
(2014) 05 DEL CK 0036
In the Delhi High Court
Case No : CS(OS) 253/2012

Jockey International Inc and Another APPELLANT
Vs
R. Chandra Mohan and Others RESPONDENT

Date of Decision : 13-05-2014

Acts Referred:

Civil Procedure Code, 1908 (CPC) — Order 23 Rule 3
Trade Marks Act, 1999 — Section 2(1)(h), 2(zg), 29(1), 29(2)

Citation : (2014) 211 DLT 757 : (2014) 59 PTC 437

Hon'ble Judges : G.S. Sistani, J

Bench : Single Bench

Advocate : Nischal Anand, Advocate for the Appellant; Jaspreet Singh, Advocate for D-1 to D-3, Advocate for the Respondent

Judgement

G.S. Sistani, J.—Present suit has been filed by the plaintiff for infringement of trademark, passing off, dilution, tarnishment, unfair competition, damages and rendition of accounts. Summons were issued in the suit on 01.02.2012. On an application for appointment of Local Commissioner moved by the plaintiffs, two Local Commissioners were appointed in the matter. Summons were issued to defendant No. 6 on several dates and was finally served through publication. Despite service none appeared for defendant No. 6, consequently defendant No. 6 was proceeded ex parte on 20.03.2014.

2. On 06.05.2014, plaintiffs and defendants No. 4, 5 and 7 filed application under Order 23 Rule 3 CPC for recording of settlement. The suit was decreed against the defendants No. 4, 5 and 7 on 06.05.2014.

3. Learned counsel for defendants No. 1 to 3 submits that plaintiff and defendants No. 1 to 3 have arrived at an amicable settlement and pray that the present suit may be decreed. Counsel further submits that in terms of the settlement defendants No. 1 to 3 will pay Rs. 1.5 lakhs to the plaintiffs within two months from today.

4. Accordingly, suit stands decreed in favour of the plaintiffs and against defendants No. 1 to 3 in terms of the settlement.

5. Counsel for the plaintiffs prays for a decree against defendant No. 6.

6. Learned counsel for the plaintiff submits that the plaint is duly supported by the affidavit of plaintiff and, thus, the same should be read as an affidavit by way of evidence. Counsel further submits that documents have also been filed.

7. The plaint is duly supported by the affidavit of Mr. Mark S. Jaeger, Authorised Signatory of plaintiff No. 1. He has averred in the plaint that plaintiff No. 1, Jockey International Inc., is a company organized, registered and existing under the laws of Wisconsin, USA and is located at 2300 60th Street, P.O. Box 1417, Kenosha, Wisconsin 53141, USA. Plaintiff No. 2 is a company incorporated under the Companies Act, 1956 having its offices at Abbaiah Reddy Industrial Area, Jockey Campus, 6/2 & 6/4, Hongasandra, Begur Hobli, Bangalore-560068.

8. It has further been averred in the plaint that Plaintiff is one of the world's leading manufacturer, retailer and distributor of hosiery and underwear. The Plaintiffs predecessor in interest, Coopers Inc. was established way back in the year 1876 by Mr. Samuel T. Cooper for manufacturing hosiery items such as socks. In the year 1900, the Plaintiff started manufacturing undergarments, while it started manufacturing the world-renowned JOCKEY products in the year 1934. In the year 1972, Cooper Inc. changed its name to Jockey International Inc. It has also been averred in the plaint that today the Plaintiff is a global corporation active in more than 120 countries, marketing underwear, socks, thermals, sleepwear, activewear, sportswear, lounge wear, men's, women's and children's ranges. He has further averred in the plaint that plaintiff No. 2 is the exclusive licensee of Plaintiff No. 1 for manufacture and distribution of the JOCKEY brand Innerwear/Leisurewear for Men and Women in India, Sri Lanka, Bangladesh, Nepal and UAE.

9. In the plaint it has also been averred that the subject matter of the present suit is the Plaintiffs trademark JOCKEY which has been extensively used by the Plaintiff either by itself or through its exclusive licensees, such as Plaintiff No. 2, for various hosiery items including undergarments, both for men and women in India and around the world. It has further been averred that the trademark JOCKEY was adopted by the Plaintiff way back in the year 1934 for its goods such as briefs. The Plaintiff adopted the trademark JOCKEY for its briefs since the JOCKEY briefs provided support which was only available in jockstraps. The trademark JOCKEY is arbitrary for the goods to which it is applied and is distinctive of the Plaintiffs' products.

