
(1998) 06 MAD CK 0073

In the Madras High Court

Case No : Original Side Appeal No"s. 357 and 358 of 1997 and C.M.P. No"s. 17259 and 17260 of 1997

Caesar Park Hotels and Resorts Inc.

APPELLANT

Vs

Westinn Hospitality Services Ltd.

RESPONDENT

Date of Decision : 19-06-1998

Acts Referred:

Trade and Merchandise Marks Act, 1958 — Section 29

Citation : AIR 1999 Mad 396 : (1998) 3 LW 274 : (1998) 3 MLJ 172

Hon'ble Judges : Shivaraj Patil, J;M. Karpagavinayagam, J

Bench : Division Bench

Advocate : N.A.K. Sarma, for C. Daniel, for the Appellant; A.A. Mohan, for Mohan Associates, for the Respondent

Judgement

M. Karpagavinayagam, J.—These appeals have been filed by the plaintiff in C.S. No. 141 of 1996, aggrieved by the order dated 29-4-1997 passed by the learned single Judge in O. A. Nos. 163 and 164 of 1996 in the said suit. In this judgment, we will refer to the parties as they are described in the suit for convenience.

2. The plaintiff, Caesar Park Hotels and Resorts Inc., Seattle, Washington, U.S.A., hereinafter referred to as CPHR, filed the said suit seeking for permanent injunction restraining the defendant Westinn Hospitality Services Limited, Madras, hereinafter referred to as "WHSL", from passing-off its business as that of "CPHR" by using the name "Westinn" as part of its corporate name, besides claiming damages and costs.

3. In the said suit, the plaintiff filed O. A. No. 163 of 1996 seeking for the grant of ad interim injunction restraining the defendant from passing-off its business by using the expression "Westinn" or any other expression aurally, phonetically, or otherwise deceptively similar to it in the course of its business. It also filed O.A. No. 164 of 1996 seeking for ad interim injunction restraining the defendant from proceeding further with respect to the proposed public issue of shares by making public announcements, or by receiving subscription from applicants

pending disposal of the suit.

4. The learned single Judge after hearing both the parties, dismissed both the applications. The plaintiff, as stated above, has filed these appeals against the impugned order rejecting the interlocutory applications, before this Court.

5. Briefly stated, the facts which are considered relevant and necessary for the purpose of disposal of these appeals are the following :--

The plaintiff is one of the oldest international hotel management companies, rendering high class hospitality services under the mark/name "Westin". The plaintiff and its predecessors have been in the hotel and hospitality service business for over 60 years. In 1988, the plaintiff acquired the Westin Hotel Company, which owned reputed and high class hotels in different parts of the world including the Asia-Pacific Region. The service mark "Westin" and "logo" are identified throughout the world. The high quality services are offered by the plaintiff and the "Westin" name and logo have been acknowledged as a symbol of the plaintiff's high quality service and continue to be so in the Asia-Pacific Region including India.

6. In the year 1988, the plaintiff appointed a General Sales Agent in India, who was authorised to provide exclusive hotel representation services with respect to the Westin Hotels all over the world.

7. The defendant was first incorporated under the name "Westinn Consultants Private Limited" in August 1989. It is basically a consultancy company, providing consultancy services in civil construction, technical, financial matters etc. with respect to projects including hotel projects. In 1991, the defendant launched a division "Hotlink" for providing hotel marketing and reservation system with centre spread all over India. In December, 1992, the defendant's name was changed to Weslinn Hospitality Services Private Limited.

8. In 1995, the defendant entered into a collaboration agreement with Days Inn of America Inc., U.S.A., a popular US chain hotels by which the defendant would exclusively promote and market the said U.S. Company's services in India. When the plaintiff came to know of this through media reports that appeared in August 1995, and the defendant's operating commercially in India the hospitality services relating to the hotel industry using the word "Westinn", the plaintiff sent a cease and desist notice to the defendant calling upon them not to use the word "Westin" or "Westinn" or any other similar words. Instead of acting upon the said notice, the defendant reacted by filing a suit in C.S. No. 5 of 1996 against the plaintiff u/s 120 of the Trade and Merchandise Marks Act, 1958 alleging groundless threat and sought injunction. Only thereafter, the plaintiff CPHR filed the present suit in C.S. No. 141 of 1996 seeking for the reliefs, as referred to above.

9. During the pendency of both the suits by the respective parties, the plaintiff filed O.A, Nos. 163 and 164 of 1996 for the interim reliefs in C.S. No. 141 of 1996

and the defendant WHSL filed O.A. No. 28 of 1996 for interim injunction against CPHR in C.S. No. 5 of 1996.

10. The learned single Judge in the impugned common order dismissed the applications filed by both the parties. According to the learned single Judge, the application as well as the suit filed by the WHSL in O.A. No. 28 of 1996 and C.S. No. 5 of 1996 are misconceived as the statutory provisions under which the suit was filed is wholly inapplicable to the service marks and the service mark is not in any manner regulated by the Trade and Merchandise Marks Act, 1958 and as such, the application in the above suit was liable to be rejected. Against this part of the order there is no appeal filed by the plaintiff in C.S. No. 5 of 1996, the defendant in the present suit.

11. In these appeals, filed by the plaintiff, we are called upon to go into the legality or otherwise of the order passed by the learned single Judge in O.A. Nos. 163 and 164 of 1996 rejecting the interim reliefs sought for.

12. The plaintiffs case is briefly as follows :-- "The plaintiff has been rendering high class hospitality services in the hotels and resorts sector all over the world under The service mark "Westin". In 1988, the plaintiff acquired the Westin Hotel Company, owing 70 first class Westin Hotels and Resorts spread over 16 countries. The plaintiff by itself and through its subsidiaries provides hotel management services in the hospitality, services sector and instant reservation to business and leisure travellers all over the world for Westin Hotels. Most business and leisure travellers from other countries, who visit India, and those from India, who visit other countries, are thoroughly familiar and knowledgeable about the service mark "Westin". The plaintiff, because of these features, has over the years, particularly from early 1989, acquired enormous goodwill and reputation in India for the name "Westin" with respect to the hospitability services, including the hotel reservation services. This mark "Westin" became well-known all over the world and it had acquired goodwill in the business of hotels and hospitality services. Thus, the plaintiff has secured the exclusive right to use that mark in relation to the hospitality services in India.

13. The defendant who started a Company under the name "Westinn Consultants Private Limited" in August 1989, which was changed into "Westinn Hospitality Services Private Limited", in 1995 began to indulge in hotel marketing and reservation systems by using the word "Westinn". In 1995 the defendant entered into a licence agreement with Days Inn of America to promote and market the hotel management services in India. On coming to know of this, the plaintiff sent a notice calling upon the Days Inn of America to prevent WHSL from using the word "Westinn". The Days Inn of America sent a reply expressing its inability to do so; but could only agree to indicate that the rights granted to WHSL do not extend beyond India. The plaintiff sent a cease and desist notice to the defendant. But, the defendant sent a reply disagreeing for the same. Hence, the suit."

