After framing of issues, during trial, on the side of the plaintiff, one Mr.V.Ramamoorthy was examined as P.W.1 and 7 documents were marked as Exs.P1 to P7. On the side of the defendant, one Mr.Suman Babu was examined as D.W.1 and 12 documents were marked Ex.D1 to EX.D12.

6. Both the plaintiff and the defendant filed their respective written arguments reiterating their respective stands.

7. The learned counsel for the plaintiff submitted that plaintiff's mark has been in continuous and prolific use for about 70 years. The plaintiff has also put in arduous efforts and has established a huge reputation and tremendous goodwill among the trade and public. The plaintiff has also proved continuous use of the mark CYCLE along with the device of Cycle through its sample sales invoices that dated back to at



C.S. No.310 of 2014

least the 1980s vide Ex.P3. Such use and its consequent reputation are corroborated through documents marked through PW1. Apart from the above, the appropriate authority, i.e., the Registrar of trade marks, has declared that the mark "CYCLE" known mark under Section 2 (1) (zg) of trade marks Act. The defendant being well aware of the plaintiff's colossal presence in the market, decided to adopt the mark CYCLE along with the device of the Cycle in respect of safety Matches. The defendant has not divulged any bona-fide reasons for adoption of the mark CYCLE and the device of Cycle that too in the exact same juxta position as the plaintiff. In fact, the defendant jumps from one implausible reason to another during his cross examination and the particular portion is as follows;

"Q. 16: You have stated that from 1959 to 1994, you were trading under the mark 'Forest Bison', between 1994 and 1995 under the mark 'Sony' and since 1995 under the mark 'Cycle'. Can you say as to why you started using the mark 'Cycle' suddenly in the year 1995?

A: Because I used to travel for 30 kilometers daily in my



C.S. No.310 of 2014

cycle and since my livelihood depended on the cycle, I decided to use it as my brand.

Q. 17: How were you marketing your products since 1980?

A: Since 1980, I was selling my products by using my cycle.

....

Q. 19: I put it to you that since your business was not doing well in 1995 you decided to use the plaintiff's brand to sell your products.

A: I deny. Witness adds: My son was born in 1993 and I purchased a cycle for him in 1995 that is also another reason for me to use the "Cycle" brand."

7 (i). As the plaintiff's mark CYCLE is well known, it ought to be protected across all classes irrespective of the nature of the goods. Further, since the plaintiff herein has proved its enormous reputation in the market vide the extensive documentary evidence, it is liable to be protected from the infringing actions of the defendant on that ground alone. The Hon'ble Supreme Court in the case of ***T.V.Venugopal Vs. Ushodaya Enterprises***



C.S. No.310 of 2014

Ltd. & Another reported in (2011) 4 SCC 85, held as follows;

"85...User of similar word by a competitor coupled with dishonest intention and bad faith would empower a court to restrain such user/misuser to do equitable justice to the aggrieved party."

7 (ii).The learned counsel submitted that the Hon'ble Apex Court in the above case has protected the mark, "Eenadu" of the respondents/plaintiff, predominantly in view of the "extraordinary reputation and goodwill" of their mark and the deliberate misrepresentation and bad faith of the appellants in adopting a similar mark for their business. The Hon'ble Court further held that permitting the appellant/defendant to use the mark would lead to erosion of the extraordinary reputation and goodwill of the respondent. The above judgment would squarely applicable to the case at hand, especially given the fact that the defendant has failed to provide any bona-fide reason for



C.S. No.310 of 2014

adoption. The mark "CYCLE with the device of a Cycle" is arbitrary to the goods for which the mark has been applied and that the plaintiff has been using the mark "CYCLE with the device of a Cycle" for about 7 decades. While so, the defendant has adopted the identical mark knowing very well the reputation of the mark "CYCLE with the device of a Cycle" and is attempting to emulate the same for his personal gains. Though the defendant claims to be using the mark CYCLE since 1995, none of the documents marked through D.W.1 contain any substantiation for the claim. On the other hand, the plaintiff has been in the market since 1950s under the mark CYCLE and it is impossible for the defendant not to have come across the plaintiff's products. In fact, the defendant in para 3 of their written statement as well as during cross examination of D.W.1, has admitted, that the plaintiff herein is the prior user of the mark 'CYCLE' in respect of Aagarbathies under class 03, though claiming that Aagarbathies and safety Matches are different goods in the following manner:



C.S. No.310 of 2014

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"... The plaintiff may be the 'prior user' for 'CYCLE label in respect of goods 'Aagarbathies' which will fall in Class '03' but not in respect of safety Matches. Both the plaintiff's goods and the defendant's goods fall under different classes"

7 (iii).The learned counsel submitted that the defendant's argument that safety Matches and Aagarbathies are different goods falling under different goods is immaterial, since the D.W.1 during cross examination has clearly admitted that they are allied and cognate in the following manner:

"Q 33: You have stated in para 10 of your written statement that agarbathies and Matches are not cognate goods. Can agarbathies be used without Matches?"

A: No. Witness adds: 99% of the people who use Matches use it for smoking. Only for the past 10 to 12 years, the Agarbathy brands are giving match boxes for free."



C.S. No.310 of 2014

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7 (iv).The learned counsel submitted that the very adoption of the mark "CYCLE with the device of cycle" by the defendant is deliberate and calculated to ride on the enormous reputation and goodwill of the plaintiff. Further, the subsequent adoption of the mark by the defendant is dishonest and mala-fide. He would submit that considering the subsequent adoption of the mark by the defendant and the degree of association of the mark CYCLE with the plaintiff, the onus is on the defendant to prove that the adoption is honest which they have failed to do. The defendant has not offered any cogent reason pertaining to the adoption of the impugned mark 'CYCLE. A Division Bench of this Court in the case of ***Blue Hill Logistics Private Ltd. vs. Ashok Leyland Ltd. and Ors-2011 SCC OnLine Mad 671***, held;

"50. One of the essential facts to be established by the Plaintiff under sub-section (4)(c) of Section 29 is about the use of the impugned mark by the 1st Defendant being "without due cause". The purpose



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C.S. No.310 of 2014

of Section 29(4) is to protect the value and goodwill of trade marks, particularly in cases where they are well known from being unfairly taken advantage of or unfairly harmed. Use of the words "without due cause" requires the 1st Defendant to show that not merely the use of infringing mark is in connection with the 1st Defendant's services but "with due cause"....."

7 (v).In light of the above, it can be clearly seen that the adoption of the mark by the defendant, without any due cause, is clearly mala-fide and consequently the adoption and use of the mark 'CYCLE' by the defendant is dishonest from inception and therefore, no amount of use thereafter can come to their rescue. Even assuming but not admitting the claim of the defendant that they adopted the impugned mark in 1995, such adoption is obviously dishonest and cannot be considered for the purpose of the suit.

