

(2023) 01 DEL CK 0161

In the Delhi High Court

Case No : Civil Suit (COMM) No. 379 Of 2020

Capital Food Private Limited

APPELLANT

Vs

Radiant Indus Chem Pvt. Ltd

RESPONDENT

Date of Decision : 11-01-2023

Acts Referred:

Code Of Civil Procedure, 1908 — Order 39 Rule 1, Order 39 Rule 2
Trade Marks Act, 1999 — Section 9, 9(1)(a), 9(1)(b), 9(1)(c), 30(2)(a), 35
Copyright Act, 1957 — Section 2(c)

Citation : (2023) 01 DEL CK 0161

Hon'ble Judges : Navin Chawla, J

Bench : Single Bench

Advocate : Rajiv Nayar, Nancy Roy, Aastha Kakkar, Prakriti Varshney, Manjira, Hemant Singh, Abhijeet Rastogi, Antara Pachauri

Judgement

Navin Chawla, J

I.A. 8147/2020

1. The present application has been filed by the plaintiff inter-alia praying for the grant of an ad interim injunction restraining the defendant, its directors, and/or anyone acting for and on their behalf from manufacturing, selling, offering for sale, marketing, retailing, supplying, distributing, exhibiting, advertising, promoting, displaying, dealing in and / or using, in any manner whatsoever, the products bearing the marks "SCHEZWAN CHUTNEY" and "SZECHUAN CHUTNEY".

FACTUAL BACKGROUND:

PLAINTIFF'S CASE

2. It is the case of the plaintiff that the plaintiff is one of the leading food companies in India, engaged inter alia in manufacturing and marketing a wide variety of dips, spreads, condiments, sauces, noodles, soups, pastes, dressings, ready-to-eat food products and other food preparations, for more than 25 years. The plaintiff employs more than 1200 people, having presence in countries such

as U.S.A., Canada, Australia, U.K., Singapore, to name a few.

3. The plaintiff asserts that the plaintiff was the first to coin and independently invent a distinctive trade mark "SCHEZWAN CHUTNEY" in relation to dips and spreads, which is prima facie distinctive of the goods of the plaintiff and is exclusively associated with the plaintiff's brand. Its mark "SCHEZWAN CHUTNEY" has been granted registration for goods covered in Class 30, including sauce, under Registration No. 2431851 on 01.06.2017 as of 22.11.2012. Though Rectification Petitions have been filed against the said registration, the same is still valid and subsisting.

4. The plaintiff has also filed another trade mark application for the mark "SCHEZWAN CHUTNEY" under application no. 2431850 in Class 29 on 22.11.2012, but the same was refused raising an objection under Section 9 of the Trade Marks Act, 1999 (hereinafter referred to as 'the Act'). A review has been filed against the said refusal order, which is pending before the Trade Marks Registry.

5. The plaintiff further submits that in addition to the distinctive and coined trade mark "SCHEZWAN CHUTNEY", the plaintiff also possesses a highly distinctive label, which is reproduced herein below:-

6. The plaintiff submits that the aforesaid label comprises of inter alia the distinctive trade mark SCHEZWAN CHUTNEY, wherein SCHEZWAN CHUTNEY is represented in a unique and distinctive manner in two lines in white lettering on the colour combination of orange and red, placement of the brand SCHEZWAN CHUTNEY on the label, unique colour combination and scheme, and placement and arrangement of all elements.

7. The plaintiff further submits that the aforesaid label has been created and devised by the in-house design label development department of the plaintiff. The distinguishing features of the label constitute as an original artistic work under Section 2 (c) of the Copyright Act, 1957. By virtue of the Copyright Act, the plaintiff is the first owner of the copyright in the above represented artistic work.

8. The plaintiff asserts that while studying consumer tastes and preferences, and in bridging international cuisines with local flavours, the plaintiff created a whole new cuisine in India - 'Desi Chinese', which is a fusion of Indian and Chinese flavours. The plaintiff submits that it was the first to identify and create the unique cuisine of 'Desi Chinese' that is native to India and universally loved across various countries. The plaintiff further states that, today, the plaintiff's products are synonymous with the cuisine 'Desi Chinese' in India and across the globe.

9. The plaintiff further asserts that as part of its product innovation in the Desi Chinese cuisine, in or around the year 2012, the plaintiff had introduced a dip and spread based product under the trade mark "SCHEZWAN CHUTNEY".

"SZECHUAN" is a province of South-West China which is known for bold flavours, particularly the pungency and spiciness resulting from the use of garlic and chilli peppers. "CHUTNEY" is a spicy condiment of Indian origin, made of fruits or vegetables with vinegar, spices, and sugar. Accordingly, the unique and arbitrary combination of the 'SCHEZWAN' and 'CHUTNEY' makes 'SCHEZWAN CHUTNEY' a coined and invented trade mark which is inherently distinctive of the plaintiff.

10. The plaintiff submits that since the adoption of the trade mark "SCHEZWAN CHUTNEY", the plaintiff's products have been continuously, extensively, and uninterruptedly sold throughout length and breadth of the country and have acquired goodwill and reputation. The plaintiff asserts that the net revenue for the brand "SCHEZWAN CHUTNEY" in India has grown from Rs. 325 Lakhs in 2012-13 to Rs. 8233 Lakhs as in 2019-20. The details of its annual net revenue have been provided by the plaintiff in paragraph 14 of the plaint.

11. In addition, the plaintiff submits that it has spent large sums of money towards advertising, promotion and marketing its products under the mark SCHEZWAN CHUTNEY, increasing from Rs. 4,55,12,914/- in 2012-13 to Rs. 51,63,67,378/- in 2019-2020. The details of the expenditure incurred in advertising the plaintiff's goods in relation to SCHEZWAN CHUTNEY has been provided in paragraph 16 of the plaint.