10. Mr. Mark has further averred in the plaint that since its adoption in the year 1934, the Plaintiff has continuously and extensively used the trademark JOCKEY and its variants such as JOCKEY SPORTS, JOCKEY COMFIES etc., inter alia, for innerwear, nightwear, sportswear, leisure wear, socks and thermals, both for men and women. The Plaintiffs goods under the trademark JOCKEY have been

manufactured, distributed and marketed in India through Plaintiff No. 2 since the year 1995.

11. It has further been averred in the plaint that the Plaintiff offers a wide range of products under the trademark JOCKEY worldwide through departmental and specialty stores along with the Plaintiffs proprietary retail stores. The Plaintiff, either by itself or through its exclusive licensee, such as Plaintiff No. 2, has a wide network of stores all over the world. The Plaintiff employs thousands of people worldwide. Plaintiff No. 2, which manufactures and distributes JOCKEY products in India, employs around 13,000 people with manufacturing operations spread over eight plants in Bangalore. It commands wide spread pan India distribution encompassing over 18,000 retail outlets in 1,100 cities and towns and has revolutionized the innerwear market by launching exclusive JOCKEY outlets across India numbering 65 as of March 2011.

12. As is evident from the expanse of the Plaintiffs business under the trademark JOCKEY, Mr. Mark has averred in the plaint that the Plaintiffs' JOCKEY products have become immensely popular among all classes of consumers. In addition to its substantial international reputation, the trademark JOCKEY enjoys significant reputation in India.

13. It has further been averred in the plaint that the Plaintiff has secured several registrations in India for the trademark JOCKEY and its variants in wide range of classes. It is noteworthy that the Plaintiff is the proprietor of the trademark JOCKEY in class 25. Following are some of the plaintiffs registrations in India, which have been detailed in the plaint:

14. It has also been averred in the plaint that JOCKEY forms an essential element of each of the abovementioned registrations and the above registrations confer exclusive rights to the Plaintiff to use the word JOCKEY for goods falling in class 25, including undergarments.

15. Further, the Plaintiff is the registered proprietor of the trademark JOCKEY as well as its variants in over 140 countries and territories. A list of the world wide registrations held by the Plaintiff for the trademark JOCKEY, for JOCKEY products and related retail store services has been filed along registration certificates of a few of the Plaintiffs' JOCKEY trademark registrations in India.

16. It has further been averred in the plaint that in the year 1935 the Plaintiffs JOCKEY briefs were an instant success owing to their unique design and on the day of its debut Chicago's popular Marshall Field & Company sold out its stock of 600 packages by noon and sold 12,000 units more in the following weeks. The Plaintiffs JOCKEY briefs proved so popular that over 30,000 pairs were sold within three months of their introduction.

17. Mr. Mark has further averred in the plaint that the impeccable and stellar reputation enjoyed by the trademark JOCKEY today is evidenced by the large volume of sales of the Plaintiffs' products under the trademark JOCKEY in India.

The sales figures for the year 2011 alone are in the range of Rs. 5,060,258,273. The sales units along with sales figures of the JOCKEY, which have been detailed in the plaint, read as under:

18. Mr. Mark has also averred in the plaint that in addition to tremendous sales of the products under the trademark JOCKEY, the Plaintiffs have spent large sums of money on marketing activities to promote and advertise the products under the trademark JOCKEY. The promotional expenditure incurred by plaintiff No. 2 for promotion of its JOCKEY products in India, which has been extracted in the plaint, reads as under:

19. The staggering figures quoted above clearly evidence the stellar reputation and the enormous goodwill enjoyed by the JOCKEY trademark in India.

20. It has further been averred in the plaint that apart from the Plaintiffs' promotional efforts, the Plaintiffs' JOCKEY products have frequently been covered by the international and the national media in India, including both print and visual media. Copies of such publications have been filed along with the plaint. Further, the Plaintiffs have often been conferred coveted awards and accolades owing to excellent quality of the JOCKEY products.

21. In addition to the above, the Plaintiffs have been extensively doing business through the internet and are owners of the domain names www.jockey.com, www.jockeyindia.com. The said websites are used for engagements in business on the internet and for providing extensive information about the Plaintiffs' JOCKEY products. Moreover, the Plaintiff is the owner of numerous other domain names featuring the trademark JOCKEY and its variants and said websites are operated either by Plaintiff or its exclusive licensees around the world.

