(2012) 07 DEL CK 0384

In the Delhi High Court

Case No : I.A. No. 3504 of 2012 (u/O 39 R 1 and 2 r/w Sec. 151 CPC by defendant no. 1) and I.A. No. 3277 of 2012 (u/O 39 R 4 CPC r/w Sec. 151 CPC by defendant no. 1) in CS (OS) 3 of 2012

Las Vegas Sands Corp. APPELLANT

Vs

Bhasin Infotech and Infrastructure Pvt. Ltd and Others RESPONDENT

Date of Decision : 02-07-2012

Acts Referred:

Citation : (2012) 7 AD 362 : (2012) 191 DLT 254 : (2012) 51 PTC 260

Hon'ble Judges : A.K. Pathak, J

Bench : Single Bench

Advocate : Pravin Anand and Ms. T. Saukshamya, for the Appellant; Sudhir Chandra with Mr. Jenis Francis, Gaurav Beri and Mr. Sriram Kamal for D-1, for the Respondent

Final Decision : Dismissed

Judgement

A.K. Pathak, J.—By this order I shall dispose of both the above noted applications. Plaintiff has filed this suit for permanent injunction restraining passing off, dilution, damages, rendition of accounts, delivery up etc. against the defendants. Case of the plaintiff is that it is the leading global developer of "integrated resorts'' in U.S.A., Macau and Singapore under the mark "Venetian", which offers world-class services and amenities including premium accommodation, gaming, entertainment, shopping, event and exhibition facilities, restaurants, leisure facilities etc.

2. One of the Plaintiff''s earliest and well-known properties is the "Venetian" hotel and casino which is located on the Las Vegas Strip, Las Vegas, Nevada. The Venetian opened for business on 3rd May, 1999 and was built at a cost of 1.5 billion dollars. The Venetian and its adjacent property, the "Palazzo" form the largest five-diamond hotel and resort complex in the world. It has a total of 4,027 suites wherein 3,014 suites, 35 storey three winged tower rises above the casino and the 1,013 suites, 12 storey "Venezia" tower is situated above a

parking garage. The casino has approximately 1,20,000 square feet of gaming space, which includes 110 table games and 1,370 slot machines. The "Venezia" is a $275 million "hotel-within-a-hotel" tower which opened in the year 2003. It has own private pool garden, the award-winning Bouchon Restaurant and one of the most romantic wedding chapel. The Venezia offers its guests an oasis of tranquility and an unparalleled forum for commerce. The Venetian provides a holistic service experience for its guests with luxurious suites, spa facilities and private gaming rooms; a Canyon Ranch Spa Club; theater/entertainment complex facilitating a wide variety of entertainment. The Venetian also includes enclosed retail shopping, dining and entertainment complex and Grand Canal Shoppes located within the Venetian is an extensive 5,00,000 square feet themed, indoor retail mall. Plaintiff''s services and business extend beyond Las Vegas. The "Venetian Macau" was opened in 2007 and is a 40 storey largest single structure hotel building in Asia, the 6th largest building in the world by area, and the largest casino in the world. The resort has 3000 suites with enormous convention space, retail areas, casino space with 3400 slot machines and 800 gambling tables as also a 15,000 seats arena for entertainment/sports events.

3. Plaintiff''s property is visited by the tourists across the globe. Plaintiff has a long, uninterrupted and continuous use of its trade marks "Venetian" and "Venezia" right from 1999 and 2003, respectively. By way of continuous use of said marks same have become synonymous with the plaintiff and its business, inasmuch as, plaintiff has acquired reputation and goodwill in relation to these marks.