12. The plaintiff gives in the plaint details of its extensive promotion, advertisement, and marketing campaigns for the said mark.

13. The plaintiff submits that the mark "SCHEZWAN CHUTNEY" is associated with the plaintiff-company, and that it has acquired a secondary meaning which is identified with the plaintiff's goods. The plaintiff further states that any reference to "SCHEZWAN CHUTNEY" in the food industry connotes and denotes to the plaintiff-company and its goods alone.

14. The plaintiff asserts that in the first week of September 2020, the plaintiff came across the sale of the impugned product "MRS. FOODRITE SCHEZWAN CHUTNEY" being sold and offered for sale by the defendant on the e-commerce website www.amazon.in. The representation of the impugned product is given below:

15. The plaintiff submits that the aforesaid impugned product bears a mark which is identical to the plaintiff's mark SCHEZWAN CHUTNEY. The plaintiff asserts that on a bare perusal of the label of the impugned product SCHEZWAN CHUTNEY, and its comparison with the plaintiff's product SCHEZWAN CHUTNEY, demonstrates that the defendant has made every effort to copy/imitate the plaintiff's trademark. The plaintiff has provided the comparison between the two products as below:

16. The plaintiff submits that the above two products comprise of the following similarities:

(a) The defendant has adopted the plaintiff's coined, registered trade mark

SCHEZWAN CHUTNEY.

(b) The defendant's impugned product, bearing SCHEZWAN CHUTNEY, is packaged/labelled in a trade dress/label which is deceptively and confusingly similar to the plaintiff's SCHEZWAN CHUTNEY (label). The overall get-up of the impugned product, such as the packaging style, colour combination and scheme of the white, orange, and red, placement of SCHEZWAN CHUTNEY on the impugned label, SCHEZWAN CHUTNEY represented in two lines in white lettering on the colour combination of orange and red, and placement and arrangement of all essential and descriptive elements, have been copied by the defendant.

17. The plaintiff asserts that during an online inquiry, the plaintiff also came across the defendant's page/listing on www.facebook.com. On perusal of the said listing, the plaintiff came across another impugned product 'SZECHUAN CHUTNEY' which is also virtually identical to the plaintiff's registered trade mark 'SCHEZWAN CHUTNEY'. The screenshots of the same are reproduced herein below:-

.

18. The plaintiff is aggrieved of the fact that the defendant did not take the effort to produce its own marketing and advertising content and has instead slavishly copied the plaintiff's advertising material which is the copyrighted content of the plaintiff.

19. The plaintiff asserts that the adoption of the mark "SCHEZWAN CHUTNEY or SZECHUAN CHUTNEY" amounts to infringement of the plaintiff's registered trade mark. The plaintiff further asserts that the defendant is guilty of passing off the goods as that of the plaintiff's.

CASE OF THE DEFENDANT

20. The defendant asserts that it is engaged in the business of manufacture and sale of food products such as jams, culinary sauces, Chinese sauces, mayonnaise, pickles, etc.

21. The defendant submits that the defendant's products are sold under the mark "MRS. FOODRITE", "MEAL TIME" and "MRS. RITE SPICE". The defendant also has applied for and obtained trade mark registrations for the same in various classes, details of which have been provided in paragraph 20 of the Written Statement.

22. The defendant asserts that it launched its Schezwan Chutney products under its mark "MRS. FOODRITE" in the year 2016 and has been using the same continuously and uninterruptedly ever since. The defendant states that the Schezwan Chutney is prepared to suit the Indian taste, and has similar characteristics with Sichuan/Schezwan/Szechuan style/ cuisine and has a flavour dominated by ginger and garlic along with the spiciness imparted by the liberal use of chillies as per the Schezwan/Sichuan cuisine, apart from use of other

ingredients typical of such cuisine such as soyabean oil, soya sauce, etc.

23. The defendant asserts that it has invested huge amount of financial and human resources in marketing and promoting its Schezwan Chutney under its mark. As a result of such long, continuous, and extensive commercial use, coupled with aggressive brand promotion, the chutney of the defendant under the mark has been able to acquire goodwill and reputation amongst the members of the trade and public at large.

24. The defendant states that the defendant has a good sales turnover in its Schezwan Chutney products, details whereof have been provided in paragraph 22 of the Written Statement.

25. The defendant further asserts that the plaintiff cannot claim any exclusive right to the mark 'SCHEZWAN CHUTNEY' as it is devoid of any distinctive character and is descriptive of the kind, quality, character, and geographical origin of the goods sold. The defendant, in effect, pleads that the plaintiff has wrongly been granted registration in the said mark.

26. On claim of passing off, it is pleaded that the competing goods are distinguished by their respective trademarks which are "CHING'S SECRET" of the plaintiff and "MRS. FOODRITE" of the Defendant. The defendant asserts that there are third parties also selling their products under the mark "SCHEZWAN CHUTNEY".

SUBMISSIONS ON BEHALF OF THE PLAINTIFF

27. Mr.Rajiv Nayar, the learned senior counsel for the plaintiff, while reiterating the averments of the plaint, submits that the plaintiff possesses the proprietary rights in the unique combination of the words 'SCHEZWAN CHUTNEY' as a whole, which has been arbitrarily coined by the plaintiff. There is no dictionary meaning of the combination of the two words 'SCHEZWAN' and 'CHUTNEY'. The said mark was coined by the plaintiff in the year 2012, whereas the defendant is claiming user since 2016. The plaintiff submits that the plaintiff had already used the mark for over four years and had already invested more than Rs. 85 Crores in promotion of the said trade mark and has sales of over Rs. 77 Crores. The plaintiff had already acquired a reputation and goodwill in the said trade mark. He further submits that the plaintiff is the prior adopter of the combination of the mark 'SCHEZWAN CHUTNEY' and has acquired distinctiveness and secondary meaning in the trade. In support, he places reliance on the judgements passed by this Court in Ishi Khosla v. Anil Aggarwal, 2007 SCC OnLine Del 126; Living Media India Limited v. Jitender V Jain & Anr, 2002 SCC OnLine Del 605 and Natures Essence Private Limited v. Protogreen Retail Solutions Private Limited and Others, 2021 SCC OnLine Del 1538.