22. In view of the above, it has been averred in the plaint that they have secured statutory rights as well as overwhelming common law rights in the trademark JOCKEY. On account of long, continuous, ubiquitous and widespread use and promotion of the trademark JOCKEY by the Plaintiffs for a wide variety of products as well as the stellar reputation and goodwill associated with the said trademark, it is averred in the plaint that the Plaintiffs' trademark JOCKEY is exclusively and solely associated with the Plaintiffs.

23. It has further been averred in the plaint that the Plaintiffs trademark JOCKEY has all the essentials of a well known trademark as defined u/s 2(zg) of the Trademarks Act, 1999. In view of the well known character of the trademark, it is submitted that the use of the trademark JOCKEY by any party for any goods or services is likely to indicate an association, connection or affiliation with the Plaintiffs.

24. Defendant No. 6, M/s. Vinayak Garments, is an entity involved in activities relating to manufacture of undergarments, including their packaging and labelling and operates from Vinayaka Garments, No-138, 4th Cross, Next to Matriculation School, Muthuvelappan Street, Pudupalayam Road, Pudupalayam,

Gobi, Erode District, Tamilnadu.-638452.

25. It has further been averred in the plaint that on or about November, 2011 and thereafter on or about January, 2012, the Plaintiffs learnt that defendant No. 3 has been using the mark JOCKEY and JOOKEY on elastics manufactured by them. The Plaintiffs instructed an investigation agency in order to better ascertain details of defendant No. 3's activities. The said investigations revealed the following:

- a. Defendant No. 3 is a partnership firm involved in the manufacture of elastics bearing the JOCKEY and JOOKEY marks.
- b. Defendant Nos. 4, 5 and 6 are clients of Defendant No. 3 and procure elastics from Defendant No. 3.
- c. Defendant Nos. 4, 5 and 6 use such elastics procured from Defendant No. 3 for the manufacture of finished undergarments and are also involved packaging and labelling of such undergarments.
- d. the Defendant Nos. 4, 5 and 6 offered to supply undergarments along with label, tag and packaging box bearing the JOCKEY mark.
- e. Defendant No. 6 had a ready stock of about 3000 pieces of undergarments bearing the JOCKEY mark.
- f. Defendant No. 5 had a ready stock of about 2500 pieces of undergarments bearing the JOCKEY mark.
- g. Defendant No. 3 is manufacturing elastics bearing "Ponni" which forms part of the name of Defendant No. 7.

26. An affidavit of the investigator of the said investigation agency is being filed in the present proceedings.

27. It has also been averred in the plaint that the defendants use the mark JOCKEY on their goods, which is identical to the Plaintiffs' trademark JOCKEY. The goods offered by the Defendants are identical to the goods offered by the Plaintiffs under their registered trademark JOCKEY. Further, the manner, style and font of the mark JOCKEY used by the Defendants are identical to the manner, style and font in which the Plaintiffs use their trademark JOCKEY on their goods. Plaintiff No. 1, being the registered proprietors of the trademark JOCKEY in various classes including Class 25, and Plaintiff No. 2, being the exclusive licensee in India, have the exclusive right to use the said trademark for the concerned goods (undergarments). It has also be. The Defendants' use of a mark identical to the Plaintiffs' well-known trademark JOCKEY for goods identical to the Plaintiffs' goods amounts to infringement of the Plaintiffs' statutory rights.

28. It is has also been averred in the plaint that the use of an identical mark JOCKEY by the Defendants is bound to cause confusion in the minds of the public and members of the trade. A prudent and reasonable person is bound to be

misled to believe that the Defendants' goods originate from the Plaintiffs or that Defendants have an association/relationship/sponsorship/affiliation/authorization or nexus with the Plaintiffs on account of the following factors:

- a. Defendants use an identical mark JOCKEY for goods identical to the Plaintiffs' goods (undergarments)
- b. The manner, style and font of the JOCKEY mark used by the Defendants are identical/deceptively similar to the manner, style and font in which the Plaintiffs use their JOCKEY trademark on their goods.
- c. The class of consumers catered to by the Defendants is likely to be identical to that of the Plaintiffs.

29. Further, the use of the impugned mark by the Defendants is a clear attempt by them of passing off their goods as those originating from or having association with the Plaintiffs, thereby violating the Plaintiffs' common law rights in the trademark JOCKEY. It is further averred in the plaint that the Defendants activities described hereinabove clearly amount to counterfeiting and infringe the Plaintiffs' intellectual property rights.