4. Plaintiff is the first and sole entity in the world that has envisioned, combined, created, used and associated the said marks for its services in its uniquely conceived Venice-themed property. Plaintiff has been conferred with several awards and accolades over the years in relation to its business and services, including being featured in the Guinness Book of World Records in the year 2003. Plaintiff''s services offered under the marks "Venetian" and "Venezia", have been described in numerous newspapers and articles published in various newspapers and magazines having international circulation, inasmuch as, have featured in music videos, television shows and movies. Articles about services of the plaintiff are also published in leading Indian newspapers, inasmuch as, are contained in the travel guides, which are circulated in India. These travel guides provide details of the "Venetian" and "Venezia". Plaintiff''s services under the aforesaid marks are being widely advertised world over through diverse media including internet and expenditure incurred by the plaintiff stands to the tune of millions of dollars. Plaintiff''s unmatched reputation for the said marks extends to India, which is evident from the large number of Indian visitors, who have stayed and availed of the plaintiff''s services at Las Vegas and Macau. Plaintiff currently has 3038 Grazie Club members with addresses in India. Several guests from India visited the "Venetian", Las Vegas. Total 143015 rooms were booked at "Venetian", Macau by the guests with the addresses of India from January, 2008

and June, 2011. Defendant no. 2, Mr. Jatinder Singh Dhall, had visited and stayed "Venetian" on 15th February, 2002 for 8 nights, 27th August, 2000 for at least 2 nights and 13th February, 2000 for 5 nights. As per the record of the plaintiff, Mr. Jatinder Singh Dhall gambled at the "Venetian" Las Vegas for 27 days from 1999 to 2004. The reputation of the plaintiff in India is such that the "Venetian", Macau played host for the 2009 International Indian Film Academy (IIFA) Awards and the 2012 Zee Cine Awards.

5. It is alleged that defendant no. 1 has floated and is constructing a project under the title "Grand Venezia" and the project is described as a Venice theme mall with 250 rooms, Five Star Hotel and corporate tower. The word "Venezia" is the predominant feature of the defendants'' logo. Defendant no. 1 has also adopted the mark "Venezia" in its domain name and has been actively advertising and promoting its project through the websites, namely, www.thevenezia.com, www.grandvenezia.com/ grandvenezia.html and http:// grandveneziacommercialtower.com. Defendant no. 1 has registration for the mark "Venezia" in Class 39 for the services of "building construction and development". Defendants have adopted and copied the identical mark as that of the plaintiff with principal features of structure of the plaintiff''s hotel, resort and casino. The defendants'' use of the mark "Venezia" is identical to the plaintiff''s mark "Venezia" and is deceptively similar to the plaintiff''s mark "Venetian". The mark "Venezia" is distinctive of the plaintiff''s services and signifies the tower of the "Venetian", Las Vegas. Defendants, thus, have attempted to pass off the impugned project by creating a false impression that the said mall is associated or affiliated with the plaintiff''s business. Defendants have adopted the said mark with dishonest intention and in order to benefit from the enormous reputation and goodwill attached to the plaintiff''s trademarks "Venetian" and "Venezia". Defendants have intended to pass off distinctiveness in their services as that of the plaintiff.

6. As against this, case of the defendants is that Bhasin Group of Companies has formed defendant no. 1. Initially, Bhasin Group started their business with the dealership in Maruti Automobiles and subsequently, diversified its business and has entered into various other branches including the field of real estate and infrastructure development. Defendant no. 1, pursuant to its incorporation in the year 2006 entered into the building construction and development activities, inasmuch as, started its project under the mark "Grand Venezia" at Greater Noida. A plot of land was allotted by UPSIDC in the year 2006. Defendant no. 1 decided to develop a theme project based on the concept of the city of Venice, Italy. For this reason, it was decided to name the project as "Grand Venezia". The nomenclature "Venezia" is derived from the Venice city in Italy. Defendant no. 1''s mega project is in no way connected to the plaintiff''s business. Various purchasers have already booked spaces on lease in the mall way back in the year 2006 itself. The name "Grand Venezia" is derived from the ancient Veneti people, who inhabited the region by the 10th century B.C., thus, is beyond the regulations of any copyright, trademark or intellectual property rights. The word

"Venezia" is not a unique or coined word and in fact is an Italian name of "Venice'', which is a city in northeast Italy renowned for its beauty of setting, architecture and artworks. Plaintiff cannot claim any copyright or exclusive right over the word "Venezia".