The Delhi High Court in the case of ***Hindustan Pencil (P) Ltd. India***



C.S. No.310 of 2014

Stationery Products Co. and another. ILR (1989) I Delhi 118, held:

*25. "However, if defendant acted fraudulently or with knowledge of plaintiff's rights, then rebel by injunction is accorded, even though laches and acquiescence bar the recovery of damages or profits..... **The Courts have been very reluctant to deny injunctive relief because of plaintiffs delay when it appears that defendant knowingly and deliberately adopted the mark which is an infringement.** If such facts are shown, only in an exceptional case will laches bar injunctive relief". In *Anheuser-Busch v. Du Bois Brewing Co.*, 175 F2d 310 the Court referred to "the doctrine that a fraudulent infringer cannot expect tender mercy of a court of equity so that mere delay by the injured party in bringing suit would not bar injunctive relief"*

...

31..... If a party, for no apparent or a valid reason, adopts with or without modifications, a mark belonging to another, whether registered or not, it will be difficult for that party to avoid an order of injunction because the Court may rightly assume that such adoption of the mark by the party was not an honest one. The Court would be justified in concluding that the defendant, in such an action, wanted to cash in on



C.S. No.310 of 2014

the plaintiff's name and reputation and that was the sol, primary or the real motive of the defendant adopting such a mark”

7 (vi).The learned counsel submitted that the goods of both parties sold under the identical mark 'CYCLE' are allied and cognate. The plaintiff is engaged in the business of manufacturing and selling Incense Sticks/ Aagarbathies and Dhoops ever since the year 1954. In the course of the said business, the plaintiff has honestly conceived and adopted the trade mark "CYCLE" together with the device of Cycle. Though the Plaintiff originally started using the mark CYCLE with the device of Cycle in respect of Aagarbathies and dhoops, they have diversified later and have started using the mark in respect of safety Matches also. The defendant is admittedly engaged in the business of manufacturing and sale of safety Matches under the mark CYCLE with the device of Cycle. Even if the adoption and use of the mark CYCLE with the device of Cycle by the



C.S. No.310 of 2014

plaintiff for safety Matches is to be discounted, the plaintiff's use of the said mark in respect of Aagarbathies since 1950s ought to be considered since Aagarbathies and safety Matches are allied goods, where one cannot function without the other. Allied/cognate goods or services are those goods/services which are not identical, but can be said to be related or similar in nature. The Shorter Oxford English Dictionary on Historical Principles Fifth Edition 2002, Vol. 2. defines the term "Allied" as "connected by nature or qualities: having affinity" and the term "Cognate" as "akin in origin, nature or quality". Reference may also be made to New Webster's Dictionary and Thesaurus of the English Language, 1992 which defines "Allied" as "relating in subject or kind" and "Cognate" as "having a common ancestor or origin (of languages or words) having a common source or root (of subjects etc.) related, naturally grouped together." It is submitted that Allied goods/services can be described, inter alia, as goods or services which have a trade connection or which are intended for the



C.S. No.310 of 2014

same class of customers or are complementary to each other. *The Bombay*

High Court in the case of ***H.M. Saraiya Ors. Vs. Ajanta India Ltd. and***

Anr, [2006 (33) PTC 4 (Bom), had held that *"The test whether or not*

goods or services are "of the same description" would seem to be supplied

by the question, Are the two sets so commonly dealt in by the same trader

that his customers, knowing his mark in connection with one set and

seeing it used in relation to the other, would be likely to suppose that it

was so used also to indicate that they were his? The matter should be

looked at from a business and commercial point of view. The Court further

approved the following principle in deciding whether goods are goods of

the same description based on the following:

- the nature and composition of the goods:
- the respective uses of the articles:
- the trade channels through which the commodities respectively are bought and sold.

7 (vii). Therefore, the defendant's use of the mark CYCLE with the



C.S. No.310 of 2014

device of Cycle in respect of safety Matches would most definitely cause the trade and public to believe that the goods of the defendant originate from the plaintiff, who has been using the identical mark since 1950s in respect of allied goods, i.e, 'Agarbathies'. Since both products are available in the same channel of trade, there is more likelihood of confusion. The immensely famous trade mark label of the plaintiff's product, which created a unique identity in the minds of the consuming public, is under threat because of the defendant's use. The use of the impugned trade mark for "Matches and Match Box", which is a cognate good, would result in illegal benefits to the defendant. The act of the defendant dilutes the goodwill and the reputation of the plaintiff and the defendant is guilty of infringement of plaintiff's registered trade mark and for passing off his goods as that of the plaintiff's. Therefore, this suit is filed seeking the above reliefs.



C.S. No.310 of 2014

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7(viii). In support of their case, the plaintiff relied upon the following decisions;

(1) Order of a learned Single Judge of the Delhi High Court in the case of ***Daimler Benz Aktiegesellschaft Vs. Hybo Hindustan [I.A.No. 5843 of 1993 in Suit No.1388 of 1993 dated 10.11.1993]***;

(2) Judgment of a learned Single Judge of the Delhi High Court in the case of ***Tata Sons Ltd. Vs. Manoj Dodia [C.S (OS) No.264/2008 dated 28.03.2011]***.

(3) Judgment of a Division Bench of this Court in the case of ***Mahendra T.Thakkar Vs. N.Ranga Rao & Sons Private Ltd. [O.S.A. Nos.329 & 330 of 2019 dated 11.02.2020]***.

(4) Judgment of a Division Bench of the Hon'ble Supreme Court in the case of ***Mahendra & Mahendra Paper Mills Ltd. Vs. Mahindra & Mahindra Ltd. [Appeal (civil) 7805 of 2001 dated 09.11.2001]***.

(5) Judgment of a learned Single Judge of this Court in the case of ***N.Ranga Rao & Sons Private Limited Vs. Sriman Industries [C.S.No.260 of 2017 dated 04.11.2019]***.

(6) Judgment of a learned Single Judge of this Court in the case of ***M/s.N.Ranga Rao & Sons Private Ltd. Vs. M/s.Shyam Detergents and another [Civil Suit No.101 of 2006]***.