28. He further submits that merely because the plaintiff also uses its house mark 'CHING'S' along with the mark 'SCHEZWAN CHUTNEY', while the defendant uses its house mark 'MRS. FOODRITE', cannot be sufficient to defeat plaintiff's claim of

infringement or passing off. In support he places reliance on Meher Distilleries Private Ltd. v. SG Worldwide Inc & Anr., 2021 SCC OnLine Bom 2233; Mother Sparsh Baby Care Pvt. Ltd. v. Aayush Gupta & Ors., 2022 SCC OnLine Del 1061; Hem Corporation Pvt. Ltd. v. ITC Ltd., MANU/MH/0535/2012; Kishore Kumar v. L. Chuni Lal Kidarnath & Anr., 2010 SCC OnLine Del 91; and Colorbar Cosmetics Private Limited v. Faces Cosmetics India Private Limited & Ors., 2022 SCC OnLine Del 1760.

29. On the plea of the defendant that the trade mark of the plaintiff was wrongfully registered as the proper procedure was not followed or because the mark is otherwise descriptive in nature, the learned senior counsel for the plaintiff submits that the trademark of the plaintiff has been rightly registered. He submits that such registration must be given effect to and it is not sufficient for the defendant to show that it has an arguable case in support of invalidity of the registration; heavy burden is placed on the defendant to question the validity of registration and to rebut the presumption at the interlocutory stage. In support of his submission, he places reliance on Sky Enterprise Pvt. Ltd. v. Abaad Masala & Co., 2020 SCC OnLine Bom 750. He submits that as the mark of the plaintiff stands registered, injunction must follow. In support, he places reliance on Midas Hygiene Industries (P) Ltd. v. Sudhir Bhatia & Ors., (2004) 3 SCC 90.

30. He further submits that merely because others are also using the impugned mark, cannot act as a defence to the infringer of the mark. He places reliance on the judgment of this Court in Pankaj Goel v. Dabur India Ltd., 2008 SCC OnLine Del 1744. He submits that even otherwise the plaintiff has been taking successful legal action against such third parties.

31. He further submits that the defendant has adopted the mark of the plaintiff dishonestly and is, therefore, not entitled to be heard in defence to such adoption or user. In support, he places reliance on B.K. Engineering Co. v. UBHI Enterprises (Regd.) & Anr., ILR (1985) 1 Delhi 525.

SUBMISSIONS ON BEHALF OF THE DEFENDANT

32. On the other hand, Mr. Hemant Singh, the learned counsel for the defendant, submits that Schezwan Chutney is descriptive of the product, and that the plaintiff itself has used 'Schezwan Chutney' as a description of flavour for its 'Chutney'. He submits that 'SCHEZWAN CHUTNEY' conveys the meaning of "what the product is" whereas 'CHING'S SECRET' is the brand which conveys "where the product comes from". He submits that such descriptive use by the plaintiff is incapable of conferring any proprietary right on the plaintiff in law irrespective of whatever has been the period and volume of such use or its registration.

33. He submits that the plaintiff's Trade Mark Application no. 2431850 for Schezwan Chutney as a mark in class 29 has been rejected by the Registrar of Trade Marks vide order dated 29.03.2016. Hence, if "Schezwan Chutney" is not registrable for goods under Class 29, then the same is surely not registrable for goods under Class 30, thus making the registration invalid. In support he places

reliance on 'McCarthy on Trade Marks and Unfair Competition- Third Edition'; The Gillette Company vs. A.K. Stationery and Ors., 2001 PTC 513 (Del); Marico Limited vs. Agro Tech Foods Limited, 2010 (44) PTC 736 (Del); Johnson and Johnson and Anr v. Christine Haden India (P.) Ltd. and Anr. AIR 1988 Delhi 249; McCain International Limited v. Country Fair Foods Limited and Anr, (1981) R.P.C 69; ITC Limited v. Nestle India Limited, 2020 SCC OnLine Mad 5457; and Horlick's Malted Milk Company v. Summerskill, (1917) XXXIV Supp. R.P.C. 63.

34. He submits that as the defendant is using the impugned mark SCHEZWAN CHUTNEY in a descriptive manner, it would also be entitled to the protection of Section 30(2)(a) and Section 35 of the Act against any action of infringement. In support of the above averments, the defendant lays reliance on the judgements passed by this Court in Marico Limited (supra); Nestle India Limited v. Mood Hospitality Private Limited, 2010 (42) PTC 514 (Del); and Johnson and Johnson (supra).

35. He further submits that the defendant has been using 'Schezwan Chutney' as a product descriptor since 2016 along with its trade mark "MRS. FOODRITE", therefore, the present suit filed by the plaintiff is hit by a gross delay.

36. The learned counsel for the defendant submits that the online records of the Trade Marks Registry pertaining to the plaintiff's trade mark registration no. 2341851 in Class 30 reveals that the plaintiff has been wrongly granted the registration of the trademark. He submits that an Examination Report dated 23.06.2014 was issued by the Trade Mark Registry, with the objection of the mark being devoid of any distinctive character. The plaintiff did not file its response to the Examination Report, which resulted in the Trade Mark Registry passing an order dated 29.03.2016, treating the application as abandoned. Pursuant to the order, the plaintiff submitted a letter dated 25.04.2016, requesting the Registry to reinstate the application asserting that the plaintiff had not received the Examination Report. The application, though was restored pursuant to an order passed in a Writ Petition filed by the plaintiff, the objection in the Examination Report was not answered by the plaintiff. Without such response, the trade mark application was wrongfully published in Trade Marks Journal dated 09.01.2017, and was granted registration on 01.06.2017. He submits that the grant of the registration of the mark SCHEZWAN CHUTNEY is invalid, improper, and contrary to the law.