7. The project of defendant no. 1 "Grand Venezia" includes in its ambit, shopping mall, commercial tower, multiplexes, gondola rides, hotel, aquarium etc., which is inspired from the city "Venezia" in northeast Italy. This mega project of `700 crores was started in the year 2006 and in fact was nearing completion. Defendant no. 1 has incurred huge expenditure to the tune of `6 crores on publicity and promotion of its project. Defendant no. 1, by virtue of its long, continuous and uninterrupted use of trademark "Venezia", has acquired distinctiveness through its usage and has created a strong brand value and secondary meaning to its trademark "Venezia" and the public associates the defendant no. 1 with the said trade mark as far India is concerned. The trademark "Venezia" has no trans-border reputation as plaintiff''s tower is within The Venetian, Las Vegas. Said tower has no presence in The Venetian Macao and Marina Bay Sands, Singapore. Plaintiff has not advertised the mark "Venezia" in India at any point of time, but its news and articles were about the "Venetian", Macao, where "Venezia Tower" is not in existence. The word "Venezia", being the name of geographical area, is being used by various establishments all over the world including India. It is denied that mark "Venezia" has acquired secondary meaning with regard to plaintiff''s business. It is also denied that defendant no. 1 has misrepresented the public at large that its mega project as is associated with the plaintiff. It is further alleged that there was no chance of confusion or deception, inasmuch as, plaintiff was mainly known for its casino and allied games; whereas project of defendant no. 1 includes mall, kids gaming zone, food courts, hotel, multiplex, etc. Plaintiff''s mark was "Venezia Tower"; whereas defendant no. 1 is using the mark "Grand Venezia", which is distinct. Plaintiff had applied for registration of the mark "Venezia Arena" in Classes 39, 41 and 42 and not "Venezia" alone, inasmuch as, the said applications have been withdrawn by the plaintiff''s Attorney, vide letter dated 13th March, 2008. Plaintiff''s mark "Venetian" is phonetically and materially dissimilar from the mark of defendant no. 1 and there is no similarity, resemblance or relation between the two marks sufficient enough to create any confusion.

8. Vide ex-parte order dated 3rd January, 2012, defendants have been restrained from passing off its business or products or services as being that of plaintiff''s or like or resembling the plaintiff''s business, products or services or doing any other act amounting to passing off, dilution, tarnishment and trading on the plaintiff''s business and goodwill. Defendants have been further restrained from advertising, selling, offering for sale or soliciting any customers through the websites www.thevenzia.com;www.grandvenezia.com;www.sarharealestate.com,http://grandveneziacommercialtower.com and from constructing, operating, selling, offering for sale, importing, advertising and in any manner dealing with services/products under the impugned mark "The Grand Venezia" or any

deceptively similar trademarks as that of the plaintiff. Vide IA No.3277/2012, defendants have prayed for vacation of this order.

9. I have heard learned counsel for the plaintiff, learned Senior Counsel for the defendants and have perused the record. Learned Senior counsel for the defendants has vehemently contended that the plaintiff''s mark "Venetian" is descriptive and is, therefore, in the public domain. Plaintiff cannot claim any monopoly or exclusivity in such a mark. Reliance has been placed on the certain passages from McCarthy on Trade Marks and Unfair Competition as also from Kerly''s Law of Trade Marks and Trade Names, 15th Edition. As per McCarthy: "A mark is descriptive that directly and immediately conveys some knowledge of the characteristic of product or service which shows a desirable characteristic of the goods or services". Reliance has further been placed on para 11:18 which says as under:-

The law would not secure to any person the exclusive use of a trademark consisting merely of words descriptive of the qualities, ingredients, or characteristics of an article of trade. This for the reason that the function of a trademark is to point distinctively, whether by its own meaning or by association, to the origin or ownership of the wares to which it is applied and words merely descriptive of qualities, ingredients, or characteristics, when used alone, do not do this.

10. As regards Kerly, it describes "descriptive name'' as follows:-

Whether claimant''s name is descriptive of its business (or is geographically descriptive) the mere fact that the defendant adopts a name containing the same descriptive words will not establish any sort of case of passing off; a trader cannot monopolize a mere description.