30. It is also been averred in the plaint that the Defendants have adopted the impugned marks in respect of the said goods in obvious bad faith subsequent to the Plaintiffs' adoption and registration of the trademark JOCKEY. The adoption of the impugned marks by the Defendants is dishonest as they are bound to be aware not only of the goodwill and reputation of the Plaintiffs trademark JOCKEY but also of the Plaintiffs use of the mark within India since the year 1995 and internationally since the year 1934. It is averred that such dishonest adoption itself disentitles the Defendants from using the same for their goods.

31. It is also averred in the plaint that the Defendants are not only infringing the Plaintiffs' trademark JOCKEY but also infringe a number of other third party trademarks such as POLO, PLAYBOY etc. It is evident that the Defendants are habitual infringers having no regard for others' intellectual property rights.

32. It is next averred in the plaint that the Plaintiffs apprehend that the Defendants' goods rendered under the impugned mark are of a very poor quality. The Defendants' act of rendering such poor quality goods while using marks identical/deceptively similar to the Plaintiffs well-known mark greatly prejudices the Plaintiffs' reputation and goodwill, earned by the Plaintiff by rendering goods of extremely high quality and maintaining impeccable quality standards for well-over 100 years. The Defendants' acts are bound to cast the Plaintiffs in an unflattering light thereby tarnishing and significantly eroding the Plaintiffs' goodwill and reputation.

33. It is also averred in the plaint that the Defendants' act of using the JOCKEY and JOOKEY marks which are identical or deceptively similar to the Plaintiffs trademark is bound to cause dilution of the Plaintiffs trademark JOCKEY. The Plaintiffs are suffering and are likely to suffer further dilution, diminution,

weakening and eventual erosion of the goodwill, reputation and the positive associations linked to the Plaintiffs trademark JOCKEY. The Plaintiffs are suffering loss of distinctiveness, uniqueness and exclusivity attached to the trademark JOCKEY by reducing its capacity to identify and distinguish the business of the Plaintiffs as originating from a particular source, regardless of the presence or absence of likelihood of confusion, mistake or deception.

34. It has further been averred in the plaint that owing to their aforementioned infringing acts, defendants have made and are continuing to make illegal profits and are causing losses to the Plaintiffs. In view of the aforesaid, the Plaintiff prays for punitive damages.

35. I have heard counsel for the Plaintiff and carefully perused the documents which have been placed on record along with the plaint duly supported by affidavit which has been treated as affidavit by way of evidence on the averment of the counsel for the plaintiff. Trademark registration certificates of the trademark "JOCKEY" in favor of plaintiffs and its variants have been filed along with the plaint. A list of the world wide registrations held by the Plaintiff for the trademark JOCKEY, for JOCKEY products and related retail store services have also been filed along with the plaint. Photographs of samples of the plaintiffs' product and original samples of the elastics manufactured by the plaintiff bearing the trademark JOCKEY have been filed along with the plaint. Original sample of undergarments sold by defendant No. 6 under the mark JOCKEY and JOCKEY SPORT have been filed along with the plaint.

36. On the basis of the documents placed on record, the plaintiffs have established that plaintiff No. 1 is the owner of the trademark JOCKEY and its variants the plaintiffs have the exclusive right to use the same. Plaintiffs have also established that since its adoption in the year 1934, the Plaintiff has continuously and extensively used the trademark JOCKEY and its variants such as JOCKEY SPORTS, JOCKEY COMFIES etc., inter alia, for innerwear, nightwear, sportswear, leisure wear, socks and thermals, both for men and women. Plaintiffs have also established that on account of enormous amount spent on advertisement of plaintiffs products under the trademark, JOCKEY in India, plaintiffs have been able to generate vast turnover for years and that during the past many years, the plaintiffs have built up an unparalleled reputation and goodwill with respect to their trademark, JOCKEY. Plaintiffs have also established that the defendant No. 6 by using the trademark JOCKEY and JOCKEY SPORT, which is identical to plaintiffs' mark JOCKEY, in respect of similar goods, are causing infringement of rights in the trademark of the plaintiffs.

