

(2011) 03 DEL CK 0045
In the Delhi High Court
Case No : CS (OS) No. 713 of 2009

Aktiebolaget Volvo and Others

APPELLANT

Vs

Mr. Vinod Kumar and Others

RESPONDENT

Date of Decision : 07-03-2011

Acts Referred:

Civil Procedure Code, 1908 (CPC) — Order 26 Rule 4, Order 26 Rule 9, Order 39 Rule 1, Order 39 Rule 2
Trade Marks Act, 1999 — Section 29(4)

Citation : (2011) 46 PTC 28

Hon'ble Judges : V.K. Shali, J

Bench : Single Bench

Advocate : Tanya Varma, for the Appellant;

Judgement

V.K. Shali, J.

IA No. 5270/2009

1. The question involved in the present application is as to whether the trademark VOLVO, which is the registered trade mark of the Plaintiff, for various category of goods including buses, cars, automobile parts etc. can be said to be infringed or passed off by the Defendant, by selling its ice creams under the said brand name.

2. Briefly stated the facts of the case are that the Plaintiff No. 1 has adopted in the year 1915 the mark VOLVO, which is a Latin word. It is averred that in Latin VOLVO means "a roll". The Plaintiff Nos. 2 and 3 are the subsidiaries of the Plaintiff No. 1 company for the purpose of its operations in India. The trademark VOLVO is used both as a trademark as well as trade name and allegedly forms an essential and dominant part of the corporate name of majority of VOLVO Group of Companies. The trademark VOLVO apart from being used in respect of buses, trucks, heavy vehicles, construction equipment, drive system for marine and industrial application, aircrafts engines is also being used by the Plaintiff in

relation to a variety of other goods like pens, stationery, watches, belts, buckles, blankets, bags, clothing and a range of other accessories. On account of the long and consistent user of the trademark VOLVO, it is stated that it has attained certain distinctiveness and has become famous to be associated solely and exclusively with the Plaintiff worldwide including in India. It is alleged that the mark VOLVO symbolized goods of great quality, buses and the motor cars of the Plaintiff are rather famous for their comfort and reliability. It is also alleged that the mark VOLVO has been well-known trade mark in the world's greatest brands i.e. "The World's Greatest Brands" edited by Nicholas Kocham and published by interbrand plc.

3. So far as the trade name VOLVO in India is concerned, it is alleged that it has been registered since 1975 and is presently registered in respect of 20 classes of goods.

4. The Plaintiffs alleged that they have jealously guarding the trade mark and have successfully taken several actions against the third parties who have illegally attempted to adopt and misuse or usurp the trademark VOLVO from time to time in respect of mineral water, wallets, bags and belt, vehicles, clothes, sanitary products, pressure cooker etc. The Plaintiffs have approached the Courts all over India and have successfully obtained interim as well as final orders. It is alleged that in the month of February, 2009, the Plaintiff's representative came across the ice cream being sold under the mark VOLVO by the Defendants. The Defendants were also using the mark VOLVO as part of their trading style. Original packing of the Defendant visiting cards, photographs were annexed along with the plaint, which are as under:

5. This has obviously resulted in filing a suit for permanent injunction on account of infringement of the trademark of the Plaintiff as well as for an action for passing off, along with the suit, the Plaintiffs have filed an application under Order 39 Rules 1 and 2 CPC praying for an ad interim stay against the Defendants.

6. The Defendants have filed their written statement as well as reply to the application. The Defendants have contested the claim of the Plaintiff by raising objections that the Plaintiffs are guilty of concealment of facts from the Court. There is no cause of action. It has been denied that there has been any infringement much less passing off. It is stated that the word VOLVO is a generic word in Latin meaning "I Roll" or "I Turn" as a consequence of which the Plaintiff cannot be sole user of the said name so as to deprive other persons or Defendants from using the said name. It is stated that the word VOLVO is not a creation of the Plaintiffs and being a generic word, cannot be enjoined from being used by other persons in respect of goods or services which have no connection with that of the Plaintiff.

7. The Defendants have also contended that they have been using the word VOLVO both as a trade name as well as trade mark with a different depiction of

curves etc. as shown hereinabove for the last more than 15 years. So far as ice cream is concerned, it is stated that it is using the said trade name for the last more than 15 years and therefore, the Plaintiff cannot by filing the present suit obtain an injunction order in respect of the user of the said trademark.