14. The case of the defendant is as follows:--

"The defendant was incorporated as a Private Limited Company in August 1989 under the name and style "Westinn Consultants Private Limited with the object of providing consultancy services for hotels and resorts and providing an automatic hotel reservation system. In December, 1992 the defendant's name was changed to "Westinn Hospitality Services Private Limited. In March 1995 the Company was converted into a Public Limited Company.

15. In the year 1991 the defendant launched a division "Hotlink", which provides instantaneous hotel marketing and reservation system. The defendant invented a Logo with the letter "W" to connote and denote the consultancy services in the field of hotels and resorts. It has exclusive copyright in the artistic work "W" Logo. The defendant has recently entered into a collaboration agreement with a popular US chain hotels M/s. Days Inn of America, by which the defendant would exclusively promote and market the said U.S. Company's services in India.

16. The defendant is only engaged in consultancy services for hotels and resorts and it has no intention to establish any hotel or resort anywhere in India under the name "Westinn". The plaintiff does not have consultancy services for hotels, resorts and hospitality business anywhere in the world. The fields of activity of the defendant and the plaintiff are completely different. The plaintiff does not have a single hotel under the name Westinn in India. The defendant has incurred several thousands of rupees in respect of sales promotion and advertisement expenses towards services offered under trade name "Westinn". The trade name "Westinn" has become exclusively identified with the defendant in India.

17. The plaintiff has no business activity in India, no branch offices, service centre anywhere in India. The plaintiff has not advertised its services in India. It does not enjoy any reputation or goodwill in India. A service mark, which has not been used in India and which is not known in India does not enjoy any reputation or goodwill in India. The agreement with Days Inn to establish under the name "Days Inn" does not prevent the plaintiff from carrying out its consultancy services under the name "Westinn".

18. The defendant's name "Westinn" is an invented word derived from West, as the founder Directors of the defendant company were educated in U.S.A., and gained work experience in U.S.A. in the field of consultancy for hotel and resorts and the word "Inn" denotes hotel and hospitality services. The licence agreement between the defendant and the Days Inn of America does not require the defendant not to use the name "Westinn". The tie up with Days Inn does not prevent the defendant from using its trading style/corporate name "Westinn". The plaintiff has no Global reputation in the service mark "Westinn". The defendant is using the trade name "Westinn" continuously from 1989 all over India. There has not been single instance of confusion or deception in the last 7 years of use of Westinn as a trade name by the defendant. The plaintiff has filed the suit only in the year 1996 without any reason for the delay."

19. The learned single Judge, on a perusal of the affidavits and the records filed by the respective parties and on hearing the counsel for both, dismissed the petitions holding that the plaintiff has failed to make out a prima facie case for the grant of temporary injunction and that the balance of convenience is clearly in favour of the defendant, which has been using the word "Westinn"" as part of its corporate name continuously from the year 1989.

20. The learned single Judge has negatived the said claim of the appellant for the following reasons:--

(1) Admittedly, "Westin" is not a part of the corporate name of the CPHR, the plaintiff. Westin is not a registered trade-mark in India. There is no branch office or regional office of either the Westin Hotel company or of CPHR in India. The mark has also not been extensively advertised in India. It had not advertised its name or logo on the television. There are only two advertisements announcing the appointment of the General Sales Agent in 1989.

(2) The number of Indians staying in Westin Hotels as shown in the computer print is not over 200 in number. There has been no advertisement at all of Westin in India, except two announcements in 1989. The expenditure on advertisement is wholly insignificant in India. The word "Westin" though it may be well known in U.S.A. or at Singapore, cannot be said to be well-known and had acquired goodwill in India.

(3) The defendant was incorporated in 1989. The word "Westinn" has remained a part of the corporate name throughout. The promoters of the defendant company had received training in U.S.A. in the hotel industry. The use of the word "West" in which part of the world they received training along with the word "Inn" cannot be regarded as dishonest and defendant intended to deceive the public.

(4) There is no scope for confusion, as there is no Westin Hotel in India. The plaintiff does not render any service to any hotel in India. The service performed by the General Sales Agent for the Westin Hotel at Singapore by booking rooms for those who desire to stay in Singapore is wholly insignificant. The volume of the business generated by it from India is also insignificant.

(5) The parties seeking for relief for passing-off must have goodwill in the geographical area for which injunction is sought for.

21. Mr. N.A.K. Sarma, the learned counsel appearing for the plaintiff, by reading out various paragraphs of the impugned order and citing several authorities, submitted with great vehemence at length pointing out various aspects in a bid to make out a case that the reasonings given in the impugned order are not correct.

22. Per contra. Mr. A. A. Mohan for M/s. Mohan Associates, appearing for the defendant, made submissions in justification of the order under appeals reiterating the submissions made before the learned single Judge.

23. We have carefully considered those submissions. At the outset, it shall be our duty to point out that the learned single Judge has passed the impugned order rejecting the claims of the plaintiff mainly on the ground that the plaintiff does not own Westin Hotel in India and does not render any service to any hotel in India and as such, the plaintiff had not acquired the goodwill in India, without considering the settled principles of law with reference to the law relation to the passing-off.

24. In the normal course, in appeals, the discretionary orders passed in the matter of granting or refusing injunction are not interfered with. But in the case on hand, in our view, the exercise of discretion by the learned single Judge in dismissing the applications filed by the plaintiff for grant of injunction was as a result of non-application of the well-settled principles of law governing exercise of such discretion and the law regarding the action against passing-off.

25. Of course, it is true that the plaintiff does not own any hotel with the name "Westin" in India. However, the learned single Judge has not taken into account that trans-border reputation as well would afford sufficient basis for grant of injunction. If plaintiff acquired reputation in a place, where the plaintiff may not carry on business it is, also required to be protected by injunction.

26. Let us first refer to the decisions on this point, which are as follows :--

(1) Poiret v. Jules Poiret Ltd. and A. F. Nash, (1920) 37 RPC 177 Ch.D; (2) Sheraton Corporation of America v. Sheraton Motels Ltd., (1964) RPC 202 Ch D; (3) N.R. Dongre and Others Vs. Whirlpool Corpn. and Another, ; (4) Haw Par Bros International Ltd. v. Tiger Balm Co. (P) Ltd., 1996 PTC 311; (5) Caterpillar Inc. v. Jorange, OSA No. 166 of 1997 D/- 1-10-1997; (6) Chelsea Man Menswear Ltd. v. Chelsea Girl Ltd., (1987) RPC 189 CA.

27. In Poiret v. Jules Poiret Ltd. and A. F. Nash, (1920) 37 RPC 177 Ch D, it has been held thus :--

"Notwithstanding that the plaintiff Paul Poiret had no place of business in London, he was entitled to the protection of his goodwill and reputation acquired in this country; the continued use by the defendant of the name Poiret in the business would lead to confusion in the trade and among private customers; the defendant had not acquired in the circumstances any concurrent right to the use of the name Poiret."

