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

% **Date of decision: 27th August, 2024**

+ CS(COMM) 548/2023, I.A. 15045/2023 & I.A. 10373/2024

NEW ERA CAP CO., INC.

.....Plaintiff

Through: Mr. Pravin Anand, Mr. Saif Khan,
Mr. Prajwal Kushwaha, Advs.
M: 7791065506

versus

MR. SATISH SHUKLA & ORS.

.....Defendants

Through: Mr. Pankaj Sachdeva and Mr. Amit
Nagar, Advs. for D-4.
M: 9555313690
Email: amitnagar49.1991@gmail.com

CORAM:
HON'BLE MS. JUSTICE MINI PUSHKARNA
MINI PUSHKARNA, J (ORAL)

I.A. 10373/2024

1. The present application has been filed seeking summary judgment under Order XIII-A, Rule 2, 3 & 6 of the Civil Procedure Code, 1908 ("CPC") read with Section 151 CPC.
2. The present suit has been filed by the plaintiff seeking permanent injunction, restraining infringement of trademark, passing off, dilution and tarnishment of trademark, unfair competition, delivery up, rendition of



accounts, etc.

3. The plaintiff seeks a summary judgment against the defendants, on the ground that the defendants have no prospect of defending the plaintiff's claims.

4. The facts as canvassed in the plaint, are as follows:

4.1 The plaintiff is the exclusive manufacturer and marketer of Major League Baseballs' ("MLB") official on-field uniform caps, worn on the field of play, by every major and minor league player in the USA. Plaintiff is also officially licensed to manufacture and sell caps for the National Football League ("NFL"), the National Basketball Association ("NBA"), Arena Football, hundreds of colleges and universities, etc.

4.2 The plaintiff's caps are easily identifiable by its trademarks 'NEW



ERA' and/or its New Era Flag device,



'59FIFTY'. The plaintiff is the lawful and registered proprietor of various New Era trademarks in India.

4.3 The said registrations are valid and subsisting till date. Various New Era device marks/logos are also original artistic works, within the meaning of Section 2(c) of the Copyright Act, 1957, having been designed and conceptualized for and at the instance of the plaintiff. Thus, the plaintiff



owns the copyright therein, and entitled to the exclusive rights in the said works, as provide in Section 14(c) of the Copyright Act, 1957.

4.4 Representations of the various New Era marks of the plaintiff, as given in the plaint, are reproduced hereunder:



4.5 The present suit has been necessitated due to unlawful and infringing acts of the defendants in selling counterfeit 'New Era' caps. The defendants are selling, without any authorization or approval from the plaintiff, identical products bearing the plaintiffs New Era trademarks and identical trade dress, thereby, indulging in infringement of plaintiff's trademarks, copyright, and passing off goods and services, as those originating from or associated with the plaintiffs.

4.6 In and around May, 2023, the plaintiff through its representative



learnt about large scale supply of counterfeit products bearing the plaintiff's New Era trademark and in an identical trade dress bearing the same New Era Flag logo in the same position on the caps.

4.7 During the survey, it was found that these New Era caps are made in China and Bangladesh and the defendants get their supply of stocks from several importers based in Delhi. Further, the defendants are also engaged in the sale of products of other brands namely, Calvin Klein, Tommy Hilfiger, Under Armour, Louis Vuitton, Playboy, Adidas, etc.

4.8 It is evident that the defendants have adopted and used the registered trademarks of the plaintiff on and/or in relation to their goods, with an intention to ride on the tremendous reputation and goodwill enjoyed by the plaintiff. Thus, the present suit has been filed.

5. The present matter was listed before this Court and vide order dated 11th August, 2023, this Court granted an *ex-parte ad interim* injunction in favour of the plaintiff, thereby, restraining the defendants from using the trademarks "NEW ERA", "59FIFTY" and device marks



(NE FLAG DEVICE)



(Visor Sticker Design) or

any other deceptively similar mark, in respect of sports wears or any other goods, which are allied, or cognate thereto.

6. Local Commissioners were appointed to visit the premises of the defendants. Thus, Local Commission proceedings were carried out on the premises of the defendants on 17th August, 2023. Several impugned products, i.e., caps bearing plaintiff's 'New Era', were found.