37. In a very recent judgment delivered by another bench of this court, Mind Gym Ltd. v. Mindgym Kids Library Pvt. Ltd. CS (OS) 1029/2013, decided on 21.03.2014, plaintiffs who were carrying on business under the trade mark "MIND GYM" sought permanent injunction against the defendants restraining them from infringing and/or passing off the plaintiffs rights by using the trademark "MINDGYM" as part of latter's corporate name/trademark. Following

observations were made by the court:-

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(ii) In the case of Evergreen Sweet House Vs. Ever Green and Others, , it was observed as under:

15. A mark, is said to be deceptively similar to another (Section 2(1)(h), Trademarks Act, 1999) if it so nearly resembles that other mark as to be likely to deceive or cause confusion. Section 29(1) deals with a situation where the defendant uses a mark, which is identical or deceptively similar to that of the plaintiff, in respect of the same goods or services, and in such manner that it is likely that such use is taken as being an use as a trademark. This amounts to infringement. To fall within Section 29(1), the defendant's use of the mark must be so that it is likely that the public assumes that the said mark is used as a trademark. Section 29(2) deals with three situations; one where the defendants mark is identical to that of the plaintiff and in respect of similar goods. Two, where the marks are similar and in respect of goods which are identical or similar. Three, the marks as well as the goods are identical. Infringement does not take place if only one of the three ingredients are satisfied; the plaintiff has to prove that use by the defendant is likely to cause confusion on the part of the public or is likely to have an association with the registered mark.

[Emphasis Supplied]

38. I am of the view that the impugned trademark of the defendant is identical and deceptively similar to the plaintiff's trademark. The use of the word "JOCKEY" and "JOCKEY SPORT" by the defendant No. 6 is likely to dilute the distinctive character of the plaintiff's trademark "JOCKEY" and the same is likely to erode the goodwill and reputation of the plaintiff among its existing as well as potential customers in the market. The adoption and use of the identical trademark by the defendant No. 6 in relation to identical products amounts to an infringement of the plaintiff's statutory rights in the registered trademark "JOCKEY". I am of the opinion that the defendant No. 6 is also guilty of passing off as by using an identical mark as that of the plaintiff, the defendant No. 6 is misrepresenting to the purchasing public that it is selling its goods in association with/in connection with the plaintiffs and thus causing confusion as to the source of the goods and passing off his goods as that of the plaintiff. Furthermore, the defendant in a mala fide, dishonest and an unethical manner is encashing upon the goodwill and reputation of the plaintiffs established by the latter over the period of many years.

39. On account of the factors enumerated herein above regarding the trademark JOCKEY, the plaintiffs have established beyond reasonable doubt that the plaintiffs' trade mark "JOCKEY" is an extremely "well known" mark amongst members of the trade and public at large. The long duration for which the said mark has been put in use by the plaintiffs, the wide extent of geographical area of use, the knowledge of the trademark "JOCKEY" to general public and its

goodwill and reputation due to extensive promotion, publicity and advertisement, use of the mark as well as extensive sales made by the plaintiffs under the said mark in India as well as other countries and the numerous registrations obtained of the mark, all establish the fact that the mark "JOCKEY" used by the plaintiffs has undoubtedly acquired the status of a "well known mark".

40. In view of the above, the plaintiffs are entitled to a decree of permanent Injunction against the defendant No. 6 from dealing with the goods having infringing mark in terms of prayers in paragraph 34, 35 and 36 of the plaint.

41. The plaintiff has also claimed damages on account of illegal activities of the defendant No. 6 along with delivery up of the goods bearing the impugned trade mark, or any other deceptively similar mark. The plaintiff has also prayed for rendition of accounts of profits earned by the defendant on account of use of the impugned trade mark.

42. In the case of Time Incorporated Vs. Lokesh Srivastava and Another, , apart from compensatory damages of Rs. 5 lakhs, punitive damages were also been awarded.

43. I am in agreement with the aforesaid submission of learned counsel for the plaintiff that damages in such cases must be awarded and a defendant, who chooses to stay away from the proceedings of the Court, should not be permitted to enjoy the benefits of evasion of court proceedings. Any view to the contrary would result in a situation where a defendant who appears in Court and submits its account books would be liable for damages, while another defendant who, chooses to stay away from court proceedings would escape the liability on account of failure of the availability of account books. A party who chooses not to participate in court proceedings and stays away must, thus, suffer the consequences of damages as stated and set out by the plaintiffs. There is a larger public purpose involved to discourage such parties from indulging in such acts of deception and, thus, even if the same has a punitive element, it must be granted. R.C. Chopra, J. has very succinctly set out in Time Incorporated's case (supra) that punitive damages are founded on the philosophy of corrective justice.

44. For the reasons stated above, the plaintiff has made out a case for grant of decree as prayed in the plaint. Accordingly, the order dated 01.02.2012 is confirmed and the suit is decreed in favour of the plaintiff and against defendant No. 6. Plaintiff is also entitled to damages to the tune of Rs. 3.00 lacs.

I.A. 12464/2012.

45. Application stands disposed of in view of the order passed in the suit.

CRL.M.A. 9065/2013

46. Application stands dismissed as withdrawn.