28. The next decision is Sheraton Corporation of America v. Sheraton Motels Ltd., (1964) RPC 202 Ch D. In this case, the plaintiffs owned a chain of hotels in the United States and other foreign countries. They had no hotel in the U.K. but bookings in their hotels abroad were frequently made in the U.K. both through an office which they themselves maintained in London and through travel agencies. They also advertised these hotels in U.K. Their principal chain of hotels were called "Sheraton Hotels". The defendant alleged that he had derived the name "Sheraton Motels Limited" from their office at No. 1 Sheraton Street

London. In this case it is held as follows :--

"Notwithstanding the fact that the plaintiffs' business was primarily carried on abroad they had nonetheless a reputation in this country which could be injured by confusion. Accordingly, the plaintiffs are entitled to interlocutory injunction to restrain the defendant from advertising in a way calculated to suggest association with the plaintiffs."

29. The third decision is *N.R. Dongre and Others Vs. Whirlpool Corpn. and Another*, . This was a passing off action instituted by Whirlpool Corporation against an Indian Company, seeking grant of an ad interim injunction preventing the defendant from passing off its goods as those of the plaintiffs by use of trade mark "WHIRLPOOL". One of the questions before the Court was whether the plaintiff who was not selling in India could claim the benefit of trans-border reputation in trade mark "WHIRLPOOL" so as to maintain a passing off action in India or should its goodwill and reputation be confined to territories in which it has proved actual use of the trade mark in the market. The documents filed in the proceedings proved that some limited sales had been made to US Embassy and USAID in India and that the "WHIRLPOOL" products had been advertised in magazines having international circulation including in India. The Delhi High Court held that the plaintiff could bank upon transborder reputation of its washing machines for the purpose of maintaining passing off action in India.

30. While upholding that decision, the Apex Court held that even though there was no sale in India, the reputation of the plaintiff company was travelling transborder to India as well through commercial publicity made in magazines which are available in or about in India. The following is the gist of the finding :--

"The "WHIRLPOOL" has acquired reputation and goodwill in this country and the same has become associated in the minds of the public. Even advertisement of trade mark without existence of goods in the mark is also to be considered as use of the trade mark. The magazines which contain the advertisement do have a circulation in the higher and upper middle income strata of Indian society. Therefore, the plaintiff acquired transborder reputation in respect of the trade mark "WHIRLPOOL" and has a right to protect the invasion thereof."

31. The next decision is *Haw Par Bros. International Ltd. v. Tiger Balm Co. (P) Ltd.*, 1996 PTC 311. In this case, the learned single Judge of this Court while vacating interim injunction granted in the suit for passing off action observed that the plaintiff must establish goodwill and reputation in the geographical area where passing off is alleged and that the reputation of the plaintiff elsewhere is the irrelevant. The Division Bench of this Court headed by Hon'ble Justice Srinivasan (as he then was) while setting aside the order of the learned single Judge categorically held that the appellants/plaintiffs are entitled to get the relief of interim injunction even without actually doing any business in India. The said judgment has followed the view taken by the Bombay and Delhi High Courts. Those decisions are as follows.

32. A Division Bench of the Bombay High Court in *Kamal Trading Co. v. Gillette U.K. Ltd.*, 1988 1 IPLR 135 would hold as follows :--

" It is necessary to note that the goodwill is not limited to a particular country because in the present days, the trade is spread all over the world and the goods are transported from one country to another very rapidly and on extensive scale. The goodwill acquired by the manufacturer is not necessarily limited to the country where the goods are freely available because the goods though not available are widely advertised in newspapers, periodicals, magazines and in other medias. The "result is that though the goods are not available in the country, the goods and the mark under which they are sold acquires wide reputation, take for example, the televisions, and Video Cassettes Recorders manufactured by National, Sony or other well-known Japanese Concerns. These televisions or video cassettes are not imported in India and sold in open market because of trade restrictions, but is it possible even to suggest that the word "National" or "Sony" has not acquired reputation in this country? In our judgment, the goodwill or reputation of goods or marks does not depend upon its availability in a particular country.

33. The Delhi High Court in *Apple Computer Inc. v. Apple Leasing and Industries*, 1993 1 IPLR 63 would hold thus :--

"It was not necessary for a plaintiff in a passing off action to carry on business in India to prove prima facie case and balance of convenience to obtain an order of interim injunction and it was enough that the plaintiff had a reputation in India."

34. The same High Court in *William Grant and Sons Ltd. v. McDowell and Co. Ltd.*, AIR 9721/93 in Suit No. 2532 of 1993 judgment dated 27-5-1994 on the question of trans-border reputation, would observe as follows :--

"Trans-border reputation of the plaintiff, has been in my view, established sufficiently in this country by means of the fact that the sales of GLENFIDDICH takes place on duty free shops in India, by, the fact that advertisement of GLENFIDDICH whisky are to be found in various magazines, like the. "In House Magazine of Air India", and other foreign publications which are freely available in India, as a result of which in my view, GLENFIDDICH whisky has a live reputation in India.

After referring to judgments relating "to persons selling their goods internationally all over the world, I have already held in the case of *Apple Computer Inc.* 1991 DL 319, that a person whose goods have an international reputation can maintain a passing off action in India."

35. In yet another case in *WWF International v. Mahavir Spinning Mills Ltd.*, 1994 PTC 250, the Delhi High Court considered the question at length and made the following observation :--

"Mere fact that the plaintiff has never manufactured any products in this country does not prevent it from acquiring the goodwill here in its trade mark. It is no

doubt true that an action passing off relates to the business and it must be established "that the plaintiff has a reputation or goodwill of his business in this country. The foundation for the action for passing off is the protection of goodwill and so, one must prove the existence of goodwill in this country before obtaining a relief of passing off. The principle of law of passing off has been also made applicable to non-trading business or non-profit making bodies as well. The trade mark law is not intended to protect a person who deliberately sets out to take benefit of somebody else's reputation with reference to goods especially so when the reputation extends world wide.

India is moving towards free economy. The drastic changes in the economic policy of the country which are in offing is sure to entail entry-fresh and afresh-of-multi-nationals in the Indian market. The common law of passing off is sure to undergo a change. With the synchronization of the world, law cannot afford to remain conservative. Still the need of examining the concept of "trans-border reputation" by reference to its impact on the Indian economy and Indian industries cannot be ruled out."

36. In *Chelsea Man Menswear Ltd. v. Chelsea Girl Ltd.*, (1987) RFC 189 CA it is held as follows :--

"(1) A plaintiff who has established a cause of action in passing off can obtain relief by way of injunction extending beyond the boundaries of the particular areas in which he has proved the existence of his reputation and goodwill. (2) Since both the plaintiffs and defendants had intention to expand the geographical scope of their menswear business prima facie the plaintiffs were entitled to nationwide injunction."