11. I need not to dwell much on this proposition for the simple reason that the defendant no. 1 itself is using the mark "Venezia", inasmuch, as has got it registered for "Building and Construction" purposes. Thus, it does not lie in the mouth of the defendants to say that the word "Venezia" is a descriptive expression. In Automatic Electric Limited vs. R.K. Dhawan & Anr. 77 (1999) DLT 292, trademark "DIMMER DOT" was in issue. Defendant had taken a plea that the word "DIMMER" is a generic expression and nobody could have claimed monopoly or proprietary right over the said word. A Single Judge held that since the defendant itself has sought to claim trade proprietary right and monopoly in "DIMMER DOT", it does not lie in their mouth to say that the word "DIMMER" is a generic expression. Judgment of the Single Judge was accepted by a Division Bench of this Court with the approval in Indian Hotels Company Ltd. & Anr. vs. Jiva Institute of Vedic Science & Culture, 2008 (37) PTC 468 (Del.) (DB). It was held that since the appellant had itself applied for registration "JIVA" as a trademark and cannot, therefore, argue that the mark is descriptive. In this case, defendant no. 1 has registered trademark "Venezia" in respect of building construction and development etc., inasmuch as, has adopted mark "Grand

Venezia" in respect of project in question. Thus, in my view, defendants cannot be permitted to contend that plaintiff cannot put forth any grievance in respect of use of mark "Venezia", being descriptive in nature.

12. Learned counsel for the plaintiff has vehemently contended that the adoption of mark "Venezia" by the defendants is dishonest, as is evident from the articles published in the magazines and from the interviews given by defendant no. 1''s Director. Documents placed on record, that is, from pages 281 to 289 in the list of documents dated 2nd January, 2012, records admissions of the defendant no. 1 that its project was modeled similarly on the lines of the "Venetian", Las Vegas and "Venetian", Macau. In the press release contained in the Business Standard, which has been placed at pages 49 to 50 in the list of documents dated 26th March, 2012. Director of defendant no. 1 has admitted that he thought up the Venice theme after he saw malls based on a similar theme in Las Vegas and Macau. In the Financial Chronicle at pages 51 to 52 of the list of documents dated 26th March, 2012, Director of the defendant no. 1 admits that the project "Grand Venezia" was modeled on the lines of the "Venetian", Las Vegas and "Venetian", Macau. He further submits that defendant no. 2 had visited the hotel and casino many times and was aware of the plaintiff''s marks before the impugned project was started. Defendant no. 2 has a large chunk of shares in the defendant no. 1. Defendants were having prior knowledge of the plaintiff''s business and services as also the "Venezia Tower" and for malafide reasons not only the theme but mark "Venezia" has also been adopted, which shows that defendants'' adoption is tainted and when the adoption of a mark is dishonest, great attention has to be paid on the items of similarity and less to the items of dissimilarity.

13. I have perused the material placed on record including the documents referred to by the plaintiff''s counsel and I find substantial force in the above contentions. It appears that the shareholders/directors of defendants had been visiting the plaintiff''s properties and have modeled their project on the same lines, inasmuch as, have adopted the mark "Venezia" having been inspired by the "Venezia Tower". Prima facie, I am of the view that adoption of mark "Venezia" is not honest. In Munday vs. Carey, 1905 RPC 273, it has been held thus: "I believe that if a rank use of dishonesty and where you see dishonesty, then even though the similarity were less than it is here, you ought, I think, to pay great attention to the items of similarity and less to the items of dissimilarity." In J.R. Parkington and Coy. Ld. vs. Frederick Robinson, Ld. (1946) RPC 17, it was held that if the user in its inception was tainted it would be difficult in most cases to purify it subsequently. I am of the view that when a party succeeds in showing that the adoption of its mark by other party is dishonest, injunction must follow. Court has to look for similarity, then to go into dissimilarities, thus, prefixing of the word "Grand" before the word "Venezia" will be of no significance and inconsequential.