8. On merits, the Defendants contested the application of the Plaintiff for passing an ad interim injunction restraining the Defendants from using the word VOLVO during the pendency of the suit on the ground that the goods for which the Defendant is using the mark VOLVO is neither similar nor identical to the goods for which the trade mark is being used by the Plaintiff and therefore, it does not or is not likely to result in causing any confusion or unfair advantage to the Defendant or being detrimental to the character or reputation of the trademark registered in favour of the Plaintiff. It is urged by the learned Counsel for the Defendant that an action for infringement or passing off can be taken, only in respect of the same goods or services and that being absent in the present case the Plaintiff cannot press for a restraint order. It is stated that so far as the application u/s 29(4)(c) of the Trade Marks Act is concerned, that is not to be read in isolation. It is to be read in conjunction with Clauses (a) and (b) and before any restraint order is passed against the Defendant, the conditions enumerated in Section 29(4)(a to c) must be satisfied and only then such a restraint order can be passed.

9. It was also denied that there is any cause of action on the part of the Plaintiff to initiate the present suit as the use of the mark VOLVO by the Defendant does not lead to any confusion. It is contended that the trademark is being used by the Defendant for more than last 15 years. With regard to the passing off, it was stated that there is nothing on record to suggest that any person or the public at large is likely to be misled by the user of the trademark VOLVO in respect of ice cream as the persons using the product of the Plaintiff and the Defendant as the consumers of the two products belong to different strata of the society and therefore, the Plaintiff is not entitled to any injunction order.

10. I have heard the learned Counsel for the parties. I have perused the record and carefully considered the submissions.

11. At the outset, it must be mentioned that the Defendant during the pendency of the present suit had very fairly conceded that he is prepared to stop the user of the trademark VOLVO in respect of the ice cream which are being manufactured by them however, the said compromise fell through on account of the fact that they wanted that the Plaintiff should compensate the Defendant for the stationery, which they have got published and have been using.

12. On inquiry, it was revealed that the stationery which the Defendant would be having would be only for a short period which will last from 3 to 6 months and which in circumstances ought to have been very insignificant and the Defendant ought not to have insisted on the payment of damages and the matter could have been settled. The Plaintiff on its part had offered to give up all its claims

with regard to the damages, rendition of accounts delivery of goods which were the other relief claimed by them in the suit.

13. Be that as it may, as the compromise could not be struck between the parties and without being influenced in any manner whatsoever by the offer given by the Plaintiff and the counter offer of the Defendants the court proceeds to consider the application of the Plaintiff under Order 39 Rule 1 and 2 CPC on merits as to whether the Defendant is liable to be restrained during the pendency of the suit from using the mark VOLVO in respect of its product i.e. ice-cream.

14. It is not in dispute that the VOLVO is a Latin word and has been adopted in the year 1915 by the Plaintiff for the purpose of manufacturing and trading its goods. It is also not in dispute that the word as on date is identified with the buses and trucks and cars mainly and is associated with the Plaintiffs. It is seen as setting a standard and bench mark of comfort and a class of vehicles which provide the same. It has been pointed out by the learned Counsel for the Plaintiff that apart from buses, trucks, heavy vehicles, other construction equipment, marine and industrial application and aircraft, the mark is also used by the Plaintiff in respect of other goods and services provided by the Plaintiff like stationery, watches, belts, clothing and whole range of accessories under the said brand name all over the world.

15. The word VOLVO has been subject matter of judicial comment in case titled Aktiebolaget Volvo v. Volvo Steels Ltd. 1998 (18) PTC 4773 which reads as under:

73. Undoubtedly, word "Volvo" is a Latin word thereby "re-rolling", "to roll up", "to roll together" and "form by rolling". However, it is requires to be appreciated that hardly anyone in India knows Latin and it is extremely improbable that anybody would translate the word "Volvo" when one hears or reads the same. Latin being almost a dead and obscure language and hardly anybody in India knows Latin. The word "Volvo" for average Indian would not mean anything and would not be a descriptive word.