37. It would be appropriate, at this stage, to refer to the views of Dr. Justice A. S. Anand, the Honourable Judge of the Supreme Court made in an article published in *K.L. Rathee Vs. Union of India and others*, under the caption "Intellectual Property Rights -- The Indian Experience" after referring to the *N.R. Dongre and Others Vs. Whirlpool Corpn. and Another*, , as given below :--

"It would, thus be seen, that even where neither "the process" nor the "product" is directly in issue, Indian Courts have gone beyond the cold print of the statute and granted relief to protect worldwide reputation which a trade mark has acquired, even where the trade mark as such has not been registered in India.

The rapidly growing international trade makes it imperative that intellectual property rights are properly recognised and managed in different countries of the globe. National protection is no longer adequate to safeguard intellectual property rights which can easily be pirated or copied by nationals of other countries and exploited in their own market or even in international markets. International remedies for such infringement are necessary. It would be comforting for the international community to know that reputation of trade marks of overseas companies is being recognised in India and there have been significant judicial precedents on the question of transborder or spill-over of

international reputation."

38. Thus, it is manifestly clear that the plaintiff in order to get the relief of interim injunction restraining the defendant from using its service mark need not establish that they actually carry on business in this country. It is enough if they have got customers here. If they have got customers in India, it necessarily means that the plaintiff has got reputation in the general sense of the word in this country. The said reputation could be brought out by advertisement. Therefore, if the plaintiff had acquired ownership of the service mark in India, as a result of some business done in India and as a result of large scale advertisement made in foreign periodicals circulated in India and the periodicals issued in India, he would certainly be entitled to take passing off action in India.

39. In conformity with the principles enunciated in the decisions referred to earlier, we shall now look into the materials produced before this Court, in order to decide whether the plaintiff is entitled to seek for interim relief in the passing off action.

40. In this context, it is quite relevant to mention that the finding given in the impugned order merely on the basis of the conclusion that there is no scope for confusion as there is no Wcstin Hotel in India and that the plaintiff does not render any service to any hotel in India, is incorrect. As stated earlier, the plaintiff need not establish that he has carried on any business in India and it would suffice that if he has established that he has got reputation and goodwill in India.

41. As a matter of fact, the learned single Judge has referred to in the impugned order the decisions, namely, Sheraton Corporation of America case, 1964 RFC 20? Ch D and Tiger Balm case, 1995 ILR Mad 209, cited by the plaintiff, relating to transborder reputation, which would afford sufficient basis for the grant of injunction. But even then the learned single Judge did not consider them in detail in order to find out whether those decisions would be applicable to this case or not.

42. The learned counsel for the defendant, the respondent herein, has referred to various decisions in support of his contention, which are as follows : --

- 1) Reckitt and Colman Products v. Borden Inc., 1990 1 All ER 873;
- 2) Alain Bemardin Et Compagnic v. Pavilion Properties Limited, 1967 RFC 581;
- 3) The Asiatic Government Society Life Assurance Company, Limited Vs. The New Asiatic Life Insurance Company, Limited, ;
- 4) Lee (Mantles) Ld. and Harlee Ld. v. Harold Harley (Fashions) Ld. and Harold Harley (Sales) Ld. LXXI RFC (No. 3) 57;
- 5) Society of Motor Manufacturers & Traders Ltd. v. Motor Manufactures" and Traders" Mutual Insurance Company Limited, (1925) 42 RPC 307, Ch D CA.

All these decisions would deal with the cases relating to the law of passing off by which the necessity of the plaintiff to establish a goodwill or reputation attached to the service is stressed. There is no dispute in the proposition of law as laid down in the above decisions.

43. Both the parties have filed the documents before this Court. In so far as the appellant is concerned, we find that all the documents relied on by it find place in Volume II. The documents filed by the respondent/defendant are found in Volume III. There are totally 31 series of documents filed in the Volume II by the appellant which runs about 173 pages.

44. According to the plaintiff, it has been the proprietor of all intellectual property rights pertaining to the internationally reputed service mark "Westin" and its related logo/device. The plaintiff and its predecessors have been in the hotel business for over 60 years and have business operations all over the world, rendering high class hospitality services in the hotels and resorts under the service mark "Westin". Westin Hotel is the oldest of the international hotel management companies and is one of the leading hotel companies in the world managing about 70 first class Westin hotels and resorts in 16 countries. There are about 5 lakh members of Westin Premier, all over the world. The service mark "Westin" possesses a world wide recognition in connection with the high quality services rendered in the hospitality services sector, because of the excellent reliability of the instant reservations.

45. On the other hand, it is the case of the defendant that the plaintiff is not known anywhere in the world as "Westin" it is not listed in the list of prominent hotels of the world and it has no global reputation in the service mark "Westin".

46. In the light of the stand taken by the defendant, we shall now go into the documents to find out whether the plaintiff has acquired a world-wide reputation over the service mark "Westin".

47. The documents in pages 1 to 7 of Vol. II would show that the plaintiff Caesar Park Hotel Investment, Inc., U. S.A. acquired the Westin Hotel Company, U.S.A., pursuant to the assignment deed and other certificates in the year 1988.

48. The advertisements given in the various newspapers, periodicals as given in pages 8 to 16 would reveal that the Westin Hotels are located in various places like Hong Kong, Seoul, Singapore, Manila, Copenhagen, Boston, Chicago, Orange Country, Portland, San Francisco, Seattle, Korea, Dallas, Detroit, Hawaii, Honolulu, Houston, Kansas City, Los Angeles, New York, seven cities in Canada, Frankfurt, Hamburg, Munich and Zurich. These newspapers and periodicals were published on various dates from 1982 to 1983. The photos of the hotels published in the periodicals would show that they are high, tall and several storeyed buildings. These periodicals were published in various countries.

49. In page 17, various phone numbers were given in Japan Yellow Pages in 1984 spring edition. It contains the details of the various phone numbers under

Westin Hotels Tokyo Sales Office along with an advertisement on behalf of the Westin hotels. On the same page, the advertisement of the Sheraton Hotel (a famous international hotel) also was published with the details of location of these hotels in different places. The advertisement for Westin Hotels is with the following words :--

"A Tradition of Excellence. Westin Hotels operates quality properties around the world. Warm hospitality, super accommodations, excellent meeting facilities. Come meet with us soon."

50. Pages 18 to 28(E) would again give the details of the advertisements given on behalf of the Westin Hotels in various periodicals circulated in various countries from 1984 to 1995. In all the advertisements it is mentioned as Westin Hotels are the worldwide, there are fewer than 60 Westin hotels, each has its own flavour and a personality as unique as the city it serves. In one of the periodicals, it is reported that the Westin hotel won the prize of the best hotel, which is as follows :--

"Westin Hotels & Resorts was awarded first prize for the "best booth" out of a field of 150 entrants at the recent LABTA."

Another journal in 1985 as contained in page 28(E) reported the prize awarded to the Westin Hotels. This news is as follows :--

"Three Westin Hotels Receive ISO 9002

Three more Westin hotels have been awarded the prestigious International Organization for Standardization (ISO) 9002 certification for Total Quality: the Caesar ParkHotel and The Westin Stamford and The Westin Plaza in Singapore."