C.S. No.310 of 2014

(7) *Judgment of a learned Single Judge of the Bombay High Court in the case of **H.M.Saraiya and Ors. Vs. Ajanta India Ltd. and Others** [Notice of Motion No.682 of 2003 in Suit No.667 of 2003 dated 07.03.2006].*

(8) *Judgment of a learned Single Judge of the Calcutta High Court in the case of **Assam Roofing Ltd. and Ors. Vs. JSB Cements LLP and Ors.** [G.A.No.1412 of 2015 and C.S.No.106 of 2015 dated 09.12.2015]*

(9) *Judgment of a Division Bench of this Court in the case of **Blue Hill Logistics Private Ltd. Vs. Ashok Leyland Ltd. and Ors.** [O.S.A. Nos.7 and 8 of 2011 dated 05.05.2011].*

(10). *Judgment of a learned Single Judge of the Delhi High Court in the case of **Hindstan Pencils (P) Ltd. Vs. India Stationery Products Co. and Ors.** [Interim Application No.2275 of 1988 and Suit No.941 of 1988 dated 23.01.1989].*

(11) *Judgment of a Division Bench of the Calcutta High Court in the case of **Sony Kabushiki Kaisha Vs. Mahaluxmi Textile Mills** [F.M.A. No.1310 of 1999 and F.M.A.T. No.1014 of 1998 dated 25.02.2009].*

(12) *Judgment of a Division Bench of the Hon'ble Supreme Court in the case of **N.Ranga Rao and Sons Private Ltd. Vs. Shree Balaji Associates & Anr.** [Special Leave to Appeal (c) No.26979 of 2018) dated 22.10.2018].*



C.S. No.310 of 2014

WEB COPY

8. The learned counsel for the defendant submitted that the plaintiff and the defendant are trading in altogether different classes and that the device of CYCLE can be depicted only in one form. The defendant is the prior user and has been using CYCLE and its device since 1995. The plaintiff has not filed any material to show that they were using mark CYCLE for match boxes prior to 1995. The defendant have filed original copies of the Central Excise application seeking approval for the manufacturer's trade label for the product "Cycle," dated 12.07.1995 which is marked as Ex.D1 which proves the defendant's claim of prior usage of the term "CYCLE" and its device. The Central Excise application being a public record adds a layer of credibility to the defendant's user claim since 1995. The label's presence in the application form indicates a consistent manufacturing use of the term "CYCLE" and its device reinforcing the defendant's argument of continuous usage since 1996.

8 (i). The learned counsel submitted that the defendant's use of the



C.S. No.310 of 2014

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trade mark CYCLE and its device does not constitute infringement as the plaintiff and the defendant operate in distinct classes of goods.

Specifically, the plaintiff's use of CYCLE falls under class 3 for Agarbathies, while the defendant's product belong to class 34. This clear differentiation in product categories, prevents any potential confusion.

Additionally, the defendant holds prior usage rights for the trade mark CYCLE and its device in the context of matchboxes. The plaintiff claims that the goods are cognate to each other which is not the case. The products cannot be used interchangeably nor are they substitutes. Merely because a match box is used for lighting an Agarbathi, the same cannot be held as cognate. Except the plaintiff, there is no other manufacturer who gives the match box as a free item. Nor they are sold together either in shops.

Therefore, the said argument of the plaintiff is not acceptable. The goods produced or offered by the plaintiff and the defendant originates from separate and unrelated sources. This distinction is important as it signifies



C.S. No.310 of 2014

that the products or services provided by each party are not connected or affiliated with one another in terms of their origin or production. The products of the defendant in the year of 1996 was sold at 50 paise and now its sold at Rs.1/- per match box whereas, Cycle Agarbathi is sold at Rs.28/-

8(ii). Since 1996, the defendant has been using the trade mark "CYCLE" within a limited geographical area, specifically for safety Matches. On the other hand the plaintiff has expanded their operations for Agarbathies and becomes aware of the defendant's use of the name "CYCLE" and its associated device while marketing in defendants territory for Matches only in 2014. The plaintiff asserts their claim that, by 2014, the mark "CYCLE" had already acquired significant recognition. The Plaintiff has not filed any documentary evidence regarding the same to prove their trade mark has significant reputation. The plaintiff have filed only invoice copies of selling Agarbathies and not match boxes. The plaintiff does not have any valid registration certificates or filed any



C.S. No.310 of 2014

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documents to prove that they are selling or giving free match boxes since 1995. It is for the plaintiff to prove that in the year 1995, they were selling match boxes or atleast Aagarbathies along with match boxes. In the case of ***Honda Vs. Kewal Brothers***, the Calcutta High Court states that the infringement must be from the date when defendant adopted the mark and not the date of the suit. Thus, 1995 must be date for the plaintiff to prove use, reputation or anything connected to the trade mark CYCLE. Except for the registrations, there is nothing on record to show the use since 1995. The concepts of use and registration are separate and divergent. Registration alone, devoid of actual use, does not hold value, whereas genuine use, even without registration, is considered valid.

8(iii).The learned counsel submitted that the defendant has not represented the goods or series as that of the plaintiff's Agarbathies. The defendant has not falsely represented its products or series in a way that is likely to cause confusion among consumers of that the plaintiff's



C.S. No.310 of 2014

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Aagarbathies. The plaintiff has failed to submit any documentary evidence demonstrating reputation or goodwill or any damage or loss resulting from the defendant's sale of Rs.1/- matchbox. For the defendant's use of the trade mark CYCLE, the plaintiff is obligated to demonstrate both their reputation and the defendant's misrepresentation of the trade mark particularly during the year 1995 when the defendant first started using it. In order to establish their case, the plaintiff to provide substantial evidence indicating their significant good will and reputation at that time. In the present case, the plaintiff has not produced any supporting evidence to substantiate their claims of good will, reputation, market share or turn over in the year 1995. Further the plaintiff has not filed any proof to claim any damages and hence the defendant is not liable to surrender to the plaintiff the entire stock of unused impugned labels bearing impugned trade mark and the defendant is also not liable to render a true and faithful account of profit earned through the sale of its products bearing the impugned trade



C.S. No.310 of 2014

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mark. Further the defendant is not liable to pay the profit to the plaintiff for the act of passing-off. The plaintiff has failed to prove that they are prior user of trade mark CYCLE with respect to safety Matches and the plaintiff also admitted the during cross examination that they have not documentary evidence to prove the same. On the contrary the defendant has submitted various original documents marked as Ex.D1 dated 1995 to Ex.D11 and invoice copies about their usage of trade mark CYCLE with respect to safety Matches.

8(iv). Further to establish exclusive rights over all classes under the trade marks Act, the plaintiff must either be recognized as a well-known mark by the trade mark registry or demonstrate a substantial reputation, significant goodwill, substantial trading volume for their goods, or provide evidence from a market survey. The plaintiff have not filed any documentary evidence which mandates for recognition of well-known mark. The plaintiff has not made any prayer for a declaration that the trade



C.S. No.310 of 2014

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mark CYCLE is a well-known trade mark and if any event, such declaration for well-known status cannot be granted in inter se proceedings as the same would be a right in rem. Even at the time of filing the suit, the plaintiff had not received recognition as a well-known mark and has not received any till date. Further more, in the suit, the plaintiff has not presented any documentary evidence to establish that the "CYCLE" trade mark is exclusively associated with them.