AD-INTERIM ORDER:

37. This Court, on the first date of hearing of the Suit and the present application, that is on 16.09.2020, declined the grant of an ad interim order of injunction against the defendant from using the mark 'SCHEZWAN CHUTNEY', while at the same time, restraining the defendant from using the similar trade dress, packaging, as also reproducing, adopting or imitating the original works of the plaintiff in respect of its marketing and advertising content. The Court observed as under:

12. By IA 8147/2020 under Order XXXIX Rule 1 and 2 CPC, the plaintiff seeks ad-interim injunction not only against the mark SCHEZWAN CHUTNEY but also the trade dress/packaging and the reproduction, imitation, copying, adopting of the original work of the plaintiff used as its marketing and advertising content. Based on the documents placed on record and the arguments of the parties, this Court is of the considered opinion that the SCHEZWAN CHUTNEY is a descriptive term and the same has been used by the defendant along with its trademark Mrs.Foodrite whereas the plaintiff is also using the mark SCHEZWAN CHUTNEY along with CHING'S i.e., CHING'S SCHEZWAN CHUTNEY. The defendant has placed on record material to show that even prior to the plaintiff adopting the descriptive term SCHEZWAN CHUTNEY, there were others who had adopted the said mark and is thus not a coined mark. Defendant has also placed on record documents to show that number of other entities are also selling Schezwan Chutney with their marks. Thus, this Court is of the prima facie opinion that no case is made out for grant of an ad-interim injunction in respect of the mark 'SCHEZWAN CHUTNEY'. However, since the plea of the plaintiff is that there is a similarity of the trade dress, get up and SCHEZWAN CHUTNEY has been written in a highlighted manner so as to form a prominent label mark in red colour and that the defendant has also reproduced and copied its original works for marketing and advertising contents, this Court deems it fit to grant an ad-interim injunction in terms of prayer (ii) and (iii) of para 67(A) of the application in respect of the trade dress/packaging as also reproduction, adoption and imitation of the original works of the plaintiff in respect of its marketing and advertising contents."

(Emphasis supplied)

ANALYSIS AND FINDINGS:

38. I have considered the submissions made by the learned counsels for the parties.

39. The first question to be determined for the present application is whether the mark 'SCHEZWAN CHUTNEY' is descriptive of the product in question. In this regard, the plaintiff's own pleadings may become important. Though the plaintiff states that its mark 'SCHEZWAN CHUTNEY' is a coined and invented trade mark, which is inherently distinctive of the plaintiff and that it has created a whole new cuisine in India of 'Desi Chinese', which is a fusion of Indian and Chinese flavours, the plaintiff also explains the concept behind the adoption of the above mark as a combination of 'SZECHUAN' and 'CHUTNEY'. The plaintiff states that the 'SZECHUAN' is a province of South-West China, known for its bold flavours, particularly the pungency and spiciness resulting from the use of the garlic and chilli peppers; 'CHUTNEY' is a spicy condiment of Indian origin, made of fruits or vegetables with vinegar, spices and sugar. Paragraph 10 to 12 of the plaint are worthy of a note, and are reproduced hereunder:-

"10. Over the years, the Plaintiff has been constantly studying consumer tastes

and preferences and has developed several innovative products. The Plaintiff bridges international cuisines with local flavours and offers global foods and food ingredients with local appeal. As a result of constant innovation, the Plaintiff created a whole new cuisine in India - 'Desi Chinese' which is a fusion of Indian and Chinese flavours. The Plaintiff is the first to identify and create the unique cuisine of Desi Chinese that is native to India and universally loved across various countries. Catering to the ever-growing demand for Desi Chinese, the Plaintiff manufactures and offers an array of food products created by Master Chefs with sophisticated manufacturing facility. Today, the Plaintiff's products are synonymous with the cuisine Desi Chinese in India and across the globe.

11. The Plaintiff is recognized as the leading provider of Desi Chinese cuisine and food ingredients, and one of the most famous products offered by the Plaintiff is SCHEZWAN CHUTNEY which is exclusively and strongly associated with the Plaintiff and no one else.

12. As a part of its product innovation in the Desi Chinese cuisine, in or around the year 2012, the Plaintiff introduced a dip and spread based product under the earlier trade mark SCHEZWAN CHUTNEY. The Plaintiff submits that the trade mark SCHEZWAN CHUTNEY is an invented and coined trade mark which was first conceived and used by the Plaintiff in July 2012 in relation to dips and spreads. The earlier trade mark SCHEZWAN CHUTNEY has been uniquely conceived from "Szechuan" and "Chutney". "SZECHUAN" is a province of southwest China which is known for bold flavours, particularly the pungency and spiciness resulting from the use of garlic and chili peppers. "CHUTNEY" is a spicy condiment of Indian origin, made of fruits or vegetables with vinegar, spices, and sugar. Accordingly, the unique and arbitrary combination of the words SCHEZWAN and CHUTNEY makes SCHEZWAN CHUTNEY a coined and invented trade mark which is inherently distinctive of the Plaintiff. Thus, the Plaintiff is the first and original adopter and user of the trade mark SCHEZWAN CHUTNEY."