14. Learned Senior Counsel for defendant no. 1 has contended that plaintiff''s

business has not attained trans-border reputation, inasmuch as, this question has to be decided during the trial. Knowledge of a very few number of people of the existence of the plaintiff''s resort "The Venetian" does not meet the requirement of an established reputation. Even otherwise, the benefit of transborder reputation can be claimed in cases of passing off only if the plaintiff has a project in India or intend to start the same in India. Plaintiff has no intention to come to India, as there is no mention about this fact in the plaint. Reliance has been placed on Milmet Oftho Industries and Others Vs. Allergan Inc., . I have considered the above contention and have perused the judgment relied upon but I find it to be in the context of different facts and of no help to the defendants. In the present case, sufficient material has been placed on record to suggest that large number of people from India have visited the plaintiff''s resorts at Las Vegas as well as Macau. Plaintiff has attained immense reputation amongst the consumers in India who travel abroad for business or leisure trips. Plaintiff''s resorts are being advertised in the newspapers, magazines and also through internet. Hosting the big events like IIFA and Zee Cine Award at the "Venetian", Macau is also indication of plaintiff''s reputation amongst the people of this country. The travelers, visiting Las Vegas, would be familiar with the marks "Venetian" and the "Venezia". Prima facie, I am of the view that plaintiff has attained reputation in India with regard to the nature of services as provided by it. Article in the Business Standard dated 28th April, 2009 clearly indicates that even defendants have been inspired by the plaintiff''s properties at Las Vegas and Macau to develop the similar project in Greater Noida. This is in the words of Mr. Bhasin, one of the Directors of the defendant no. 1. This further shows that defendants were aware of the "Venezia" tower. Even otherwise, in trans-border reputation it is not always necessary that the plaintiff has its business in India. If it is shown that reputation of a foreign company has traveled to India and the people are aware about its products/ services, same would be sufficient to establish trans-border reputation of such a party.

15. In William Grant & Sons Ltd. vs. McDowell & Company Ltd., 55 (1994) DLT 80, a Single Judge of this Court has held thus:-

(111) I had occasion to deal with transborder reputation and observations of Lord J Diplock in a case AppleComputcrlnc.v.AppealLeasing& lndustries , 1992 (1) Arb. L.R.93. After referring to the cases of Irish Courts in C & A Modes 1978 Fsr 126, and other cases Panhard Levassor''s case (1901) 18 Rpc 405; Poiret v. Jules Poiret Ltd. (1920) 37 Rpc 177; Sheraton Corporation 1916 (4) Rpc 202 and Globe Elegance 1974 Rpc 603, I said that the Indian Courts have recognised the existence of trans-border reputation. The trans- border reputation had, particularly, been recognised in the case reported Kamal Trading Co. & Ors. v. Gillette U.K. Ltd. (1988) 1 PLR 135.

(112) These cases recognized that the reputation of a trader, trading or carrying on the business in another country, can travel to a country where he had carried

no business. The traders transborder reputation can be on the basis of the extensive advertisements and publicity. Such a trader could obtain an injunction in a Court where he was not trading, to protect his reputation. The Indian Courts also recognise the existence of trans-border reputation, particularly, the Bombay High Court in Kamal Trading Co. & others v. Gillette U.I. Ltd.. In the last mentioned- case, the Division Bench expressed the view that good-will or reputation or goods or mark, does not depend upon its availability in the particular country. The Delhi High Court recognised trans-border reputation in an unreported judgment in Blue Cross &: Blue Shield Association v. Blue Cross Health Clinic and others, Suit No.2458 of 1988, dated 05.09.1989. In the case Central industrial Alliunce Ltd. and anothci- v.Gillette U.K. Ltd., Appeal No..368 of 1986, the Division Bench of the Bombay High Court had noted that publicity does not take place merely by advertisement in India. Advertisement in foreign newspapers and magazines, circulated in India, and freely imported in India, are read. Besides this, large number of Indians go abroad temporarily to other countries, and can have the opportunity to use the goods (goods in question in the case is 7 o''clock safety razor blade), and, in my view, on return of those persons to India, the reputation of the goods used by those who go abroad, will stay in their minds, and the memories of those goods would be revived by advertisements seen in foreign magazines and newspapers which are available in India.