8(v). When the plaintiff seeks to assert rights across multiple classes, it necessitates substantial documentary evidence demonstrating that the trade mark has acquired distinctiveness in each of these classes or there was wide spread marketing in the year 1995 or prior to it. However in this case, the plaintiff has not provided any documentary evidence to substantiate their claim of having a significant reputation associated with the trade mark from 1996 or prior to it. It is the bounden duty of the plaintiff to prove their case for getting relief sought for in the plaint and the



plaintiff has to stand on his own leg and he cannot take advantage of the weakness of the defendant. Since, the plaintiff has not established its case for any of the relief sought for in the plaint, the suit is liable to be dismissed.

8(vi). In support of their case, the defendant relied upon the following :

(1) In the case of ***Hatsun Agro Products Ltd. Vs. Arokiya Foods reported in 2023 (93) PTC 592 (Mad).***

(2) *Judgment of a Division Bench of the Hon'ble Supreme Court in the case of Nandhini Deluxe Vs. Karnataka Cooperative Milk Producers federation Limited reported in (2018) 9 SCC 183.*

(3) *Judgment of a learned Single Judge of this Court in the case of N.RangaRao & Sons Private Ltd. Vs. Sree Annapoorna Agro Foods reported in 2021 SCC OnLine Mad 2016.*

(4) *Judgment of a Division Bench of this Court in the case of N.Ranga Rao & Sons Vs. Shree Balaji Associates and Others reported in 2018 SCC OnLine Mad 13537: (2018) 75 PTC 135.*



C.S. No.310 of 2014

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9. Heard the learned counsel for the plaintiff and the learned counsel for the defendant.

10. On a perusal of both the pleadings, oral and documentary evidence and the submissions made by both the learned counsel and also the judgments referred to by both the learned counsel, the issues are answered as follows;

ISSUE No.1: Whether the defendant's use of the mark "CYCLE with device of a "cycle" is infringing upon the plaintiff's mark "CYCLE brand" together with the device of a Cycle" and other similar trade mark registration?

a. According to the plaintiff, their predecessor had adopted the mark "CYCLE " together with the device of a "Cycle" in the year 1954 and has been using the same openly, continuously and extensively in respect of their products. The plaintiff's predecessor had also applied for and obtained registrations for the mark CYCLE BRAND in various classes including,



C.S. No.310 of 2014

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Class 03 and Class 34. The defendant, on the other hand, has subsequently, started manufacturing and marketing safety-Matches under the mark CYCLE. The defendant is not a registered proprietor and has adopted the impugned mark with the sole intention of usurping the plaintiffs reputation. The Defendant has clearly infringed the plaintiffs rights, by violating Section 29(4) of the Trade Marks Act. The said provision embodies the concept of trade mark dilution in India and the defendant's act of using the plaintiff's mark CYCLE along with the device of the Cycle for its goods, falls well within the purview of Section 29 to constitute infringement of trade mark. The learned counsel placed reliance on a decision of the Division Bench of the Delhi High Court in the case of ***Ford Motor Company and anr Vs. Mrs. C.R. Borman and Anr reported in 2008 SCC Online Del 1211*** for the the interpretation of Section 29(4) of the Act, wherein it was held that:

"16..... If it is, prima facie, clear or it is proved through evidence that the concerned trade mark



C.S. No.310 of 2014

enjoys and commands a reputation in India, the plaintiffs do not have to prove deception on the part of the defendants or likelihood of the customer being misled because of the use of the challenged trade mark. Once the plaintiffs have made out a case that the offending trade mark is identical with or similar to its registered trade mark, relief would be available even if the purveyed goods are not similar and/or fall in the same category or class."

b. In the above case, the Delhi High Court has interpreted Section 29(4) of the Trade Marks Act to be an exception to the scheme of the Act where it would apply to those trade mark which have earned a reputation. Further, the Delhi High Court in the case of ***ITC Limited Vs. Philip Morris Products SA and Ors. reported in 2010 SCC OnLine Del 27***, which has drawn up the principles for consideration of a case under Section 29(4) of the Act observed as under;

"34. The Act, as existing is not explicit about dilution- it does not refer to that term. Yet, the entire structure of Section 29(4) is different from the earlier part, and in effect expresses Parliamentary intent about the standards required



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for a plaintiff to establish dilution of its trade mark, in relation to dissimilar goods or products. This is because;

(1) The "likelihood of Confusion" test which is the essential basis of trade mark law, is not incorporated in relation to infringement of the kind Section 29(4) envisions. Section 29(1)- which talks of trade mark infringement, generally, prescribes that the impugned mark should be "identical with, or deceptively similar to the registered trade mark. Section 29 (2), (which deals with trade mark infringement) enacts that the impugned mark should be similar or identical with the registered mark, as to cause confusion in relation to similar goods. The emphasis on similar goods is the recurring theme in each of the sub clauses (a), (b) and (c) and the identity/similarity requirement along with the similarity of goods are twin, conditions (established by the use of the conjunctive "and"). However, Section 29 (4) posits identity or similarity of the mark alone but, in relation to dissimilar goods.

(2) The object of the "dilution" form of infringement (under Section 29(4)) in effect, is a wider trade mark protection without the concomitant likelihood of confusion requirement, as it is in respect of dissimilar or unrelated products and services.

(3) The confusion requirements under Section 28 are different from those under Section 29 (4). Section 29 (4) does not refer to the need for proving confusion anywhere in the relevant portions. Obviously the emphasis here is different.



C.S. No.310 of 2014

(4) The Plaintiff has to establish under Section 29 (4) apart from the similarity of the two marks (or their identity) that his (or its) mark-

- (i) has a reputation in India;*
- (ii) the use of the mark without due cause*
- (iii) the use (amounts to) taking unfair advantage of or is detrimental to, the distinctive character or repute of the registered trade mark.*

(5) Importantly, there is no presumption about trade mark infringement, even if identity of the two marks is established under Section 29 (4). In contrast, Section 39 (3) read with Section 29 (2) (c) enact that if it is established that the impugned mark's identity with the registered trade mark and the identity of the goods on services covered by such registered trade mark is likely to cause confusion on the part of the public, or which is likely to have an association with the registered trade mark, the court shall presume that it is likely to cause confusion on the part of the public."

c. It is submitted that the plaintiff's reputation in the market, under the mark "CYCLE brand" together with the device of a "Cycle", is made plain and clear through the various invoices filed (Exhibit P3) and most



C.S. No.310 of 2014

importantly through the defendant's own admission in his written statement (in para 3 as mentioned above) and during cross examination. These clearly prove the reputation of the plaintiff's mark CYCLE with the device of "Cycle". It is settled proposition of law that admitted facts need not be proved.