51. Some of the journals with worldwide circulation are found in page 91 (a). They are Time Magazine, Newsweek, The Economist, Fortune, Business Week, Far Eastern Economic Review, International Herald Tribune, Asia Week, Business Traveller and Asian Well Street Journal. Pages 92 to 105 give the particulars of the service mark "Westin" which was claimed by the plaintiff to have registered and pending for registration in various countries.

52. The applications were made for the service mark "Westin" on behalf of the plaintiff Caesar Park Hotel Investment, Inc. in various countries like Australia, Cambodia, China, Fiji, Hong Kong, India, Indonesia, Japan, Korea, Laos, Macao, Malaysia, Nepal, New Zealand, Papua New Guinea, Philippines, Singapore, Sri Lanka, Taiwan and Thailand.

53. The registration of the service mark "Westin" was made in Cambodia in the year 1982. In 1987 the same was registered in China on 47 applications. In 1984 it was registered in Hong Kong. From 1987 to 1992 on 27 applications the registration was made in Japan. In most of the applications service mark with logo was registered. In 1982 it was registered in Korea. In 1991 it was registered in Macao. In 1981 and 1992 the service mark was registered in Malaysia. It was

registered in Philippines in 1988, in Singapore in 1981 and 1993, in Sri Lanka in 1983, in Taiwan from 1982 to 1991 on 10 applications and in Thailand from 1981 to 1992 on 21 applications.

54. It is stated by the appellant that many of the magazines, periodicals and newspapers which have been published have large circulation not only in the respective countries but also in this country. At any rate, when there are innumerable documents to show that the hotels and hospitality services are being rendered in the name of "Westin" by the plaintiff in various countries, that too, in very big hotels in important cities of the big nations, there is no meaning in merely saying in the counter that the plaintiff has no global reputation in the service mark "Westin".

55. Above all, in the special report regarding Top U. S. Hotel Chains Survey, the copies of which have been given in pages 158 to 173 would clearly reveal that the "Westin Hotels" in one of the top ranking international hotels. In one of the reports in page 159 it is stated that the Westin comes to upscale hotel chains. The relevant words are these :--

"Westin, Marriott and Hyatt. When it comes to upscale hotel chains, there's no doubt those are the ones the corporate market likes best. After the leader Westin, which was second behind Loews last year, came Marriott, which had fallen to fifth in 1994.

Westin may be closest to a luxury chain among the players on the upscale list. "To come in second against Westin is quite an accomplishment for Marriott", one analyst commented. "Marriott is not operating with the same level of staffing at Westin, and its hotels are not quite as luxury-looking as Westins."

Corporate-owned and managed properties may be a key to the lead of Westin-Marriott-Hyatt over Sheraton and Hilton, which have more franchised properties.

Westin and Hyatt also tend to be higher priced than Sheraton and Hilton, which may boost their ratings.

Other notable upscale segment results :

Westin was first in the key corporate-rate-program category, followed by Sheraton, Marriott, Radisson, Hyatt and Hilton. Curiously, among this group, Sheraton and Radisson, appear well down the list in overall price/value relation, which would seem to be a related category."

56. In page 166, the news about receipt of numerous awards by Westin Hotels is found. According to the business travel, news, Westin received an overall score of 8.21 out of 10 points and received its highest marks for ease in arranging group travel, Corporate Rate programmes, quality of food, and overall value. For 1995, the American Automobile Association (AAA) awarded two of its prestigious Five-Diamond awards to Westin hotels and resorts. Five-Diamonds are bestowed only

to those exceptional properties which are widely recognized for superior guest facilities, service and atmosphere. Westin's 1995 Five-Diamond award recipients are the Westin Hotels in United States and Mexico.

57. It has also been reported in the same report in page 168 as "Westin Hotels & Resorts is a global management services company with over 80 luxury hotels and resorts in 19 countries around the world."

58. In view of these materials which are in abundance, there is no difficulty for us to come to the conclusion that the plaintiff has got the service mark "Westin" with world wide reputation using from 1981, particularly from 1988 in which year the plaintiff acquired the Westin Hotel Company from its owners.

59. In the fact situation, it may not be correct on the part of the learned single Judge to have observed that the documents produced by the plaintiff did not show that it was among the top hotels in the world.

60. The learned single Judge has further held that though the word "Westin" may be well-known in U.S.A. or at Singapore cannot be said to be well-known and it had acquired goodwill and reputation in India.

61. It is the case of the defendant, as stated earlier, that the Westin Hotel company did not carry on any business in India so as to establish the goodwill or reputation. As already indicated, there need not be any business being carried on by having hotel in India in order to claim protection under the Act, when once it is established that there is some reputation acquired in a place.

62. We shall now go into the documents produced by the plaintiff in order to ascertain whether any reputation or good will has been established in India for the service mark "Westin" by running hotels in other parts of the world.

63. It is the case of the plaintiff that after the Westin Hotel company was acquired by the plaintiff in 1988, it enlarged its activities in India and appointed General Sales Agents who were authorised to provide exclusive hotel representation services, such as soliciting, accepting and communicating reservation to Westin Hotels situated all over the world.

64. Pages 28(F) and (G) contain the list of 17 travel Agents appointed in India, some in New Delhi, some in Bombay and others in Calcutta, etc. The advertisements of appointments appeared in prominent newspapers in India in March, 1989. The hospitality services rendered by the plaintiff company came to be available in India more prominently from the end of 1988 till April 1994 through the said General Sales Agents.

65. Pages 29 to 62 would contain the details of the letter correspondence between the Westin, the plaintiff and their Indian clients including these General Sales Agents. The reading of these letters would show that the several of these General Sales Agents booked the rooms in Westin hotels on behalf of the Indian clients situated in various countries. This would also make it clear that many

Indian clients through the General Sales Agents stayed in the Westin Hotels at various countries and that thereafter the General Sales Agents also obtained their commission.

66. Besides this, the Westin Hotels maintain frequent guest recognition programme called "Westin Premier". This is an exclusive Club of individuals, who patronise the Westin Hotels world over. According to the plaintiff, there are about 5 lakh members of Westin Premier, out of whom a large number are from India.

67. Pages 63 to 74 contain the list of members holding "Westin Premier" in India. Pages 75 to 77 contain the letters from Westin, U.S.A. to one of the General Sales Agents, Hotel world Corporation in New Delhi on 6-3-1989 to publish the press release and the copy of the new Directory of plaintiff hotels. On 10-4-1989 along with the reply, the Hotelworld Corporation enclosed the photo-copies of testimonial advertisements released in hindustan Times and Economic Times, the national dailies regarding the Westin Hotels situated in various countries.

68. Pages 77 and 78 are the advertisements. Pages 80 to 83 contain the letters sent by General Sales Agent dated 30-6-1989 and 12-9-1989 were accompanied with the publication of the article about the Weslin Hotels in tourism magazine released in India. Pages 86 to 89 contain the advertisements of the Westin Hotels and Resorts Worldwide in the publications like Times of India, New Delhi and other periodicals widely circulated in India.