16. It is also not in dispute that the word VOLVO has been registered in India since 1975 and is presently used for 20 classes of products in India. Therefore, the Plaintiffs being the proprietor of the trade mark VOLVO, were well within their right to protect the same. It is also not in dispute that the Defendants are manufacturing and selling ice cream by the brand name VOLVO. The question to be considered is as to whether the defence which is taken by the Defendant against the restraint order being passed in favour of the Plaintiff could be considered to be a valid defence for the purpose of not passing the restraint order against them and thereby refraining them from using the word VOLVO in respect of ice cream.

17. The first ground which the Defendants have taken is that the Plaintiffs has no cause of action as the Plaintiffs are not the registered proprietors of the mark VOLVO in the class under which their product ice cream falls. For this purpose, the learned Counsel for the Defendant has relied upon a judgment Cadila

Healthcare Ltd. v. Gujarat Co-operative Milk Marketing Federation Ltd. and Ors. 145 (2007) DLT 761.

18. In Cadila's case, the question which was involved between Cadila Healthcare Ltd. and Gujarat Co-operative Milk Marketing Federation Ltd. was regarding the user of the expression "Sugar free" by the Gujarat Co-operative Federation in respect of its product while as the "sugar free" was an expression which was being used and registered trademark of the Plaintiff, Cadila.

19. It was in this background that the learned Single Judge modified the blank injunction order granted in favour of Cadila by observing that the word SUGAR FREE is a generic word and by adopting this as a trade mark, it cannot put a complete embargo on the user of the said generic word by the other parties if the circumstances warranted. It was held by the Court that the word "sugar free" was being used as a descriptive or laudatory sense rather than as a trade mark. It has also been observed that the Plaintiff must be prepared to tolerate some degree of confusion which is inevitable owing to wide spread use of trade mark "sugar free". Accordingly, ex parte ad interim injunction, which was passed and was modified by the learned Single Judge by putting the following two conditions in favour of the Plaintiff, which reads as under:

59. The ex parte order dated 3.4.2007 is accordingly varied to incorporate the following directions:

(i) The Defendant is restraint from using the expressions "sugar free" in the present font size which is conspicuously bigger than its trade mark "Amul".

(ii) The Defendant is free to use the expression "Sugar Free" as part of a sentence or as a catchy legend, so as to describe the characteristic feature of its product.

20. I do not agree with the contention of the Defendant that the word VOLVO is a generic word as the word "sugar free" is.

21. The Defendant has contended that the word VOLVO is a generic word which means "I roll". There are not many people in India who know the Latin language, therefore, it can hardly be said to be a generic word. On the contrary, there is a judicial finding as reproduced hereinabove, wherein it has been specifically said that it is a Latin word, not known to many people and it has been adopted by the Plaintiff way back in 1915 for its automobiles etc. and was adopted by the Plaintiffs in India from 1975 and thus have attained certain amount of distinctiveness and standard and quality of product so far as the Plaintiff is concerned. Therefore, it cannot be said that merely because the Defendant is using the word VOLVO in respect of ice cream which falls in a class of goods which are not manufactured by the Plaintiff itself, there cannot be an action for infringement or passing off as has been done in the instant case.

22. As a matter of fact, there are number of judicial pronouncements of our own High Court and other Courts, where the user of the known trademark for a

different class of goods or services has been restrained on account of the fact that it is likely to cause confusion and thereby dilute the distinctiveness and the reputation of the registered trade mark and thus would be detrimental to the reputation of the party concerned. Reliance in this regard can be placed on *Daimler Benz v. Hybo Hindustan* 1994 PTC 287 Del, *Mahindra and Mahindra Paper Mills Ltd. Vs. Mahindra and Mahindra Ltd.*, and *Bata India Ltd v. Payrelal* (1) PTC 116 All. In all these cases, the offending trade mark/ name was restrained from being used for a product unconnected with the product of the proprietor in respect of which the trade mark/name was registered. Therefore, by no stretch of imagination, it can be said that the use of the word VOLVO though adopted by the Defendant in respect of ice cream cannot be said to be violative and infringing the trade mark of the Plaintiff or that it is not likely to cause confusion or will not be detrimental to the interest of the Plaintiff.