7. The opportunity to file written statement by defendant nos. 2, 3, 4, 5 and 6 was closed vide order dated 6th March, 2024. Written statement was filed by defendant no. 1 on 12th December, 2023. The same was returned under objection. However, till date no steps have been taken to bring the written statement on record. Thus, in these circumstances, the present application for summary judgment has been filed on behalf of the plaintiff.

8. On behalf of the plaintiff, it is submitted that the defendants have no real prospect of defending the present suit, and there is no other compelling reason why the suit should not be disposed of before recording oral evidence. The plaintiff is the registered proprietor of the respective trademarks and the defendants have been found to be dealing with infringing products bearing the identical trademarks of the plaintiff. Thus, it is prayed that summary judgment be passed in favour of the plaintiff, along with costs and damages.

9. Except defendant no. 4, none has appeared for the other defendants. Learned counsel appearing for defendant no. 4 submits that he is ready to suffer injunction against him. He submits that a reply has been filed to the present application by defendant no. 4, wherein he has prayed that costs/damages to be levied upon defendant no. 4, be restricted to Rs. 90,000/- only. However, the said reply is lying under objections, and is not on record.

10. I have heard learned counsels for the parties and have perused the record.

11. At the outset, this Court notes that the plaintiff is undeniably the registered proprietor of the respective trademarks, as evidenced by the registration certificates issued by the Registrar of Trademarks, which are on



record. The plaintiff's documents comprising its trademark registration certificates, stands admitted by the defendants in the absence of any affidavit of admission/denial of documents.

12. As per the pleadings on record, the plaintiff is the registered proprietor of the following trademarks in India:

S. No.	Trademark No.	Trademark	Registered w.e.f	Class
1.	964861		19/10/2000	25 - ATHLETIC CAPS
2.	964862		19/10/2000	25 - ATHLETIC CAPS
3.	964864	59 FIFTY (WORD)	19/10/2000	25 - ATHLETIC CAPS
4.	1174383	BLANK BAR BLANK LOCK BOX VISOR STICKER DESIGN 	25/07/2013	25 - HEADWEAR
5.	1330468	NEW ERA FITS (WORD)	06/01/2005	25 - ATHLETIC CAPS
6.	2051243	NE FLAG DEVICE 	09/11/2010	14, 16, 18, 25



7.	3855739	NE BLACK BOX DESIGN 	08/06/2018	35 - ADVERTISINGDI STRIUTION, MARKETING, WHOLESALE, RETAIL ETC.
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13. It is to be noted that vide order dated 11th August, 2023, four Local Commissioners were appointed to visit the premises of the defendants. During the local commission proceedings conducted on 17th August, 2023, various infringing products were found with the defendants, details of which, are as follows:

Particulars of the Defendant	Particulars of the counterfeit products found at the Defendant's premises	Total products
Defendant No. 1 M/s JAI MAA JEWELLERY	New Era Branded Caps – 433 pcs.	433 pcs.



Shop No. 2585/A Niranjan State, Pratap Market, Sadar Bazar, Delhi – 110006		
Defendant No. 2 M/s GALAXY CAPS, 5171, Shop No. 1 & 5, First Floor, Rui Mandi, Near Bara Tuti Chowk, Sadar Bazar, Delhi -110006	New Era Branded Caps with NE marks – 139 pcs.	139 pcs.
Defendant No. 3 M/s CHANDER PRAKASH & SONS Shop No. 5215/16, First Floor, Gandhi, Market, Chhota Gate, Sadar, Bazar Delhi - 110006 ALSO, AT: Shop No. 5221/1, Ground, Floor, Gandhi Market, Chhota Gate, Sadar Bazar, Delhi - 110006.	New Era Branded Caps with NE marks - 146 pcs. New Era Branded Caps with NE marks - 133 pcs.	279 pcs.



