

(2011) 12 DEL CK 0366
In the Delhi High Court
Case No : CS (OS) No. 2149 of 2007

M/s. WD-40 Manufacturing Company	APPELLANT
Vs	
M/s. Khemchand Enterprises and Another	RESPONDENT

Date of Decision : 07-12-2011

Acts Referred:

Civil Procedure Code, 1908 (CPC) — Order 7 Rule 11, 151
Copyright Act, 1957 — Section 14, 55
Trade Marks Act, 1999 — Section 134, 135

Citation : (2012) 186 DLT 672 : (2013) 53 PTC 523

Hon'ble Judges : Manmohan Singh, J

Bench : Single Bench

Advocate : S.K. Bansal, for the Appellant;

Final Decision : Disposed Off

Judgement

Manmohan Singh, J.—The plaintiff has filed the present suit u/s 134 and 135 of the Trade Marks Act, 1999 as well as u/s 55 of the Copyright Act, 1957 for permanent injunction restraining infringement, passing off, rendition of accounts, damages etc.

2. As per the case of the plaintiff, the plaintiff is a company organized and established under the laws of United States of America. The plaintiff is engaged in the business of manufacturing and marketing of chemical products for industrial use, lubricating and penetrating oils and agent; cleaning, polishing and scouring preparations; and allied/related goods (hereinafter referred to as "the said goods").

3. In the year 1957 the plaintiff conceived, coined, adopted and started commercially using the Trade Mark WD-40 (both word per se as well as in label form in distinctive colours) (hereinafter referred to as the "said trade mark") in United States of America in relation to the said goods. Specimen of plaintiff's said trade marks are marked as Ex. PW 1/1 and Ex. PW 1/2.

4. Since the beginning (at least since the year 1963) the plaintiff is using a distinctive design of the Can for the purposes of marketing its said goods and is also using distinctive trade dress and colour scheme i.e. combination of Red, Blue and Yellow colours on its Cans/Labels.

5. The plaintiff is the owner and proprietor of the said trade marks, Can Design, trade dress and colour scheme.

6. It is the case of the plaintiff that the artistic work involved in the said trade marks, Can Design, trade dress are original in character within the meaning of the Copyright Act 1957 and the plaintiff is the proprietor thereof. Since the beginning the plaintiff is commercially using and reproducing its aforesaid copyrights, within the meaning of Section 14 of the Copyright Act, 1957. By virtue of Berne Convention, to which India is a signatory, plaintiff's copyrights are further protected and enforceable in India.

7. Gradually due to the excellent quality of the plaintiff's products demand for plaintiff's said goods grew in other countries of the world and today plaintiff's said goods under the said trade marks and Can Design are in demand and sold in large quantities in the major countries of the world including India. The list containing the details of the plaintiff's world wide Trade Registration are placed on record.

8. The plaintiff has obtained registrations of its said trade marks and Can Design in various countries of the world, details whereof is on record. Copies of plaintiff's few trade marks registration certificates issued by the concerned authorities of different countries viz. Australia, Canada, China, CTM, Cyprus, Hong Kong, Korea, New Zealand, Northern Cyprus, united States of America are also placed on record.

9. The said trade marks and Can Design are also registered under the provisions of Indian Trade Mark Act, 1999 in favour of the plaintiff. The details of the plaintiff's Indian Trade Mark Registrations and pending applications are given in the list placed on record and the same are marked as Mark-D.

10. The plaintiff has inter alia, filed the following documents :

(a) Copy of registration certificate with respect to trade mark No. 536881 in Class 4.

(b) Copy of registration certificate with respect to trade mark No. 473835B in Class 3.

(c) Copy of relevant extract from the relevant trade mark journal where plaintiff's trade mark No. 473834B was published.

(d) Copy of relevant extract from the relevant trade mark journal where plaintiff's trade mark No. 462435B was published.

(e) Copy of relevant extract from the relevant trade mark journal where

plaintiff's trade mark No. 462536B was published.

(f) Copy of relevant extract from the relevant trade mark journal where plaintiff's trade mark No. 473835B was published.

(g) Copy of relevant extract from the relevant trade mark journal where plaintiff's trade mark No. 536881 was published.

(h) Copy of relevant extract from the relevant trade mark journal where plaintiff's trade mark No. 1344622 was published.

(i) Copy of plaintiff's Trade Mark Registration certificate No. 1344261.

(j) Copy of plaintiff's Trade Mark Registration certificate No. 1344262.

(k) Copy of plaintiff's Trade Mark Registration certificate No. 1364404.

(l) Copy of plaintiff's Trade Mark Registration certificate No. 1364405.

(m) Copy of plaintiff's Trade Mark Registration certificate No. 1364406.

(n) Copy of plaintiff's Trade Mark Registration certificate No. 1364407.

(o) Copy of plaintiff's Trade Mark Registration certificate No. 1364403.

11. M/s. WD-40 Company, 1061 Caudahy Place, San Diego, California 92110-3929 are the predecessors of the plaintiff. Copy of deed of assignment dated 24.05.2005 regarding assignment of rights by M/s. WD-40 Company in favour of the plaintiff is placed on record.