d. The plaintiff has put in tremendous efforts to promote and protect the mark CYCLE. Therefore, the Defendant's adoption and use of the mark would only blur the reputation of the plaintiff's brand in the market. The defendant's use of the mark CYCLE along with the device of the "Cycle" for their goods would be detrimental to the plaintiffs mark which would subsequently lose its capacity to signify a single source vis-a-vis the plaintiff.

e. Further, it is also submitted that confusion/likelihood of confusion is not essential to constitute infringement under Section 29(4) of the Act. Therefore, the defendant's alleged claim that there is no confusion or



C.S. No.310 of 2014

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deception in the market and as such, the products are different, as a defence to the allegations of infringement by the Plaintiff, would not aid the Defendant in the present suit.

f. The very fact that the defendant has tried to take unfair advantage of the plaintiff's mark by not only incorporating the word CYCLE, but also by including the device of the "Cycle" on its label without any due cause is sufficient to constitute "infringement" under Section 29(4) of the Trade Marks Act. In the case of ***Bloomberg Finance LP Vs. Prafull Saklecha*** reported in 2013 SCC OnLine Del 4159 (Paras 35 to 39 and 47), the Delhi High Court held that:

"46..... Section 29(4) offers "a wider trade mark protection without the concomitant likelihood of confusion requirement, as it is in respect of dissimilar or unrelated products and services."

g. The case of the plaintiff is that the plaintiff has been using the trade mark CYCLE in relation to various Pooja items, supported by



C.S. No.310 of 2014

registration particularly in Class 3. They assert that the trade mark was adopted in 1954 and has since been used openly, consistently, and extensively. The "CYCLE" trade mark has also been subjected to extensive use. The plaintiff asserts that the "CYCLE" trade mark has achieved a significant level of recognition and any application of the trade mark on goods that are similar or dis-similar, is likely to lead to market confusion or deception.

h. The contention of the plaintiff is that the defendant is using an identical CYCLE trade mark for match-sticks falling under different class, but sold and used by similar set of consumers, namely class 34. Further, they claim that the CYCLE trade mark holds the status of being well-known and its use on related goods which constitutes both infringement and passing-off.

i. The plaintiff has also pleaded the above by examining P.W.1 on their side and also marked documents which clearly shows that the plaintiff



has established that the trade mark CYCLE is used in respect of pooja items, namely Agarbathis, Dhoops and other items.

j. The defendant contended that the trade mark "cycle" is used only in respect of match-boxes by them and the plaintiff does not hold registered ownership of CYCLE trade mark concerning Matches, which is not a cognate item and it is only a different item. However, the defendant admitted that the plaintiff has been using the trade mark Agarbathis for pooja items and he also admitted that initially from 1959 to 1994, he was trading under the mark "Forest Bison", between 1994 and 1995, under the mark "Sony" and when he was asked as to why he started using the trade mark CYCLE suddenly in the year 1995, he has given reason that he used to travel for 30 kilometers daily in a bicycle and since his livelihood depended on the cycle, he decided to use it as his brand. Further, he has given a reason for adoption of the trade mark CYCLE that his son was born in the year 1993 and he purchased a cycle for him in 1995 and that is



C.S. No.310 of 2014

also another reason for him to use the brand CYCLE for his product.

k. The reason stated by the defendant for adopting the mark cycle is not satisfactory and not acceptable. According to the plaintiff, since the defendant could not earn profit, knowing fully well that the plaintiff's mark cycle is well known mark and successful in the market. he has intentionally adopted the plaintiff's mark CYCLE with the device of "cycle" for his product. When the plaintiff came to know about the same in the year 2014, they sent a notice to the defendant for which, the defendant sent a evasive reply and therefore, the plaintiff has filed the present suit.

l. Admittedly, the plaintiff has been using the mark Cycle from 1954 for pooja items, viz. Agarbathis, incense sticks and Dhoops. Subsequently the plaintiff started manufacturing match-boxes and gave it at free of cost adding with Agarbathis. The plaintiff is not selling the match-box in the brand name CYCLE. However, from 1954, he has adopted the trade mark CYCLE together with the device of Cycle for his pooja articles.



C.S. No.310 of 2014

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m. Though the plaintiff originally started using the mark "Cycle" with the device of "cycle" in respect of Agarbathis and other pooja items, they were diversified and later started using the mark in respect of safety match also. Therefore, the goods of both the parties are sold under the identical mark "CYCLE". Admittedly, the plaintiff's products are Agarbathis and other pooja items and the defendant's product is match box. Though, they both are different products, in the decisions referred to by the learned counsel for the plaintiff, it is clearly stated that "it need not be a same product and if it is allied and cognate and confuses the minds of the customers or the public with the plaintiff products as allied goods, is sufficient.

n. Therefore, in this case allied /cognate goods service which are not identical, but it can be said to be related or similar in nature. The Bombay High Court in the case of *H.M. Saraiya Ors. Vs. Ajanta India Ltd. and Anr*, [2006 (33) PTC 4 (Bom)], had held that;



C.S. No.310 of 2014

*"The test whether or not goods or services are "of the same description" would seem to be supplied by the question, **Are the two sets so commonly dealt in by the same trader that his customers, knowing his mark in connection with one set and seeing it used in relation to the other, would be likely to suppose that it was so used also to indicate that they were his?** The matter should be looked at from a business and commercial point of view. The Court further approved the following principle in deciding whether goods are goods of the same description based on the following:*

- the nature and composition of the goods:
- the respective uses of the articles:
- the trade channels through which the commodities respectively are bought and sold.

o. Therefore, this Court finds that the defendant's use of the mark CYCLE with the device of Cycle in respect of safety Matches would most definitely cause the trade and public to believe that the goods of the defendant originate from the plaintiff, who has been using the identical



C.S. No.310 of 2014

mark since 1950s in respect of allied goods, i.e., 'Agarbathies'. Since both products are available in the same channel of trade, there is more likelihood of confusion. Therefore, this Court finds that the defendant has clearly infringed the right of the plaintiff by violating Section 29(4) of Trade Marks Act. Therefore, issue No.1 is answered in favour of the plaintiff and against the defendant.