Defendant No. 4 M/s SEHGAL CAP Shop No. 2851-B, Pratap Market, Sadar Bazar, Delhi – 110006 ALSO, AT: 2858/1, Pratap Market, Sadar, Bazar Delhi - 110006.	New Era Branded Caps – 9 pcs. New Era Branded Caps – 83 pcs.	92 pcs.
Defendant No. 5 M/S AZAD CAP HOUSE 2287, First Floor, Bahadur Garh Road, Rui Mandi, Sadar Bazar, New Delhi.	New Era Branded Caps with NE marks - 150	150 pcs.
Defendant No. 6 M/s I-MAX CAPS Shop 5208/4, Gandhi Market, Sadar Bazar, New Delhi- 110006 ALSO, AT:	NE Branded Caps with various marks including Fifty9, Nike, Reebok, Adidas Logo – 12 pcs.	124 pcs.



5207/4, First Floor, Ganga Ram Ki. Sarai, Gandhi Market, Sadar Bazar, Delhi - 110006.	NE Branded Caps with various marks including Fifty9, Nike, Reebok, Adidas Logo - 102 pcs.	
	TOTAL	1,207 pcs.

14. Thus, it is manifest that the defendants were found to be dealing in the course of trade in identical goods bearing the identical trademarks of the plaintiff's 'NEW ERA' trademarks, without any consent or authorization by the plaintiff.

15. The documents on record show that the defendants are guilty of slavishly and dishonestly copying the identical trademarks of the plaintiff for identical products, without any justification. The said use by the defendants is a willful and deliberate imitation of the plaintiff's trademarks in a dishonest manner.

16. The adoption and use of the trademarks by the defendants, which are identical or deceptively similar to the registered trademarks of the plaintiff, amounts to infringement of the plaintiff's registered trademarks under Section 29 of the Trade Marks Act, 1999. The defendants have put forth no plausible reason for the adoption and use these trademarks. Due to the manner of use of these trademarks on the defendants' goods, the purchasing public is bound to assume some sort of association or connection between the defendants' goods and the plaintiff, thereby, leading to confusion as to



the source of origin of the defendants' goods. Therefore, there exists an irrefutable likelihood of confusion in the minds of the public. Accordingly, it is held that the plaintiff has sufficiently made out a case for grant of relief of permanent injunction in its favour, on account of infringement and passing off.

17. Considering the Report of the Local Commissioner, it is evident that the defendants were found to be dealing in large quantities of counterfeit goods bearing the plaintiff's trademarks. The defendants were operating from the same area, wherein, infringing and counterfeit goods, bearing various registered trademarks of the plaintiff, were being sold. Therefore, the plaintiff is entitled to costs and damages.

18. Accordingly, the following directions are issued:

- I. The suit is decreed in favour of the plaintiff and against the defendants in terms of Para 74 (a) to (d) of the prayer clause of the plaint.
- II. The goods seized by the Local Commissioners, which are lying on *superdari* with the defendants, are forthwith directed to be handed over to learned counsel for the plaintiff or its Authorized Representative, who shall be entitled to destroy the same, in accordance with law.
- III. The plaintiff is entitled to damages to the tune of Rs. 10,00,000/-, recoverable from the defendants in the following manner:

<u>Name of defendants</u>	<u>Amount of Damages to be paid</u>
Defendant no.1	Rs. 4,10,000/-
Defendant no.2	Rs. 1,00,000/-
Defendant no.3	Rs. 2,10,000/-



Defendant no.4	Rs. 80,000/-
Defendant no.5	Rs. 1,00,000/-
Defendant no.6	Rs. 1,00,000/-

- IV. The plaintiff is entitled to costs of Rs. 6,00,000/-, which includes Court fees of Rs. 2,00,000/- and fees of Rs. 4,00,000/- paid to the Local Commissioners for conducting the raid. The costs shall be paid by the defendants in the following manner:

<u>Name of defendants</u>	<u>Amount of Costs to be paid</u>
Defendant no.1	Rs. 3,00,000/-
Defendant no.2	Rs. 45,000/-
Defendant no.3	Rs. 1,55,000/-
Defendant no.4	Rs. 10,000/-
Defendant no.5	Rs. 45,000/-
Defendant no.6	Rs. 45,000/-

19. Decree sheet be drawn up.
20. The present suit, along with pending application stands disposed of.

MINI PUSHKARNA, J

AUGUST 27, 2024/au/ak