23. With regard to the contention of the Defendant that the use of the said trade mark is not detrimental to the interest of the Plaintiff, I do not accept this contention of the learned Counsel for the Defendant that for bringing an action of infringement, so far as Section 29(4)(c) is concerned, the conditions which are enunciated in Clauses (a) and (b) must also be satisfied. In order to appreciate this contention of the learned Counsel for the Defendant, it would be worthwhile to reproduce Section 29(4)(a to c) of the Trade Marks Act, 1999, which reads as under:

29 (4) A registered trade mark is infringed by a person who, not being a registered proprietor or a person using by way of permitted use, uses in the course of trade, a mark which-

(a) is identical with or similar to the registered trade mark; and

(b) is used in relation to goods or services which are not similar to those for which the trade mark is registered; and

(c) the registered trade mark has a reputation in India and the use of the mark without due cause takes unfair advantage of or is detrimental to, the distinctive character or repute of the registered trade mark.

24. A perusal of the aforesaid Sub-section (4) would clearly show that after amendment, the scope of infringement action of the party has been widened and each of the sub clauses in itself is a separate sub clause as the word "and" is not used connecting each of the sub class with the subsequent sub clause. So far as Section 29(4)(c) is concerned, it essentially deals with the dilution of the trade mark or the trade name of the party which tantamounts to infringement.

25. If one analyze Section 29(4) of the Trade Marks Act, the following essentials will have to be satisfied:

(i) The mark is identical with or similar to the registered trade mark and

(ii) It is used in relation to the goods or services which are not similar to those

for which the trade mark is registered and

(iii) The registered trade mark has a reputation in India and

(iv) The use of the mark without due cause takes unfair advantage of or is detrimental to, the distinctive character or repute of the registered trade mark.

26. Thus, a perusal of the aforesaid Sub-section clearly shows that there is no merit in the contention of the learned Counsel for the Defendant that while considering as to whether there is an infringement of a trademark belonging to the Plaintiff or not, under sub Clause (4) each of the Sub-clauses (a),(b) & (c) have to be seen cumulatively and in the instant case the action of the Defendant clearly falls within the ambit of Section 29(4(c) as it tentamounts to diluting the trade mark and trade name of the Plaintiff by using the word VOLVO in respect of ice cream though not manufactured by the Plaintiff but certainly giving an impression as if the said ice cream belongs to the same family of companies which manufactures the quality products in different fields including buses or cars. Therefore, I do not accept this plea of the learned Counsel for the Defendant.

27. The next plea which has been raised by the learned Counsel for the Defendants is that he has been using the trade mark for more than last 15 years and the action has been brought by the Defendant belatedly and therefore, no restraint order deserves to be passed. It is also urged that there is no material on record to show that the consumers were being mislead into believing that the goods which are actually of the Defendants and are being sold by the mark VOLVO belonged to the Plaintiffs and therefore, no restrain order deserves to be passed in this regard.

28. The Defendant in support of its contention has relied upon Micolube India Ltd. Vs. Maggon Auto Centre and Another, and M/s S.M. Dyechem Ltd. v. Cadbury India Ltd. AIR (2000) SC 2114 para 53, 57.

29. I have gone through these authorities. The facts of both these cases are totally distinguishable from the facts of the present case and consequently not applicable to the case in hand. In Micolube's case, the Plaintiff was held to be guilty of concealment of material facts inasmuch as it had brought an action for infringement of trade mark and passing off the trade mark "Micolube" by the Defendant No. 2, which admittedly had a registration in respect of the said word "Micolube" in the category of Automobiles. It was in this context that the learned single Judge opined that when the Defendant himself is a proprietor of registered trade mark and trade name although the Plaintiff may also be the registered proprietor of the same trademark, any injunction against the Defendant could not be passed from using the said trademark. Apart from this, it was observed that the Plaintiff had tried to conceal the fact by making an insignificant party as the main Defendant so that the main contesting party goes unnoticed.

30. In the present case, admittedly, the Defendant is not registered proprietor of

the trade mark VOLVO in respect of ice cream, therefore, the facts of the case are totally different and distinguishable.

31. In SM Dyechem's case (supra), the Apex Court while considering the action for infringement observed that it is necessary to go into the question of comparable strength of the cases of either parties apart from the balance of convenience. The Court had again gone into the question of similarities and dissimilarities which are more visible to the naked eye in the two marks than the user of the word PICNIC for PICKNIC and it was observed that there was no scope for the purchaser being misled in the said case.