40. In *McCarthy on Trademarks*, the learned author explains the spectrum of distinctiveness of marks as: 'inherently distinctive'; 'non-inherently distinctive'; and marks with 'no distinctiveness'. The learned author places the 'suggestive' marks in the category of 'inherently distinctive marks'; while descriptive marks in 'non-inherently distinctive marks', for which secondary meaning is required. The learned author states that the placement on the spectrum of distinctiveness does not end the inquiry as to the strength of a mark: it is only the first step; the second step is to determine the strength of this mark in the market place. The categorization of a term on the spectrum of distinctiveness is a factual issue. The learned author further states that the most popular test with the Court is the 'Imagination Test'. The more imagination that is required on the customer's part to get some direct description of the product from the term, the more likely the term is 'suggestive', not 'descriptive'. A descriptive term directly and clearly conveys information about the ingredients, qualities or characteristics of the product or service, whereas the 'suggestive' term only indirectly suggests these

things. Thus, if one must exercise a reasoning process to determine attributes of the product or service, the term is suggestive not descriptive. If the mental link between the word and the product's attributes is not almost instantaneous, this strongly indicates suggestive and not direct descriptiveness. The second test suggested by the learned author is "The Competitors' Need Test", that is, is the word or words likely to be needed by the competitive sellers to describe their goods? If the answer is in the positive, then the word/words are descriptive, otherwise they may just be suggestive.

41. The learned author further states that the name of a thing cannot identify a source and is, therefore, the very antithesis of a mark. There is usually no one, single and exclusive generic name for a product. The existence of synonyms for a term does not mean the term is not generic. The learned author further goes on to state as under:

"12.01(1): The name of the product or service itself – what it is – is the very antithesis of a mark. In short, a generic name of a product can never function as a trademark to indicate origin. The terms "generic" and "trademark" are mutually exclusive. As noted previously, the function of a mark is to identify and distinguish the goods or services of one seller from those sold by all others.

A mark answers the buyer's questions "Who are you? Where do you come from?" "Who vouches for you?" But the name of the product answers the question "What are you?" Many competitive products will give the same answer, regardless of source of origin – e.g., a computer, a box of cigars, a bar of soap. Such generic designations tell the buyer what the product is, not where it came from. If the public chooses to call a product "Thermos" bottle rather than a "THERMOS brand vacuum insulated bottle" then "Thermos" is not serving as a mark – it is used as a generic name, regardless of the producer's intentions.

xxxxx

The concepts of "generic name" and "trademark" are mutually exclusive. Thus, if, in fact, a given term is "generic", it can never function as a mark to identify and distinguish the products of only one seller. As the Seventh Circuit observed: "A generic term is one that is commonly used as the name of a kind of goods....Unlike a trademark, which identifies the source of a product, a generic term merely identifies the genus of which the particular product is a species."

42. In *Marico Ltd.* (supra), the Division Bench of this Court held that the mark 'LOW ABSORB' is not a coined word and at best is a combination of two popular English words, which are descriptive of the nature of the product. Such adoption naturally entails the risk that others in the field would also be entitled to use such phrase. Persons who are first of the blocks in using a trade mark which is a purely descriptive expression pertaining to the subject product ought to be discouraged from appropriating a descriptive expression or an expression which is more or less a descriptive expression as found in the English language for claiming the same to be an exclusive trade mark. A descriptive word mark bears

an indication to the product's kind, quality, use or characteristics, etc. When rights are claimed over a word mark as a trade mark and which word mark is, in fact, a mere tweak of a descriptive word indicative of the kind, quality, intended purpose or other characteristics of the goods, it is not open to urge that although the respondent is using the descriptive word mark, in fact, only as a part of sentence as a description even in itself along with another independent trade mark, yet the use of descriptive words are to be enjoined against.

43. I need not multiply the authorities on the above proposition of law.

44. As is evident from the pleadings of the plaintiff itself, the mark in question - 'SCHEZWAN CHUTNEY', in effect, depicts a 'Chutney' (sauce) which has a 'SCHEZWAN' flavour. There is not much imagination required to get to the description of the product itself, that is, a sauce with Schezwan flavour. As rightly contended by the learned counsel for the defendant, if protection is to be granted to such a mark then there is no reason why such protection be also not granted to 'Tamarind Chutney' or 'Tomato Chutney', as they are also combinations of words in English and Hindi. The words- 'SCHEZWAN CHUTNEY' also satisfies the second test suggested by McCarthy, which is "The Competitors' Need Test". The competitors are likely to use these two words to describe their product, and, in fact, as suggested by the learned counsel for the defendant, do indeed describe their product using the said words.

45. In this regard, the learned counsel for the defendant has also drawn my attention to the advertisements of the plaintiff itself to submit that the plaintiff also uses the mark more in a descriptive sense. These advertisements are reproduced hereinbelow:

.

46. The learned counsel for the defendant has further drawn my attention to various other manufacturers who use 'SCHEZWAN CHUTNEY' or 'SZECHUAN CHUTNEY' as a product descriptor rather than as a trade mark. The photographs of these products are reproduced hereinbelow:

47. Though the learned senior counsel for the plaintiff has correctly, relying upon the judgment of this Court in Pankaj Goel (supra), submitted that merely because others are infringing the rights of the plaintiffs, it would not act as a protection to the defendant, at the same time, the extensive use of the mark 'SCHEZWAN CHUTNEY' or 'SZECHUAN CHUTNEY' by other manufacturers indicates that the industry recognizes the said mark as a description of the product. The submission of the learned senior counsel for the plaintiff that the plaintiff has taken legal action against certain third parties and there are certain orders of injunction also passed in its favour, also cannot have a bearing on the outcome of the present application. It is not the case of the plaintiff that these orders are final adjudication of its claims or bind this Court or the defendant in any manner.

48. In *Ishi Khosla (supra)*, the Court found that the goods marketed by the plaintiff do not subscribe to the dictionary meaning of the word 'Whole Foods'; on the contrary, the plaintiff therein was dealing not only in natural foods but also marketing products like roasted namkeen and even bakery food items, which were not covered by the ordinary meaning of the word 'Whole Foods'. The Court, therefore, found that the products marketed by the plaintiff cannot be said to be descriptive of the meaning of English words 'Whole Foods'.