16. In WWF International vs. Mahavir Spinning Mills Ltd. 1994 PTC 250, a Single Judge of this Court has held that a mere fact that the plaintiff has never manufactured any products in this country does not prevent it from acquiring the goodwill here in its trademark. A Single Judge of this Court in Whirlpool Co. & Anr. vs. N.R. Dongre & Ors. 1996 PTC (16) held thus: "the reputation was travelling trans-border to India as well through commercial publicity made in magazines which are available in or brought in India. These magazines do have a circulation in the higher and upper middle income strata of Indian society. Washing machine is a household appliance used by the middle and upper class of the society. The plaintiff no. 1 can bank upon trans-border reputation of its product washing machine for the purpose of maintaining passing off action in India." This decision was upheld by the Division Bench. Appeal titled N.R. Dongre and Others Vs. Whirlpool Corpn. and Another, was taken to Supreme Court wherein it was held thus: "on the above concurrent findings, the weight of equity at this stage is in favour of the plaintiffs and against the defendants. It has also to be borne in mind that a mark in the form of a word which is not a derivative of the product, points to the source of the product. The mark/name ''WHIRLPOOL'' is associated for long, much prior to the defendants'' application in 1986 with the Whirlpool Corporation - plaintiff No. 1. In view of the prior user of the mark by plaintiff No. 1 and its trans-border reputation extending to India, the trade mark ''WHIRLPOOL'' gives an indication of the origin of the goods as emanating from or relating to the Whirlpool Corporation - plaintiff No. 1. The High Court has recorded its satisfaction that use of the ''WHIRLPOOL'' mark by the defendants

indicates prima facie an intention to pass off defendants'' washing machines as those of plaintiffs'' or at least the likelihood of the buyers being confused or misled into that belief." Supreme Court affirmed the view taken by the High Court with regard to the trans-border reputation.

17. In Kamal Trading Co., Bombay and Others vs. Gillette U.K. Limited, Middle Sex, England, 1988 PTC-1, Bombay High Court has held, thus:-

In our judgment, it is not possible to conclude that the goodwill or the reputation stands extinguished merely because the goods are not available in the country for some duration. 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 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 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 a country, the goods and the mark under which they are sold acquires wide reputation.

18. In this case, plaintiff has, prima facie, succeeded in making out a case that plaintiff has trans-border reputation as sufficient material has been placed on record to show that hospitality services, offered by the plaintiff, are being advertised in India through magazines, travel guides, website etc., inasmuch as, large number of visitors from this country have visited the properties of the plaintiff at Las Vegas as well as Macau, inasmuch as, two important events pertaining to entertainment industries have been organized at "Venetian", Macau.

19. Learned Senior Counsel for the defendant no. 1 has next contended that the defendant no. 1 has got its trademark registered in the year 2006 in Class 37 which was widely advertised in the trademark journal, thus, plaintiff cannot feign ignorance about the mark being used by the defendant no. 1 since the year 2006. That apart, plaintiff has itself admitted that it became aware about defendant no. 1''s project in the month of January, 2011. In spite of this, plaintiff allowed the defendant no. 1 to continue with its project under the mark "Grand Venezia", thus, is not entitled to injunction. Delay in initiating the legal action is fatal to the plaintiff''s cause. Reliance has been placed on B.L. and Co. & Ors. vs. Pfizer Products Incl., 93 (2001) DLT 346, wherein it has been held as under:-

17. As regards the delay in institution of the suit and its effect for the purpose of grant of ex parte restraint, the settled legal position is that while the delay in institution of a suit for an action for passing off may not be fatal, it is one of the important and relevant considerations before granting an ex parties/interlocutory injunction. Reference in this regard is invited to the ''THE LAW OF PASSINGOFF'' by Christopher Wadlow. Learned Author while dealing with the motions of interlocutory relevance has observed as under:-

Delay in applying for interlocutory reliefs is a very serious matter. As a rule of thumb, delay of up to about a month, or perhaps six weeks, generally has no adverse effect on an inter parties application and delay of up to twice that period need not be fatal if it can be explained and the plaintiff''s case is otherwise strong. On an ex parte application even delay of a few days can be critical. Unjustified delay of more than a few months is almost always fatal to the plaintiff''s case, even though delay of this order has no effect on the plaintiff''s rights at trial. Unlike many of the issues which can arise on motion, the existence of delay does not normally admit or much argument. Delay, if present, is Therefore a short, safe and simple basis for refusing relief.