69. In the light of the above materials, it cannot be contended that the service mark Westin does not enjoy any reputation or goodwill in India and is not known in India.

70. It is observed by the learned single Judge that the number of Indians staying in Westrn Hotels is not large and that the fact that a few travellers from India had stayed in the hotel at Singapore as shown in computer print does not render the name "Westin" used by the plaintiff well-known to the general body of international travellers of India. This may not be correct, in view of the materials, especially when Westin Premier Report as contained in pages 64 to 74 consisting of large number of Indians from various parts of India would reveal that they have stayed in Westin Hotels situated in several countries. As a matter of fact, the list of Westin Premier Members of India running about 11 pages has been summarily discarded by the learned single Judge by wrongly observing it to be a mere 200. This calculation is factually incorrect.

71. It is also important to point out that the learned single Judge has again wrongly observed that there were only a few travellers from India have stayed in Westin Hotel at Singapore alone. The fact remains that the documents referred to above show that there is a regular flow of travellers from India to Westin Hotels not only in Singapore but also in various other countries, Therefore, it can be safely held that the reputation of Westin has been travelling trans-border to India through commercial publicity made in magazines and periodicals which have circulation in India and through the thousands of travellers who returned to

India after business visits to major foreign countries. Even though the Westin Hotel does not exist in India as of now, the selling of "Westin" services has been taking place in India at least from 1988.

72. Yet another significant factor has to be taken note of. Recently, the plaintiff came to know that Days Inn of America, Inc. has entered into an agreement with the defendant Westinn Hospitality Services to manage Days Inn properties in India, Malaysia, etc. Since the plaintiff felt that the appearance of the "Westinn" name in conjunction with the hotel services is certain to cause confusion with the name "Westin", the plaintiff's well established mark for Premier Hotel services, and it would have an adverse impact on the Westin valuable reputation, the plaintiff sent a notice on 15-11-1995 to the Days Inn of America, Inc. to advise Westinn Hospitality Services to change its name to one that is not confusingly similar to "Westin".

73. On receipt of the above notice, Days Inn of America, Inc. requested the plaintiff for additional information regarding the plaintiff's trade mark application and registration in India. Accordingly, on 21-11-1995 it sent the particulars of applications filed in India for registration for the "Westin" symbol on 23-11-1992, totally 14 applications pending. It also gave details about the registration already made in various countries from the year 1980. On 22-11-1995 Days Inn sent a reply stating that the defendant has been in business in India using the name "Westinn" since 1989 and that no other hotels to be operated using the name Westinn and the rights granted to Westinn Hospitality Services Limited would not extend beyond India.

74. Before receipt of the said reply, on 21-11-1995 the plaintiff sent a cease and desist notice to the defendant asking not to use the word "Westin" or "Westinn" or any other similar word or its logo. On 4-12-1995 the defendant sent a reply to the notice dated 21-11-1995 asking for the details of the registration of trade mark "Westin" in India. On 5-12-1995 a second reply was sent by the defendant denying the allegation and statement made in the notice dated 21-11-1995.

75. On 12-12-1995 a detailed rejoinder was sent along with the copy of letters dated 15-11-1995 and 21-11-1995 addressed to the Days Inn stating that the plaintiff has been using the said mark in India many years and that 14 applications for registration are pending in India. But, having sent notices asking for registration particulars dated 4-12-1995 and 5-12-1995, even without waiting for the reply of the plaintiff, on 12-12-1995 the defendant herein filed a suit in C.S. No. 5 of 1996 against the plaintiff for permanent injunction against the groundless threat of legal proceeding within the meaning of Section 120 of the Trade and Merchandise Marks Act, 1958. However, in the plaint and defendant did not choose to mention about their reply dated 4-12-1995 and 5-12-1995. Without knowing about the institution of the suit, the plaintiff herein, on 12-12-1995 sent a reply as stated above.

76. On 29-12-1995 by way of reply to the letter dated 12-12-1995 of the plaintiff, the defendant stated that the mark of the plaintiff "Westin" is not a mark known in India and the defendant's mark "Westinn" is well known all over India. Strangely, in this detailed reply, there is no reference about the suit having been filed on 12-12-1995. Only on receipt of the notice in the said suit, the plaintiff filed and the present suit seeking the relief,

77. The defendant has claimed that it has acquired the mark "Weslinn" in August 1989 with an objective of providing comprehensive consultancy services for hotels and resorts and for providing an automatic hotel reservation system.

78. According to the plaintiff, the defendant came to be incorporated as a Private Limited Company under the name "Westinn" Consultants Private Limited in August 1989. The main objects of the Company as contained in the Memorandum of Association related to the consultancy activities, namely, acting as advisers and consultants on all matters and problems relating to the technical, industry, civil administration, finance and organisation, management, commencement, extension of industry, etc. As such, the Company had nothing to do with the carrying on the business of tourist and travel agency or rendering service in the hospitality services sector.

79. Only in August 1991, the defendant passed a special resolution resolving to commence business of travel assistance. Thereafter, on 18-12-1992 the defendant changed its name from Westinn Consultants Private Limited to Westinn Hospitality Services Private Limited. Only thereafter, the defendant entered into the hospitality sector. The defendant had two divisions. One is Westinn Consultants and another is Hotlink. Westinn Consultants was merely concerned with providing consultancy services in civil construction, technical, financial matters, etc. with respect to the projects including hotel projects. The other division Hotlink provided computerised hotel reservation in India to hotels situated in 50 cities in India. Thus, only in 1992 the defendant started automatic hotel reservation activities and this was not done under the name "Westinn", but through the division called Hotlink and even this division confined its activities to hotels in India. At this stage, in 1995 the defendant entered into a licensed agreement with the Days Inn of America which has chain of hotels in different parts of the world.

80. In order to appreciate the above contention of the respective parties, at this stage, we shall now look into the documents filed by the defendant which are contained in Volume III. There are totally 82 items of documents running about 129 pages.

81. Document No. 2 is the Partnership Deed dated 18-1-1989 between the partners, the predecessors of the defendant by which the firm by name "Westinn Consulting Group" was formed. According to this deed, the nature of the business would be management consultants for hotels, commercial establishments, manufacturing and service industries, etc. But, document No. 1 would show that

on behalf of the Westinn Consulting Group as early as 7-12-1988 a letter has been sent to the Managing Director, Karnataka State Tourism Development Corporation, stating that the said Group has got a team of qualified and experienced professionals in the Hotel and Tourism Industry, who have just returned from U.S.A. and expressing readiness responding to the advertisement of the Tourism Development Corporation to develop the project jointly with them.

82. Document No. 3 is the letter dated 21-1-1989 from the Karnataka State Tourism Development Corporation acknowledging the receipt of the letter of the Firm. Document No. 4 is the letter dated 25-1-1989 sent by the defendant's predecessor to one of the Advertising Agency intimating the formation of the Firm giving consultancy service for hotel project, etc.