49. In *Living Media India Limited (supra)*, the Court held that the mark 'AAJ TAK' had acquired distinctiveness due to its prior long, continuous and regular use. Though in the present case also, the plaintiff has sought to urge that by its long usage, the mark 'SCHEZWAN CHUTNEY' has acquired a secondary meaning and distinctiveness, in my opinion, the same would require to be considered on evidence being led by the parties. Mere sale figures may not be an adequate yardstick to determine whether the mark, though descriptive in nature, has acquired a secondary meaning by its usage by the plaintiff. Reference in this regard may be placed on the judgement of the Division Bench of this Court in *IHHR Hospitality Pvt. Ltd v. Bestech India Pvt Ltd.*, 2012 SCC OnLine Del 2713, wherein it has been held as under:

"9. The appellant has chosen to obtain registration of a word, as its trademark, which is not only public juris but is a word which is closely associated by the large mass of people in India as indicative of, in relation to an abode : a place of peace where the mind, the body and the soul can relax and rejuvenate.

10. Being the registered proprietor of the trademark 'Ananda', the appellant would have to show, prima facie evidence that so strong in the public mind is the mark linked, with reference to it having achieved secondary distinctiveness, that upon seeing mark 'Ananda' in relation to an abode, it immediately brings to mind the appellant. This would require prima facie evidence wherefrom a view could be taken that the word 'Ananda' reminds the consumer, without any further prompting, that the product is that of the appellant.

11. Now, sales of Rs. 200 crores spread over 10 years would prima facie be insufficient evidence to establish that the word 'Ananda', in relation to an abode, has acquired such secondary meaning that an ordinary consumer, without thinking any more, would automatically conclude every abode with the appellant.

xxxx

13. We simply highlight the fact that the word 'Ananda' is a word which is public juris. In relation to abodes, it signifies joy, bliss and happiness. The sales of the appellant in sum of Rs. 200 crores spread over 10 years have rightly been opined by the learned Single Judge to not be indicative of a distinctiveness of the word being linked to the appellant."

50. In *People Interactive (India) Private limited v. Vivek Pahwa.*, 2016 SCC OnLine Bom 7351, the High Court of Bombay, in relation to a claim of a mark

having acquired a secondary meaning, has held as under:

"15. That takes us directly to the question of 'secondary meaning' or 'secondary significance'. When does an expression acquire a 'secondary meaning' and how does it acquire it? Again, this is a phrase much bandied about, and I do believe we need to pause to consider what is meant by all this. What do we mean when we say that an expression has 'acquired a secondary meaning'? This must necessarily mean that the primary meaning of the expression, the one with which it began, has been lost. It is left behind. The expression no longer means what it once did. It has assumed a new avatar. It has transcended its original connotation and now references exclusively in the public mind the claimant's products, goods or services, i.e., that there is an identification of the mark with the claimant rather than with the goods or services in and of themselves. The claim of a 'secondary meaning' posits a priori that the expression once had a more commonplace, ordinary meaning — this is the meaning that is now lost. In its first iteration, the expression found place lower on the Indchemie/Miller Brewing scale. It has since moved upward by acquiring a secondary meaning. That is the claim.

16. How is the acquisition of a secondary meaning to be shown or established? Does commercial success, even a high degree of success, always result in the acquisition of a 'secondary meaning'? I do not believe this can be so. There is no presumption of secondary meaning acquisition. That needs proof; and the proof must be of uninterrupted use of considerable longevity without a competitor attempting to use it. When a person uses a common phrase, he runs the risk that others might also use the same expression or another very like it. In *British Vacuum Cleaner Company Limited v. New Vacuum Cleaner Company Limited*, on which Dr. Tulzapurkar relies, Parker J held that there is a distinction between ordinary descriptive words and a 'fancy word', one that does not primarily relate to the article, but perhaps to the person manufacturing it. There can be no restraint against the use of general words. The decision in *Office Cleaning Services Ltd. v. Westminster Window and General Cleaners Ltd.*, too, supports Dr. Tulzapurkar's contention. The expression in dispute was 'office cleaning'. The appellants claimed the expression was identified with their business to such an extent that any other traders who wished to use the expression as part of their trade name would have to differentiate it. Simons J held that where a trader adopts words in common use for his trade name, some risk of confusion is inevitable. But that risk must be run, or else the first user would be allowed to unfairly monopolise the words. In matters of this nature, courts accept even the smallest differences sufficient to avert confusion.

17. As to this question of risk of similar use by others, the material on record is, in my view, against the Plaintiff. Annexed to the Affidavit in Reply is a very long list of rival or competing marks, at various stages. All use the word shaadi in some form or the other. Many are opposed by the Plaintiff. Several use the name of a community before the word shaadi (agarwalshaadi, konkanishaadi,

patelshaadi and so on). I do not think Mr. Khandekar's response is of much use; he says that the Plaintiff has obtained domain name registrations for a very large number of variants. This is hardly evidence of exclusivity. In fact, it points to the contrary, viz., that others have, and continue to, use the word shaadi almost at will. The Affidavit in Rejoinder does not further matters when it says that many of these users have been issued cease-and-desist notices by the Plaintiff. The fact is that there are many ventures, including online ones, that use the word 'shaadi' as part of their corporate or trading name or as their domain names. Paragraph 12 of the Affidavit in Rejoinder tabulates companies that use the word 'shaadi' in their names. I do not think it is at all possible for a claimant to say that there are no competitors or rival users because the claimant has moved against or restricted virtually every rival user. The test in such cases must be whether rivals have attempted to use the same commonly descriptive or generic (class 1) expression. If it is shown that they have, then the claims to exclusivity and to a secondary meaning must both fail. This is axiomatic: these rival uses show non-exclusivity, and establish that there are indeed many who use the word. This is precisely the risk the law says an adopter of a generic or commonly descriptive expression must expect to suffer. The test of exclusivity, an essential ingredient of the claim based on a 'secondary meaning' can hardly be said to be satisfied.