ISSUE No.2 : Whether the defendant's use of the mark "CYCLE with the device of a "Cycle" constitutes an act of passing-off ?

a. The plaintiff has been using the trade mark "Cycle" since 1954. Admittedly, the defendant was earlier using various marks viz., Forest Bison, Sony, etc., and from the year 1995, he claims to have been using the mark "Cycle" for his product. Though the defendant has given flimsy reason for adopting the mark CYCLE, the defendant has not produced any material to show that he was using the mark Cycle for his product safety Matches since 1995. During cross examination, the defendant has admitted



C.S. No.310 of 2014

that among the invoices filed as Ex.P.4, apart from the Invoices dated 12.08.1997 and 09.12.1999, the name 'Cycle' is not found in any other invoices. When a suggestion was put to him that he has fabricated the invoices, though he denied the same, except Ex.D4, he has not produced any other invoices to substantiate his claim. Though the defendant has stated that he has produced a certificate of Chartered Accountant (Auditor), however, he has not examined the Auditor and proved the said certificate alleged to have been issued by the Auditor.

b. The defendant had admitted that he was using several brands. Between 1959 & 1994, he was selling the match-boxes in the trade mark "forest bison" and between 1994 & 1995 in the trade mark "Sony" and later from 1995 till now, under the Trade mark "Cycle". Ex.D11 shows that other than CYCLE, there is another brand by name "Jodi" and the defendant admitted that for 20 years he is using trade mark 'Jodi'.

c. The defendant himself admitted that the plaintiff is using the mark



C.S. No.310 of 2014

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CYCLE with the device of Cycle for the Pooja articles and the defendant was engaged in manufacturing of match-boxes and initially he had used various names for his product. Therefore, it is clear that the defendant had more than one brand name for his business before adopting the brand “Cycle” and it is not the case of the defendant that from the starting of manufacturing the match-boxes, he named his brand as "Cycle". But all of a sudden he has started to use the mark “CYCLE” with the device of Cycle. Even the reasons given by the defendant for naming the mark as “Cycle” are not satisfactory and not convincing as stated above. Therefore, this issue is answered in favour of the plaintiff and against the defendant.

ISSUE No.3: Whether the plaintiff is entitled to the relief of permanent injunction restraining the defendant from infringing and passing-off of his trade mark "CYCLE BRAND" together with a device of a “cycle”?

a. As already stated, the plaintiff is engaged in the business of



C.S. No.310 of 2014

manufacturing and selling incense sticks/ Agarbathis and Dhoopsticks ever since the year 1954. The defendant has clearly infringed the plaintiff's rights by adopting the impugned mark in 1995, for allied and cognate goods, thereby violating Section 29(4) of the Trade Marks Act.

b. In this regard, the learned counsel for the plaintiff also relied on the recent decision of a three-Judge Bench of the Hon'ble Supreme Court which, while dealing with an appeal in the case of ***Renaissance Hotel Holdings Inc vs. B. Vijaya Sai and others [(2022) 5 SCC 1]*** wherein the marks in question were RENAISSANCE and SAI RENAISSANCE. The Hon'ble Apex Court, while dealing with an order where the High Court had reversed a decree of injunction granted by the trial court, looked into the statutory interpretation of Section 29 (4) of the Trade Marks Act. The court held as follows:

"52. The perusal of subsection (4) of Section 29 of the said Act would reveal that the same deals with an eventuality when the impugned trade mark is



C.S. No.310 of 2014

identical with or similar to the registered trade mark and is used in relation to goods or services which are not similar to those for which the trade mark is registered. To sum up, while sub- section (2) of Section 29 of the said Act deals with those situations where the trade mark is identical or similar and the goods covered by such a trade mark are identical or similar; subsection (4) of Section 29 of the said Act deals with situations where though the trade mark is identical, but the goods or services are not similar to those for which the trade mark is registered."

c. In the present case, the subsequent and dishonest adoption of the identical mark 'CYCLE' with device of 'cycle' by the defendant, is apparent, as D.W.1 has deposed that he had more than one brand name for his business, before adopting 'CYCLE'. The relevant portion of the deposition of D.W.1 is as follows,

"Q7: Prior to Ex.D1 licence in what brand were you manufacturing your safety Matches?

A: In the brand name 'Sony'.

Q8: (Ex.D2 is shown to the witness.) In 1980, what was



C.S. No.310 of 2014

the brand under which your safety Matches were made?

A: Under the brand name 'Forest Bison'.

Q9: From which year were you using the brand name 'Sony'?"

A: Since 1994, only for a short time.

Q10: Is it correct to state that between 1959 and 1994 you were selling the Matches under the trade mark 'Forest Bison' and between 1994 and 1995 the trade mark name 'Sony' and later from 1995 till now under the trade mark 'Cycle'?

A: Yes.

Q24: Similarly, in Ex.D11 other than 'Cycle', there is another brand by name Jodi. From when were you using the brand 'Jodi'?

A: Since 20 years.

Q25: I put it to you that you tried using several brands and since 'Cycle' brand was famous, you started using it.

A:I deny."

d. Therefore, it is clear that the defendant had more than one brand name for his business before adopting the mark CYCLE. Admittedly, the trade mark of the plaintiff is a successful brand. The Court has also



C.S. No.310 of 2014

reiterated that the test for ascertaining the similarity between marks and likelihood of confusion is by viewing the mark through the eyes of a layman who is not someone expected to have the same hair-splitting skills as an expert. Therefore, if a reasonable observer is likely to get confused between the products, then there is a violation of the rights of the prior adopter of the trade mark.

e. Therefore, from the pleadings, oral and documentary evidence, it is clear that the defendant has tried to take unlawful advantage of the plaintiff's mark by subsequently adopting an identical mark, adopted and registered by the plaintiff which is not only infringement but also the tort of passing-off. Therefore, the defendant is clearly liable not only for infringement, but also for passing-off. Therefore, the issue is answered in favour of the plaintiff and against the defendant.

ISSUE No.4 : Whether the defendant is liable to surrender his entire stock of unused offending labels bearing the impugned mark? **and**



C.S. No.310 of 2014

ISSUE No. 5: Whether the defendant is liable to render a true and faithful accounts of profits earned through the sale of its products bearing the impugned mark and further be liable to pay such profits to the plaintiff for the act of passing-off committed by the defendant?

a. As far as issue Nos.4 and 5 are concerned, on a reading of the plaint and oral and documentary evidence, this Court finds that the plaintiff has not established the claim of the said damages. **Therefore, these issues are answered against the plaintiff.**

ISSUE No.6: Whether the defendant is prior user with regard to trade mark CYCLE in respect of goods safety-Matches?

a. As already discussed above, the plaintiff is engaged in the business of manufacturing and selling Incense Sticks/Agarbathis and Dhoops ever since the year 1954 under the trade mark "CYCLE brand with the device of "Cycle" and the same is not denied by the defendant. On the other hand, the defendant claims to have adopted the impugned mark in the



C.S. No.310 of 2014

year 1995 for their product safety Matches. The case of the plaintiff is that though the plaintiff used the said trade mark for the pooja items like Agarbathies, subsequently they are also manufacturing match-boxes in the same trade mark CYCLE with the device of 'cycle' and giving the same with Agarbathies at free of cost.