83. Document Nos. 5 and 7 to 27 would deal with the correspondence between the Westinn Consulting Group and the important various Management Hotels and other Companies in India and foreign countries with reference to the consultancy services being given by the Westinn Consulting Group in various fields including the hotel project. Most of them are the letters sent by the various firms in India and other foreign countries acknowledging the letters sent by the Westinn Consulting Group intimating about the formation of the firm giving consultancy in various fields.

84. Among these documents, document Nos. 15, 26 and 27 are the letters sent to the Westinn Consulting Group by the firms from foreign countries. The document No. 15, a letter dated 3-11-1989 was sent by Westinn International, Inc. to the predecessor of the defendant acknowledging the letter from Westinn Consulting Group expressing willingness to give service and cooperation for the best western hotels in India.

85. Document No. 26 is the letter dated 14-11-1990 sent by Augustine International, Los Angeles, U.S.A. in response to the letter sent by the Westinn Consulting Group sending proposals for five star hotel project. These letters correspondence would show that the Westinn Consulting Group formed under the partnership deed on 18-1-1989 have indulged in the activities mainly on hotel project.

86. Document Nos. 28, 32 and 35 are the advertisements in THE HINDU dated 30-11-1991, 6-2-1992 and 8-4-1992 respectively. Document No. 34 is the advertisement in DECCAN HERALD dated 2-4-1992, document No. 39 is the news item in Dainik Jagron Hindi Daily dated 29-8-1992; document No. 40 is the news item in The Pioneer dated 29-8-1992; document Nos. 41, 42 and 43 are news items in Northern India Patrika, Financial Express and Free Press Journal, all dated 30-8-1992; document Nos. 44 and 45 are the news items in Rashtriya Sahara Hindi and Financial Express, both dated 31-8-1992; document No. 46 is the news item from 31-8-1992 to 13-9-1992; document No. 47 is the news item in Financial Observer (Weekly) from 31-8-1992 to 6-9-1992; document No. 48 is the news item in The Observer dated 31-8-1992; document No. 49 is the news

item in Indian Express dated 1-9-1992; document Nos. 50 to 62 are the news items published in Economic Times, Navajothi Jaipur, Statesman, Herald, Navhind Times, Premium Investment Magazine, Sunday Mail, Money Opportunity, The Hitavada, Corporate Rupee, Janasatta Hindi Daily, Independent and Indian Express. On 3-9-1992, 4-9-1992, 6-9-1992, 7-9-1992, 14-9-1992 and 17-9-1992 and document No. 68 is the advertisement in various News papers and Hotel Industry Magazines over a period of time consisting of pages 103, 104 and 105.

87. The above advertisements were given in the name of Hotlink canvassing for the instant computerised hotel reservation system linking hotel chains, independent hotels, resorts and motels with the main reservation centre at Madras and other cities. It is printed in these advertisements with the big letters "HOTLINK" as "Instant online computerised Hotel Reservation Service". In some of the news items it is published in this way :

"So now, instead of instant reservation, Hotline has settled for providing it within 24 hours by setting up centres, some of them franchised, which send information from their respective regions to the headquarters at Madras. Soon Hotline plans to have inter-connected offices and with this cross-communication, hopes to considerably speed up the process.Hotline is planning an issue after the expansion, either a public or a over-the-counter issue."

88. The Headlines and the Caption given in the various news items are as follows :--

- (i) Hotlink plans expansion;
- (ii) Hotlink -- reservation of hotel room thru" computer;
- (iii) Hotlink reservation system for hotels;
- (iv) Hotlink to launch new hotel reservation system;
- (v) Hotlink"s unique reservation system;
- (vi) Hotlink develops new hotel marketing system;
- (vii) Hotlink Reservation System for travellers;
- (viii) Hotlink launches unique system;
- (ix) Hotlink develops a unique reservation system;
- (x) Computer hotline;
- (xi) Hotlink facility;
- (xii) Unique reservation system by Hotlink
- (xiii) Hotlink launches new hotel reservation system.

These things would show that the entire advertisements in all the papers

published in India as well as in other countries only projected through the name "Hotlink". Of course, it is true that in these advertisements, in small letters it is mentioned as "a division of Westinn Consultants".

89. However, pages 107 to 114 in document No. 68, advertisements published in Express Hotelier and Caterer on 5-6-1995, 24-7-1995, 21-8-1995, 9-10-1995, 16-10-1995, 23-10-1995, 6-11-1995 and 13-11-1995 would reveal that the advertisement was given in the name of "Westinn" by the Westinn Hospitality Services Limited. It is also strange to note the word "Hotlink" which was projected earlier in a big way was Completely omitted.

90. Various news items in document Nos. 71 to 74 published in Financial Express, Economic Times and Business Line on 4-8-1995 has published the news with a caption "Westinn ties up with Days Inn". According to this news, speaking at a news conference on 3-8-1995 Mr. Kumar Sitaram, Chairman and Managing Director of Westinn Hospitality Services stated that the Weslinn, which was incorporated in 1989, offers hotel consultancy from project management to technical services and that the said Company owns, operates and manages hotels in Madras and other places and with its focus on the south, Westinn has plans to go national in the future. According to these items, Days Inn of America, Inc. has signed a master franchisee agreement with the Madras based Westinn Hospitality Services Limited to develop Days Inn chain in India and the Westinn plans to develop 6,000 rooms in India by the end of this century.

91. Document Nos. 75 to 79 are the advertisements which were given in the name of "Westinn" in October, 1985.

92. Yet another significant feature to be noticed is that when the advertisement was given in the name of "Hotlink", different logo was printed along with the word "Hotlink". In those advertisements near the small letters as "a division of Westinn Consultants (P) Ltd", under the big letter "HOTLINK", there is a different logo given in a square form. But, when the advertisement was given in the name of "Westinn" after omitting "Hollink", a logo which is nearly similar to the logo of the plaintiff was put in the circle form. As such, the logo used by the Westinn Hospitality Services from the year 1985 closely resembles that of the Westin (plaintiff).

93. Document No. 63 in page No. 91 is a marketing contract between Clas International of U.S.A. and Westinn, the defendant dated 22-9-1992. The said contract was only between the Hotlink, a Division of Weslinn Consultants (P) Limited and the Clas International. It is also noticed in the said contract, the word "Westinn" was used not as a "Westinn" but as a "Westin".

94. In the light of the above materials, it cannot be accepted that the defendant did not intend to establish any hotel or resort anywhere in India under the name "Westinn". As stated earlier, it is published in the Newspapers filed by the defendant that the Managing Director of the Westinn stated that the Westinn owns, operates and manages several hotels in Madras, Delhi, Bangalore,

Hyderabad and Cochin. Moreover, in document No. 6 in Form No. 1A filed by the defendant on 9-5-1989 for availability of name of the defendant Westinn name with the Registrar of Companies, it is mentioned as the main object of the proposed Company -- to promote a hotel.