18. Exclusivity claims based on secondary meaning acquisition must be established by cogent material. References to sales and promotional expenses may be used to establish the acquisition of reputation and goodwill, i.e., to show the popularity of a mark. Mere use and statements of sales and expenses do not, of their own, establish the acquisition of a secondary meaning. That proof is always required of goods or services in the second category, 'merely descriptive' expressions; for these are not ordinarily registrable without such proof. That proof must be directed to establishing that the 'merely descriptive' expression in question is now firmly established in the public imagination with the claimant and its goods and services. High sales and expenses will not do; the claimant must show from carefully neutralized market surveys, etc., that this is indeed how the public perceives the mark — not as a mere description, but a pointed reference to the origin, viz., the claimant. Use itself does not establish distinctiveness. The extent to which a mark has lost its primary meaning and the extent to which it has acquired a secondary one are conclusions to be drawn from evidence. That evidence, showing the displacement of the primary meaning by the secondary meaning, must be of the members of the public as well, not merely those specially placed to attest to its uniqueness."

51. In Natures Essence Pvt. Ltd. (supra), the Court found the defendants mark therein to be visually and phonetically deceptively similar to the plaintiff's mark. It further held that merely because the word 'nature' is descriptive, it cannot be said that its combination with other words like 'Inc.' or 'Essence' would not make the mark distinctive. In the present case, in my prima facie opinion, the combination of the two words does not take away the descriptive nature of the

words as they still continue to describe the nature and quality of the product in question. In fact, it is together that they become descriptive.

52. I may also note that from the advertisement campaigns adverted to by the plaintiff in the plaint, it appears that the words 'SCHEZWAN CHUTNEY', though used prominently, are used by the plaintiff to describe the product, and the mark which identifies its source is, in fact, 'Ching's Secret'. Though the learned senior counsel for the plaintiff submitted that the mere use of the house mark by the parties, in the present case 'Ching's' for the plaintiff and 'MRS. FOODRITE' for the defendant, is not sufficient to defeat the plaintiff's claim of infringement or passing off, in my opinion, it is use of these house marks that distinguish the source of the goods, while the words 'SCHEZUAN CHUTNEY' identifies the nature of the product.

53. In Mother Sparsh Baby Care Pvt. Ltd. (supra), the Court found that the defendant itself was using the mark as a trade mark and not as a description of the product, and had even applied for seeking registration of the said mark. The Court held that such conduct itself estopped the defendants from claiming the mark to be descriptive of the product. The same cannot, however, be said for the defendant herein.

54. In Meher Distilleries Pvt. Ltd. (supra), the High Court of Bombay found that the mark 'AS?VA' was not descriptive of the product and was used in aid of distinguishing the goods in question. It was in that light that the High Court of Bombay further held that merely because the defendant no.2 therein was using 'Rampur' along with the mark in question, it could not be said that they constitute one mark. The said judgment would, therefore, have no application to the facts of the present case.

55. In Hem Corporation Pvt. Ltd. (supra), the plaintiff therein was the registered proprietor of the marks 'MADHUR GULAB', 'MADHUR' and the word 'MADHUR' written in devanagari script. The defendant therein was using the word 'Madhur', though claiming it as a description of the characteristic of the product. The Court, however, found that the use of the said mark by the defendant was as a trade mark and not merely as description of the product. The said judgment is, therefore, distinguishable on facts.

56. In Kishore Kumar (supra), the Court found that the plaintiff therein has established special elements to show its prior adoption, user, and registration and, therefore, was entitled to grant of an injunction. The said judgment therefore, was on the peculiar facts of that case.

57. In Colorbar (supra), the Court found that the defendant therein had applied for registration of the same mark and therefore, was estopped from claiming it to be descriptive in nature. As noted hereinabove, the said disqualification does not attract to the defendant herein.

58. This now brings me to the rights claimed by the plaintiff on account of the

registration of the subject mark: 'SCHEZWAN CHUTNEY'. Apart from the fact that such registration is in challenge by not only the defendant herein but also third parties, once the Court prima facie finds that the mark is descriptive of the quality and intended purpose of the goods, the defendant would be entitled to seek protection against an action of infringement by placing reliance on Section 30(2)(a) and Section 35 of the Act, which are reproduced hereinbelow.

Section 30(2)(a) and Section 35

"Section 30. Limits on effect of registered trade mark.

(2) A registered trade mark is not infringed where--

(a) the use in relation to goods or services indicates the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services or other characteristics of goods or services;

xxxx

Section 35. Saving for use of name, address or description of goods or services.

Nothing in this Act shall entitle the proprietor or a registered user of a registered trade mark to interfere with any bona fide use by a person of his own name or that of his place of business, or of the name, or of the name of the place of business, of any of his predecessors in business, or the use by any person of any bona fide description of the character or quality of his goods or services."