32. The facts of the above two cases are distinguishable and therefore, merely because in a given case the restraint order is not passed on account of absence of prima facie facts of the case, it cannot be said that on the basis of the same injunction in the instant case shall be also refused. The facts of each and every case have to be judged on its own merit and no help can be drawn from a decided case in the sense that in case a restraint order is denied in a particular case, it cannot be granted in a case in which the facts warrants of the same.

33. On the contrary, in the present case, I am of the considered view that the Plaintiff has been able to make out a prima facie case especially that it has got a good case being a registered proprietor of the trade mark and trade name in respect of various categories of goods. It is also established that the word VOLVO is a Latin word and therefore by no stretch of imagination, can it be said to be generic name as it is alleged by the Defendant. The Defendant admittedly is using the word VOLVO in respect of ice cream and as the word VOLVO over a period of time starting from 1915 all over the world and from 1975 in India at least has attained certain amount of distinctiveness and reputation which distinguishes it from the rest, it cannot be permitted to be infringed or diluted in terms of Section 29(4)(c) of the Trade Mark Act by the Defendant by using the said trade name VOLVO though with a slight variation of the trade dress in respect of dissimilar products namely ice cream.

34. I feel that the balance of convenience is also in favour of the Plaintiff and the Plaintiffs will suffer an irreparable loss in case the Defendant are not restrained from using the word VOLVO in respect of its product ice cream and the trade name or the trade dress during the pendency of the suit.

35. For the reasons mentioned above, I restrain the Defendant using the trade name/mark VOLVO in any of its form for manufacturing, distributing or selling the ice-cream.

IA No. 5271/2009(u/O26 Rule 4 and 9 CPC)

1. By virtue of the present application, the Plaintiff has sought appointment of Local Commissioners who will visit three different places in Delhi and prepare an inventory of all those offending products in India i.e. the stationery, books of accounts etc., which are offending the trade mark of the Plaintiff.

2. The Defendant having suffered a restraint order against the user of the trade mark VOLVO, I feel that it is not only necessary but incumbent on this Court to appoint Local Commissioners to visit the three places mentioned in the application who will prepare the inventory of various items where the word VOLVO has been used.

3. So far as the ice creams which are already manufactured by the Defendant with the brand name VOLVO are concerned and are in stock that shall not be seized or sealed as it will be of no use and would be a national wastage to destroy the said offending products however, the Respondent shall be restrained from manufacturing any ice cream after the visit of the Local Commissioners.

4. So far as the handcarts, pushcarts, stationery items or any other offending articles with the offending trade mark or trade name VOLVO is concerned, the same shall be seized and an inventory be prepared and be kept in a sealed room or cover and released on superdari.

5. So far as the books of accounts etc., are concerned, the Local Commissioners may obtain photocopies of the said books of accounts after putting their signatures and release the same on superdari to the Defendant. In case, it is not possible to obtain the photocopies, the Local Commissioners shall put their signatures on the same and release on superdari after preparing an inventory. In order to effectuate the aforesaid directions, I appoint the following three Local Commissioners who will visit the different premises in question and carry out the orders of the Court. The Local Commissioners shall be accompanied by a representative of the Plaintiff and no separate notice will be issued to the Defendant on 19.3.2011.

SL. NO.

NAMES OF LOCAL COMMISSIONERS

PLACES

1.

Ms.PriyankaKapur, Advocate, Mobile-9873345546

Volvo Ice-Cream at Shop No.21, DDA Market Lawrence Road, Rampura, Delhi

2.

Ms.Pallavi Sharma, Advocate, Mobile-9899447004

Volvo Ice-Cream at Shop No.24, DDA Market Lawrence Road, Rampura, Delhi

3.

Mr.P.K.Sharma, Advocate, Mobile-9810772846

Volvo Ice-Cream at A/583, MIE Part-1, Bahadurgarh Industrial Area, Haryana

6. The fees of the learned Local Commissioners in respect of commission to be executed in Delhi is Rs. 30,000/- plus expenses. While as in respect of Bahadurgarh, Haryana, it is Rs. 40,000/- plus expenses.

7. The Local Commissioners shall file their report within two weeks from the date of execution of the commission.