20. Plaintiff has also placed reliance on BDA Pvt. Ltd. vs. Paul P. John & Anr., 2008 (37) PTC 569 (Del.), to contend that on account of delay plaintiff was not entitled to interim injunction. I find the said judgment to be in the context of different facts, inasmuch as, Court was of the view that plaintiff had suppressed the material facts. There was undue delay in the said case in initiating legal action. In my view, B.L. and Co. (supra) is also of no help to the defendants for the reasons to follow in the subsequent paras.

21. It may be worthwhile to note here that defendant no. 1 got registered its mark "Venezia" in respect of Class 37 which is relating to Building and construction activities. Plaintiff has no registration with regard to the services such as hospitality, mall, entertainment etc. In fact, defendant no. 1 had applied for registration of the mark under Classes 36, 39, 41 and 43 which covers the aforesaid activities, but has, subsequently, withdrawn the same. Building and construction activities are not under challenge. Plaintiff''s main grouse is that the defendant no. 1 cannot use the mark for the similar project as that of plaintiff. It is further the case of the plaintiff that such adoption is dishonest with regard to the activities which are similar to that of plaintiff.

22. Besides this, in my view, adoption of the mark by the defendants is dishonest and for this reason delay would not be fatal. That apart, I do not find any inordinate delay in initiating the legal action since the time plaintiff became aware of the project of defendants, which otherwise is yet not complete and actual business has yet to commence.

23. In Hindustan Pencils (P) Ltd. Vs. India Stationery Products Co. and Another, a Single Judge of this Court held thus: "even though there may be some doubt as to whether latches or acquiescence can deny the relief of a permanent injunction, judicial opinion has been consistent in holding that if the defendant acts fraudulently with the knowledge that he is violating the plaintiff''s rights then in that case, even if there is an inordinate delay on the part of the plaintiff in taking action against the defendant, the relief of injunction is not denied. The defense of latches or inordinate delay is a defense in equity. In equity both the parties must come to the Court with clean hands. An equitable defense can be put up by a party who has acted fairly and honestly. A person who is guilty of violating the law or infringing or usurping somebody else''s right cannot claim the continued misuse of the usurped right. It was observed by Romer, J. in the matter of an application brought by J.R Parkington and Coy. Ld 63 R.P.C. 171 that "in my

judgment, the circumstances which attend the adoption of a trade mark in the first instance are of considerable importance when one comes to consider whether the use of that mark has or has not been an honest user. If the user in its inception was tainted it would be difficult in most cases to purify it subsequently". It was further noted by the learned Judge in that case that he could not regard the discreditable origin of the user as cleansed by the subsequent history. In other words, the equitable relief will be afforded only to that party who is not guilty of a fraud and whose conduct shows that there had been, on his part, an honest concurrent user of the mark in question. If a party, for no apparent or a valid reason, adopts, with or without modifications, a mark belonging to another, whether registered or not, it will be difficult for that party to avoid an order of injunction because the Court may rightly assume that such adoption of the mark by the party was not an honest one. The Court would be justified in concluding that the defendant, in such an action, wanted to cash in on the plaintiff''s name and reputation and that was the sole, primary or the real motive of the defendant adopting such a mark. Even if, in such a case, there may be an inordinate delay on the part of the plaintiff in bringing a suit for injunction, the application of the plaintiff for an interim injunction cannot be dismissed on the ground that the defendant has been using the mark for a number of years. Dealing with this aspect Harry D. Nims in his "The Law of Unfair Competition and Trade-Marks". Fourth Edition, Volume Two at page 1282 noted as follows:-

WHERE infringement is deliberate and willful and the defendant acts fraudulently with knowledge that he is violating plaintiff''s rights, essential elements of estoppel are lacking and in such a case the protection of plaintiff''s rights by injunctive relief never is properly denied. "The doctrine of estoppel can only be invoked to promote fair dealings."

24. In Parle Products (P) Ltd. Vs. J.P. and Co., Mysore, , reliance whereupon has been placed by the defendants. Apex Court has held, thus: "To decide the question as to whether the plaintiffs'' right to a trade mark has been infringed in a particular case, the approach must not be that in an action for passing off goods of the defendant as and for those of the plaintiff." Judgment of Kaviraj Pandit Durga Dutt Sharma Vs. Navaratna Pharmaceutical Laboratories, was also referred whereby it was held as under:-

While an action for passing off is a Common Law remedy being in substance an action for deceit, that is, a passing off by a person of his own goods as those of another, that is not the gist of an action for infringement. The action for infringement is a statutory remedy conferred on the registered proprietor of a registered trade mark for the vindication of the exclusive right to the use of the trade mark in relation to those goods (vide Section 21 of the Act). The use by the defendant of the trade mark of the plaintiff is not essential in an action for passing off, but is sine qua non in the case of an action for infringement.