95. As a matter of fact, the defendant in para 29 of the counter-affidavit filed before the learned single Judge would state that the tie up with Days Inn does not prevent the defendant from using its trading style/corporate name "Westinn". Therefore, the contention urged by the defendant that their field of activity is completely different from that of the plaintiff, cannot be countenanced, in view of the fact that the defendant has been from the beginning indulging in the matters relating to the promotion of hotels and hotel reservation system originally in the name of "Hotlink" and now in the name of "Weslinn".

96. In these circumstances, the situation as submitted by the counsel for the plaintiff that the franchisee agreement between the defendant and Days Inn of America which permitted the continued use of the name "Westinn" by the defendant in its activities in the hospitality services sector, would lead to the confusion and false belief among the business/leisure travellers that there exists an intimate commercial connection between the plaintiff Westin and Days Inn, who have a collaboration with the Westinn, the defendant, cannot be ruled out. In such an event, the business goodwill and reputation of Westin (plaintiff) would get immensely impaired not only in "India but also the world over.

97. It is also submitted that though the mark "Westinn" has been used from 1989, the plaintiff has belatedly approached the Court seeking for the permanent injunction. It is to be noted that the earlier advertisements from 1991 were given only in the name of "Hotlink". The entire lot of advertisement in the name of "Westinn" was only from 1995, when the defendant entered into the franchisee agreement with the Days Inn for setting up hotels in India. Only on seeing news items and advertisements in the periodicals, magazines published in various countries, the plaintiff came to know of this passing off action and swiftly sent cease and desist notice to the defendant. As stated above, the defendant even without sending reply with details of his stand, rushed to the Court and filed a suit in C.S. No. 5 of 1996. Immediately thereafter, the plaintiff who is having the office in U.S.A. is constrained to file the present"suit. Under these circumstances, we are not persuaded ourselves to hold that there are laches on the part of the plaintiff in approaching the Court.

98. No doubt, the learned counsel for the defendant disputes the genuineness of some of the documents and contends that they should be proved by appropriate evidence. But prima facie, there is nothing to doubt the genuineness of the documents filed by both the parties. At the interlocutory stage, we are constrained to accept the documents filed along with the affidavit. The defendant has also filed number of documents to substantiate its plea. If the argument of the defendant that the same thing to be proved by evidence in the trial, is accepted, then the documents filed by both the parties should be completely

ignored. If such a practice is adopted, it is not possible for the Court to grant the reliefs to the parties in any interlocutory application. Therefore, the above discussion and conclusion are based upon the documents without giving any finding with reference to the genuineness of the documents.

99. Under the above circumstances, we arrive at the following conclusions :--

(i) Normally in the miscellaneous appeals, the discretionary orders passed in the matter of granting or refusing interim injunction are not interfered with. But in this case, we are of the view that the learned single Judge exercised the discretion without adhering to the well settled principles of law governing the exercise of such discretion and regarding the passing off action.

(ii) Though the hotel business has not been carried on in India, the plaintiff could bank upon trans-border reputation, so as to maintain a passing off action in India. The documents filed in this case by the plaintiff prima facie establish that there has been trans-border reputation and good- will in India and the service mark "Westin" had been advertised in magazines having international circulation including India. In other words, the reputation of the plaintiff company was travelling trans-border to India as well through commercial publicity made in magazines which are available in India.

(iii) The materials available in this case would go to show that the plaintiff has got the service mark "Westin" with worldwide reputation using from 1981, particularly from 1988 in which year the plaintiff acquired the Westin Hotel company from its owners.

(iv) The other documents would also show that there is a regular flow of travellers from India to Westin Hotels not only in Singapore but also in various other countries. Thus, the reputation of Westin has been travelling trans-border to India through thousands of travellers who returned to India after business visits to major foreign countries.

(v) The Westin Premier report consisting of a large number of Indians as members would reveal that number of Indians from India went and stayed in Westin Hotels situated in several countries. The documents filed by the plaintiff would show that there were 17 Travel Agents appointed in India by the plaintiff, some in New Delhi, some in Bombay and others in Calcutta, etc. The advertisements of appointments appeared in prominent newspapers in India. There are letter correspondence between the plaintiff and the General Sales Agents. These letters would show that the several of these General Sales Agents booked rooms in Westin Hotels on behalf of the Indian clients, situated in various countries.

(vi) When this trans-border reputation has been established, the apprehension expressed by the plaintiff that the franchisee agreement between the defendant and Days Inn of America which permitted the continued use of the name "Westinn" by the defendant in its activities in the hospitality services sector in

India would lead to the confusion and false belief among the business/leisure travellers that there exists an intimate commercial connection between the plaintiff Westin and Days Inn, cannot be ruled out.

(vii) The documents filed by the defendant would make it clear that initially advertisement for hotel service was given by the defendant only in the name of "Hotlink". Only after the franchisee agreement entered into between the defendant and Days Inn of America in 1995, the advertisements were given in the periodicals and magazines in various countries in the name of "Westinn".

Only on seeing the said advertisements, the plaintiff who is having the office in U.S.A. has filed the present suit. Therefore, it cannot be said that there is undue delay and that there are laches on the part of the plaintiff in approaching the Court.

100. In view of the above conclusions, we feel that the plaintiff had made out a prima facie case having regard to the trans-border reputation established by it and that the balance of convenience is in favour of the plaintiff, inasmuch as, if the injunction order is not granted, the plaintiff would be put to great hardship and he may be put to irreparable loss.

101. In the result, for the reasons stated, we allow these appeals and set aside the order under appeals passed by the learned single Judge. Consequently, we allow O.A. Nos. 163 and 164 of 1996 in C.S.No, 141 of 1996 and grant ad interim injunction as prayed for. No costs. In view of the disposal of the appeals, no separate orders are necessary in C.M.P. Nos. 17259 and 17260 of 1997.

102. However, we make it clear that the observations made by the learned single Judge in the order under appeals, or in the judgment of this Court, are confined only for the purpose of disposal of the interim applications and that they do not affect the merits of the respective contentions during the course of trial in the suit.

103. Immediately after we pronounced the order, the learned counsel appearing for the respondent-defendant prayed that this order may be stayed for a period of four weeks; and that in the event the order is not stayed, the entire business, and activities of the respondent may come to a standstill. He also added that the suit was filed on 4-3-1996 and for the first time, the interim injunction is granted by this order of ours.

104. Per contra, the learned counsel representing the appellant plaintiff submitted that in any case wherever injunction is granted, some inconvenience is caused to the defendant, and that itself may not be a good ground to stay the order granting injunction.

105. We have considered these submissions.

106. Having regard to the fact that the suit was filed on 4-3-1996, there was no interim injunction before the learned single Judge, and for the first time by our

order in this appeal we have granted the injunction in favour of the appellant-plaintiff, we think it is just and appropriate to stay the operation of this order/Judgment, for a period of four weeks from today so as to enable the respondent-defendant to seek appropriate remedies.