b. As already held “match box” is allied and Cognate items though not a similar item. The plaintiff has been using the said trade mark from 1954. The defendant claims to have adopted the trade mark from 1995 for his product safety match. It is to be noted that during cross examination, the defendant admitted that prior to Ex.D1/licence, the defendant was manufacturing the safety Matches in the brand name 'Sony' and in 1980, he made the safety-Matches under the brand name 'Forest Bison' and in 1994, the defendant was using the brand name 'Sony' for a short time. Further, it is also admitted by the defendant under Ex.D.11 that other than "Cycle" there is another brand by name "Jodi" and that the defendant was using the



C.S. No.310 of 2014

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brand "Jodi" for 20 years. Therefore, it is clear that the defendant had more than one brand name for his business, before adopting the mark CYCLE. Though the defendant claims that they adopted the trade mark CYCLE from 1995, there is no evidence for the same.

c. Therefore, the defendant cannot be treated as a prior user. Though the defendant has not proved that the plaintiff is not a registered owner of the trade mark CYCLE for match-box, but admittedly, the plaintiff was the prior user of the trade mark CYCLE and therefore, it cannot be held that the defendant is the prior user of the CYCLE.

d. Once the defendant admits that he was using other brand names for his business before adopting the mark CYCLE, it is the duty of the defendant to prove that he is the prior user of the trade mark CYCLE. Even though he is a defendant, when he is raising the plea of prior user, it is for him to prove that he is the prior user and without knowing about the mark of the plaintiff, he was using the same.



C.S. No.310 of 2014

e. Even though the registration is not significant in order to prove the factual aspects, the defendant has also not registered the trade mark CYCLE with the device of Cycle as his trade mark.

f. The defendant also admitted during cross examination that among the invoices filed as Ex.D4, apart from the invoices dated 12.08.1997 and 09.12.1999 of Jeyagraham Arts and Crafts, the name CYCLE is not found in any other invoice. He has also admitted that in Ex.D9 and Ex.D10, the name CYCLE is not found and that licence is granted only in the name of Sujatha Match Works. Therefore, the defendant has not established in the manner known to law that he is the prior user of the mark CYCLE for the product match-box.

g. Therefore, under the above circumstances, this Court finds that the defendant has not proved that he is the prior user of the trade mark "Cycle" for safety-Matches. Therefore, the issue is answered against the defendant.



C.S. No.310 of 2014

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ISSUE No.7: Whether the plaintiff can claim exclusive monopoly right over the name "CYCLE" and its device in respect of all the goods in all the classes (Classes 1 to 45), apart from Agarbathies?

a. According to the plaintiff, the mark of the plaintiff CYCLE is declared as a well known mark under Section 2(1)(zg) of the Trade Marks Act, 1999. In the earlier cases filed by the plaintiff, this Court passed order, which shows that Trade mark Registry specifically declared that the mark CYCLE is well known and for which, the learned counsel for the plaintiff also relied on the decision of this Court in the case of ***Mahendra T.Thakkar and another Vs. N. Ranga Rao & Sons Pvt. Ltd., dated 25.10.2019 in A.Nos.7501 and 7502 of 2018 in C.S.No.296 of 2018*** wherein, this Court has held:

"14..... The Cycle brand Agarbathy and other products of the plaintiff is in existence for many decades and also gained substantial reputation."



C.S. No.310 of 2014

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b. In the case of ***N.Ranga Rao and sons Private Limited Vs. Sriman Industries, unreported judgment in C.S.No.260 of 2017 dated 04.11.2019***, this Court, while deciding the question as to whether the Agarbathis and Benzoin (Sambrani) are allied and cognate, proceeded to restrain the defendants' use of the mark CYCLE in respect of Sambrani, holding that,

"26. Admittedly, the Plaintiff has registered mark under Class 3 and have reputation not only to Aagarbathies but also pooja products....

c. Further, in the case of ***N.Ranga Rao and Sons Private Limited Vs. M/s.Shyam Detergents and another, unreported judgment dated 16/11/2021 in C.S. No. 101 of 2006***, this Court has held that the mark CYCLE is well known in the following manner;

"8. The name CYCLE BRAND is well known and the plaintiffs goods are used by the consumers



C.S. No.310 of 2014

from all walks of society."

d. Therefore, from the pleadings, oral and documentary evidence and also from the above judgments, it is clear that the mark CYCLE with the device of "Cycle" has been declared to be well known, not only by the appropriate authority, but also by this Court in multiple occasions while granting protection even against the use for goods other than Agarbathis for which the plaintiff is the registered proprietor.

e. The question of transcending the boundaries of classification has been quite often discussed in various judgments. In the case of ***Daimler Benz Aktiegesellschaft and Ors. vs. Hybo Hindustan [AIR 1994 Delhi 239]***, the Delhi High Court has held as follows:

"14. There are names which are different from other names. There are names and marks which have become household words. "Benz" as name of a Car would be known to every family that has ever used a quality car. The name "Benz" as applied to a car, has a unique place in the world. There is hardly one who is conscious of existence of the cars/automobiles, who would not



C.S. No.310 of 2014

recognize the name "Benz" used in connection with cars.....

15. In my view, the Trade Mark law is not intended to protect a person who deliberately sets out to take the benefit of somebody else's reputation with reference to goods, especially so when the reputation extends world wide. By no stretch of imagination can it be said that use for any length of time of the name "Benz" should be not objected to."

f. In the case of ***Tata Sons Ltd. v. Manoj Dodia [2011 SCC OnLine***

Del 1520), the Delhi High Court held as follows:

"20. Since the trade mark TATA is a well-known trade mark, use of the aforesaid mark by the Defendant on the products being sold by him also constitutes infringement within the meaning of Section 29(4) of the trade marks Act, 1999 since by using the trade mark TATA, he obviously has tried to take an unfair advantage by encashing upon the brand quality and goodwill, which the mark TATA enjoys in the market. Since the Defendant has not come forward to contest the suit, the presumption is that use of the mark A-ONE TATA by him is not bonafide, but is deliberate, intended to encash the popularity and reputation, which TATA brand enjoys. Such use by the Defendant is likely to be detrimental to the reputation and distinctive character

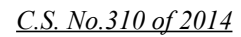


C.S. No.310 of 2014

of the registered trade mark TATA of the Plaintiff company because if this mark is allowed to be used on the products, which do not originate from TATA group of companies, that may diminish the ability of the trade mark TATA to identify the source of the goods in respect of which this trade mark is used, besides lowering its reputation in case the quality of the goods is not of expected standard."

g. Similarly, in the present case, the plaintiff has clearly proved its enormous reputation in the market with wide and extensive documentary evidence and is liable to be protected from infringing the actions of the defendant on that ground alone, irrespective of the goods on which the impugned mark is applied.

h. As reiterated earlier, the goods of the plaintiff and defendant are allied and cognate being Agarbathies and safety-Matches respectively. The goods of the plaintiff are allied to that of the defendant and are sold through similar trade channels. The plaintiff has an unparalleled reputation for its goods, such as incense sticks, dhoops and other allied goods. The



i. Though the defendant stated that the goods of the plaintiff is different than that of the defendant, even then, the defendant cannot claim that he is not infringing the right of the plaintiff. In a similar case, ***in Assam Roofing Ltd & Another Vs. JSB Cements LLP & Another, reported in 2015 SCC Online Cal 6581***, the Calcutta High Court has held as follows;

*“76. Whether or not the sets of goods of services are of the same description is not to be decided on the basis of the classification of goods and services given in the 4th schedule to the Trade Marks Rules, 2002. The description of goods may be narrower or wider than any of the classes according to the circumstances of the case. As was observed by Lindley J., in the Australian Wine Importers Trade Mark. **"If you come***



C.S. No.310 of 2014

to look at that classification, you will find goods of the same description, in one sense, in different classes; and you will find goods of different description in the same class.”