25. By placing reliance on the above judgments learned Senior Counsel has contended that the `deceit'' is the primary consideration in an action of passing

off, which is missing in this case. Learned Senior Counsel has further contended that the mark "Grand Venezia" is different than the mark of the plaintiff "Venetian". There is no phonetic or structural similarity between these marks, thus, there is no chance of consumers being deceived in availing services of defendants as that of plaintiff.

26. I do not find much force in the above contentions. Plaintiff is prior user of the mark "Venezia" in respect of one of its towers within the "Venetian" complex. Plaintiff has asserted its rights over the mark "Venezia", besides "Venetian". Prefixing the word "Grand" before the word "Venezia" is inconsequential, inasmuch as, there is every likelihood of customers getting confused and being deceived by taking the services of the defendants as that of the plaintiff, since the same mark has been adopted by prefixing the word "Grand" before the word "Venezia", in respect of similar services. Both, that is, plaintiff as well as defendants are engaged in the similar trade, thus, there is every likelihood of confusion, more so, when nature of services more particularly hotel bookings can be done through internet.

27. I do not find much force in the contention of learned Senior Counsel that as the defendant no. 1 has incurred huge expenditures for promoting its project under the mark "Grand Venezia", inasmuch as, numerous approvals from statutory authorities have been obtained in this name, defendant no. 1 shall suffer irreparable loss and injury; whereas plaintiff shall not suffer much loss and injury as compared to defendant no. 1, inasmuch as, they are providing services outside India. In Wander Ltd. and Anr. Vs. Antox India (P) Ltd., 1990 (Supp) SCC 727, Arbitration Law Reporter 399, Apex Court has held that the object of the interlocutory injunction, is to protect the plaintiff against injury by violation of his rights for which he could not adequately be compensated in damages recoverable in the action if the uncertainty were resolved in his favour at the trial. The need for such protection must be weighed against the corresponding need of the defendant to be protected against injury resulting from his having been prevented from exercising his own legal rights for which he could not be adequately compensated. The Court must weigh one need against another and determine where the "balance of convenience lies". The interlocutory remedy is intended to preserve in status quo, the rights of parties which may appear on a prima facie. The Court also, in restraining a defendant from exercising what he considers his legal right but what the plaintiff would like to be prevented, puts into the scales, as a relevant consideration whether the defendant has yet to commence his enterprise or whether he has already been doing so in which latter case considerations somewhat different from those that apply to a case where the defendant is yet to commence his enterprise, are attracted.

28. In this case, first of all, defendants have adopted the mark "Venezia" knowing fully well about the plaintiff''s mark in respect of similar services, thus, have done at their own risk, cost and consequences. Secondly, defendant no. 1 has yet to complete its project and commence actual business; only booking of

the spaces will not make much difference more so, when mall as well as hotel business has yet to commence. At this stage, change of name of project would not have adverse impact on the business of the defendants, inasmuch as, during the course of hearing, counsel for the plaintiff has placed on record printouts of defendants'' websites, which indicates that the defendants have already adopted a different name, that is, "Grand Venice".

29. In the light of the above discussions, I am of the view that the plaintiff has succeeded in disclosing a, prima facie, case in its favour: that it is a prior user of mark "Venezia" and further that there is likelihood of the costumers being deceived in accepting the services of the defendants as that of plaintiff, on account of same mark being used for similar services. In my view, plaintiff shall suffer irreparable loss and injury if the defendants continue to use the mark "Grand Venezia", inasmuch as, balance of convenience is also in favour of the plaintiff.

30. For the foregoing reasons, interim order dated 3rd January, 2012 is confirmed during the pendency of the suit. Application of the plaintiff is allowed and that of defendants dismissed.