59. This Court in Marico Ltd. (supra) held that while considering an application seeking an ad interim protection, the Court may look into the aspect of the prima facie validity of the registration of the trade mark. The Court further held as under:

"19. Our conclusion is that we have in fact totally failed to appreciate the argument as raised on behalf of the appellant. Surely, when rights are claimed over a word mark as a trademark and which word mark is in fact a mere tweak of a descriptive word indicative of the kind, quality, intended purpose or other characteristics of the goods, it is not open to urge that although the respondent is using the descriptive word mark in fact only as a part of sentence as a description (and even assuming for the sake of argument only the descriptive word mark in itself) alongwith another independent trademark, yet the use of descriptive words are to be enjoined against. How can it at all be argued that though the respondent is in fact shown to be using the disputed word(s) only with a descriptive intendment, yet, such use should be taken not in a descriptive manner but as a trademark. If we permit such an argument to prevail then what will happen is that what cannot be directly done will be indirectly done i.e., whereas the appellant is not entitled to succeed in the infringement action because the use by the respondent is in furtherance of its statutory rights of the user of the words which are descriptive of the kind, quality, intended purpose or characteristic of the goods, yet, merely because the appellant states that the

respondent is using the same as a trademark, the same should be taken as infringement of the trademark of the appellant. Not only the plaintiff has no exclusive rights whatsoever to the trademarks because they are such which fall within the mischief of Section 30(2)(a), the respondent/defendant is always fully justified and entitled to use the descriptive words in any and every manner that it so chooses and pleases to do. If there are no rights of the plaintiff to exclusive user of the trademark then where does arise the question of disentitlement of a defendant to use the trademark of the appellant inasmuch as any person who adopts a descriptive word mark does so at its own peril in that any other person will also be fully entitled to use the same in view of a specific statutory rights thereto, and there are various other statutory rights including that under Section 30(2) (a), and which is what is being done by the respondent in the facts of the present case and its rights being further stronger because of the use alongwith the simultaneous use of its trademark "Sundrop".

In the facts and circumstances of the present case, Section 30(2)(a) clearly applies in entitling the respondent to use the expression "WITH LOW ABSORB TECHNOLOGY" because that is only a descriptive use by normal English words in the English language indicative of the kind, quality, intended purpose of characteristic of the goods. There is no use of the expression "bonafide" in Section 30(2)(a) as is found in Section 35, and we do not propose to import in Section 30(2)(a) the expression "bonafide" because the subject matters of the two Sections i.e. Section 32(a) and Section 35 are though common on certain limited aspects, however the two sections do in fact operate in separate fields. Also looking at the issue in another way, "bonafide" aspect can in a way be said to be very much included in Section 30(2)(a) because the use of words which indicate their relation to the goods for the kind, quality, intended purpose or other characteristics etc. of the goods, is clearly only a bonafide user of the same and which "bonafideness" does not have to be additionally proved. In fact, there is ordinarily not only no lack of bonafides in using the normal descriptive word, and on the contrary there is in fact malafides of a plaintiff in adopting otherwise a descriptive word mark and for which adaption there is ordinarily an absolute ground for refusal of registration of the trademark. There is no malafides of the respondent as alleged by the appellant because the respondent is using the expression "LOW ABSORB" as part of a sentence in a descriptive manner and the respondent is also prominently using its own trademark "Sundrop", an aspect we have repeatedly referred to otherwise in this judgment. Merely because the respondent used "TM" earlier after the expression "LOW ABSORB TECHNOLOGY" is not such as to wipe out statutory rights/defences of the respondent.

We are also of the opinion that once the person, against whom a suit is filed on the ground of infringement of a trademark which is in fact a descriptive word, then, if a defendant is using his own word mark as a trademark prominently in addition to the descriptive word mark which the plaintiff claims to be his trademark, nothing further is required to show the bonafides of the defendant against whom infringement of a registered trademark is alleged. In the facts of

the present case, we have already adverted to in detail the prominent use by the respondent of its independent trademark "Sundrop", and, the fact that the expression "LOW ABSORB" is being used only as part of the sentence which reads "WITH LOW ABSORB TECHNOLOGY".

60. The Court further held as under:

"21. The following conclusions thus emerge:-

(i) A mark which is sought to be used as a trade mark, if, is one falling under Section 9(1)(a) to (c), then the same ordinarily ought not to be afforded protection as a trade mark.

(ii) Before the marks which fall under Section 9(1) (a) to (c) are given protection as a trade mark, the distinctiveness must of an undisturbed user of a very large/ considerable number of years, with the emphasis being on discouragement on appropriation of such marks which fall under Section 9(1) (a) to (c).

(iii) A civil court in a suit filed for infringement of a registered trade mark is entitled (if there is no earlier judgment which has achieved finality in cancellation proceedings) to consider the validity of registration for the purpose of passing an interlocutory order including of grant or refusal of an interim injunction- once the objection as to invalidity of registration is taken up in the pleading/written statement.

(iv) A trademark which falls under Section 9(1) (a) to (c) cannot be registered on proposed to be used basis. Evidence on distinctiveness with respect to trade marks falling under Section 9(1) (a) to (c) should be the evidence of user evidencing distinctiveness as on the date of application for registration or at the best of evidence up to the date of registration.

(v) In infringement actions the court is entitled to consider the evidence of distinctiveness up to the date of registration for the purpose of passing any interlocutory order and not evidence showing distinctiveness post registration. However, in cancellation proceedings evidence of distinctiveness post registration of the trade mark can also be considered.

(vi) Even if there is finality to registration of a trade mark, yet the defendant in infringement action can take statutory defences under Sections 30 to 35 to defeat the infringement action."

61. At the present stage, it cannot be held that the adoption of the mark 'SCHEZWAN CHUTNEY' by the defendant is dishonest, thereby disentitling the defendant from the protection against a claim of infringement. The judgment of this Court in B.K. Engineering Co. (supra) and of the Supreme Court in Midas Hygiene Industries (P) Ltd. (supra) would therefore, not be applicable to the facts of the present case.

RELIEF:

62. In view of the above, the claim of the plaintiff for grant of an interim injunction against the defendant from using the mark 'SCHEZWAN CHUTNEY' or 'SZECHUAN CHUTNEY' is rejected. However, the ad interim order dated 16.09.2020 is made absolute and shall operate during the pendency of the present suit.

63. It is clarified that any observation made by this Court in this order is only prima facie in nature and shall not influence or be binding on this Court while considering the Suit on its merit.

64. The application is disposed of in the above terms.

CS(COMM) 379/2020

65. List for completion of pleadings before the learned Joint Registrar (Judicial) on 13th March, 2023.