77. Physical or chemical attributes of the goods are not relevant to determine whether the goods fall in the same class or would fall in the same description. The test has to be, what is the trade channel through which the goods reach the consumer and which is the class of consumers purchasing the goods.

.....

79. The test of similarity of goods is looked at from a business and commercial point of view. The nature and composition of the goods, the respective uses of the articles and the trade channels through which they are brought and sold all go into consideration in this context.”

j.The Hon'ble Supreme Court, in the case of ***T.V. Venugopal vs. Ushodaya Enterprises Ltd & Anr [(2011) 4 SCC 85]*** protected the rights vested with the Respondent therein with respect to the mark "Eenadu" that was used by the Appellant and Respondents therein with respect to completely different set of goods i.e, with respect to Agarbathies and



C.S. No.310 of 2014

Newspapers Publications respectively. The Court held that "User of similar word by a competitor, coupled with dishonest intention and bad faith, would empower a Court to restrain such user/misuser to do equitable justice to the aggrieved party." The Hon'ble Supreme Court in the above case has protected the mark, "Eenadu" of the Respondent/Plaintiff, predominantly in view of the "extraordinary reputation and goodwill" of their mark and deliberate misrepresentation and bad faith of the Appellants in adopting a similar mark for their business. In the present case, the well known mark CYCLE transcends the divide of classifications and therefore, any use of the mark in any goods/services is bound to be restrained.

k. Therefore, given the plaintiff's enormous goodwill and reputation, which has led to the granting of 'well-known' status for the mark 'CYCLE' and given that the goods of both parties herein are allied and cognate, it is clear that the plaintiff is entitled to claim monopoly over the mark 'CYCLE' across all classes of goods and services. Accordingly, this issue



C.S. No.310 of 2014

is answered in favour of the plaintiff and against the defendant.

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11. Though there is no quarrel with the proposition of law laid down by the Courts in the cases referred to by the learned counsel for the defendant, on a perusal of the pleadings, oral and documentary evidence and the submissions made by the learned counsel on either side, this Court finds that those decisions are not applicable to the present case on hand. The cases referred to by the learned counsel for the plaintiff are applicable to the present case on hand.

12. As stated above, except the issue Nos.4 and 5, all other issues viz. issue Nos.1, 2, 3, 6 and 7 are answered in favour of the plaintiff and against the defendant. The issue Nos.4 and 5 are answered against the plaintiff.

13. Accordingly, this suit is decreed in part. There shall be no order as to costs.

12.07.2024



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C.S. No.310 of 2014

(1/2)

ksa-2

List of Witness Examined on the side of the Plaintiff:

P.W.1 - Mr.V.Ramamoorthy

List of Exhibits marked on the side of the plaintiff:

S.No.	Exhibits	Description of Documents
1	P.1	the original letter of Authorization dated 10.07.2023.
2	P.2	(Series) (6 Nos.) are the photocopy of the Trade Mark Registration Certificate under No.1615426, 1615427, 1615432, 1615434, 163539 and 565839. (The certified copy for legal use is produced, compared and it is undertaken by the plaintiff counsel, that it can be produced as and when required.)
3	P.3	(Series) are the photocopy of the Sample sales invoices evidencing use of the plaintiff's mark CYCLE BRAND with the device of a cycle. (The office copy is produced, compared and it is undertaken by the plaintiff counsel, that it can be produced as and when required.)
4	P.4	the office copy of the legal notice issued to the defendant by the plaintiff dated 16.10.2013.
5	P.5	the original reply sent by the defendant to the plaintiff dated 25.10.2013.



C.S. No.310 of 2014

S.No.	Exhibits	Description of Documents
6	P.6	the original plaintiff's label.
7	P.7	the original defendant's label.



C.S. No.310 of 2014

List of Witness Examined on the side of the Defendant:

D.W.1 - Mr.Suman Babu

List of Exhibits marked on the side of the defendant:

S.No.	Exhibits	Description of Documents
1	D1	the photocopy of the central excise application for approval of manufactures trade label for CYCLE dated 12.07.1995. (Original is produced, compared and the original is returned to the defendant's counsel)
2	D2	the photocopy of the TNGST Registration of SUJATHA MATCH WORKS dated 24.01.1980. (Original is produced, compared and the original is returned to the defendant's counsel)
3	D3	the photocopy of the application for removal of excisable goods on payment of duty mentioning CYCLE Brand. (Original is produced, compared and the original is returned to the defendant's counsel)
4	D4	the photocopy of the Match Box carton box printing invoices in the name of SUJATHA MATCH WORKS. (Original is produced, compared and the original is returned to the defendant's counsel)
5	D5	the photocopy of the annual returns acknowledgment in name of defendant dated 19.01.2005. (Original is produced, compared and the original is returned to the defendant's counsel)



C.S. No.310 of 2014

S.No.	Exhibits	Description of Documents
6	D6	the photocopy of the commercial tax assessment order in the name of Suman Babu dated 05.04.1991. (Original is produced, compared and the original is returned to the defendant's counsel)
7	D7	the printout of the GST Registration certificate dated 25.09.2017.
8	D8	the section 65B affidavit filed for Ex.D7.
9	D9	the photocopy of the central excise registration certificate dated 10.12.2001. (Original is produced, compared and the original is returned to the defendant's counsel)
10	D10	the photocopy of the Fire Service License. (Original is produced, compared and the original is returned to the defendant's counsel)
11	D11	(Series) (27 Nos.) are the photocopy of the invoice copies. (Original is produced, compared and the original is returned to the defendant's counsel)
12	D12	the original chartered accountant certificate.

12.07.2024
(2/2)

Index : Yes / No

Speaking Order : Yes / No

Neutral Case Citation : Yes/No

Ksa-2



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C.S. No.310 of 2014

P.VELMURUGAN. J.

Ksa-2

C.S. No.310 of 2014

12.07.2024