12. Since the beginning the plaintiff has been continuously, commercially, exclusively and in the course of trade using its said trade marks and Can Design in the same trade marks and Can Design in the same trade dress and colour scheme (except minor changes), world over, as proprietor thereof in relation to said goods and business. The plaintiff has built up a handsome and valuable trade under the said trade marks and Can Design across the globe. The plaintiff has achieved tremendous sales world over. In India, also the plaintiff's said goods bearing the said trade marks are in demand and sold in large quantities, since decades. M/s. Hardcastle & Waud Manufacturing Company Limited, Barbourne Stadium, Gate No. 10 (1st Floor), 87, Veer Nariman Road, Mumbai-400 020 is the authorized distributors of the plaintiff's products in India. M/s. Hardcastle & Waud Manufacturing Company Limited are also conducting their business from their office/godown situated at Delhi. Plaintiff's global sales summary is placed on record. Plaintiff's sales summary in India for the period April, 1996 to September, 2000 are placed on record.

13. The plaintiff has promoted and advertised its said goods under the said trade marks and Can Design through different means and modes including through print and electronic media, across the globe including India and the plaintiff has spent substantial amount of money on account thereof. Statements of plaintiff's advertisements and sales promotion expenses in India alongwith copies of

plaintiff's Indian advertisements/sales promotion bills/documents are placed on record.

14. The defendants are engaged in the similar business as that of the plaintiff i.e. manufacturing and marketing of chemical products for industrial use; lubricating and penetration oils and agents; rust preventative agent; cleaning, polishing and scouring preparation; and allied/related goods (hereinafter referred to as "the impugned goods").

15. The defendants are using trade mark HB 40 and are also using Can Design, trade dress and colour scheme, which are according to the plaintiff is similar to the plaintiff's said trade marks in each and every manner. The trade mark HB 40, Can Design, Trade Dress, Artistic works and colour scheme and specimen of impugned trade marks/labels of the defendant are placed on record and the same are being exhibited as Ex.PW 1/3 and Ex. PW 1/4.

16. The defendant Nos. 1 and 2 are engaged in the similar trade and business and have adopted confusingly similar trade mark HB-40 (work mark and label). Defendant No. 2 is a company based in Kuwait and defendant No. 1 is his distributor. Defendant No. 2 has also applied for registration for the mark HB-40 in Trade Marks Office by filing its trade mark application under No. 868725 in Class 4 dated 29.7.1999 as proposed to be used. Plaintiff has already filed opposition thereto (refer documents pages 298 to 311 of plaintiff's list of documents dated 15.09.2007).

17. Written statement was filed only by defendant No. 1 who also filed application under Order 7 Rule 11 read with Section 151 CPC (IA No. 8073 of 2008). The said application was dismissed by the Court vide order dated 14.01.2010. Thereafter, the defendants did not appear in the said matter. Defendant No. 2 was proceeded ex-parte vide order dated 17.11.2008. Defendant No. 1 was proceeded ex parte vide order dated 14.01.2010.

18. As per the directions of the court, plaintiff filed ex-parte evidence by way of affidavit of Sh. Sheel Kumar Bansal, constituted attorney. The said affidavit was filed on 22.3.2010.

19. The defendant No. 1 filed applications being application numbers 868725 and 875115 both in Class 4 for registration of the impugned trade mark HB-40 in relation to the said goods in India as "Proposed to be used". The said applications were advertised in trade marks journal numbers Mega 6 and Mega 1, respectively. Being aggrieved thereby, plaintiff filed notice of oppositions on Form TM-5, to the application No. 875115 on or about 5.11.2003 and to the application No. 868725 on or about 10.4.2004. Both of the said opposition proceedings are pending disposal before the Registrar of Trade Marks.

20. In the said affidavit, plaintiff has filed exhibits and documents with regard to Indian trade mark registrations, international trade mark registrations, documents showing international and Indian user of the mark, advertisement

material, sale figures in India for the period April 1996 to September, 2000. The evidence of the defendants has gone un rebutted. The PW-1 was not cross-examined by the defendants. It appears that the defendants are not interested to contest the matter any more. Thus, the evidence of the plaintiff is taken as correct.

21. In support of the abovementioned averments and contentions the plaintiff has proved the following documents on record which are exhibited as under :

(a) Cover pages of annual reports/vouchers of the plaintiff are exhibited as Ex. PW1/5 (Colly.).

(b) Cover of some of the US advertisements of the plaintiff are exhibited as Ex. PW1/6 (Colly.).

(c) Copy of opposition filed by the plaintiff against the advertisement of the defendant's impugned product HB-40 under application number 875115 in Class 4 in the name of MARZOUK LUBE OIL alongwith copy of trade mark Journal MEGA-1 dated 25.8.2003 which is marked as MARK-BB (Colly.).

(d) Visiting Card of defendant No. 1 M/s. Khemanand Enterprises distributor of defendant No. 2 in India is being exhibited as Ex. PW1/7.

(e) Resolution passed by the plaintiff company in favour of Sheel Kumar Bansal is being exhibited as Ex. PW1/8.

(f) Annual report for the Fiscal year 2000 is being exhibited as Ex. PW1/9. (g) Brochure of the plaintiff company is being exhibited as Ex. PW1/10.

(h) Manual of plaintiff's company is being exhibited as Ex. PW1/11.

(i) Annual report of the year 2002 of WD-40 Brands is being exhibited as Ex. PW1/12.

(j) Annual report for the Fiscal year 2003 of the plaintiff company alongwith Manual is being exhibited as Ex. PW1/13. (k) Some brochure of the plaintiff company from the Annual Report, 2004 is being exhibited as Ex. PW1/14. (l) Representation of plaintiff's application for registration under Nos. 01364405, 01364406 and 01364407 are being exhibited as Ex. PW1/15, Ex. PW1/16 and Ex. PW 1/17.

22. In order to establish infringement and passing off, the plaintiff has relied upon the following judgments :

(a) Midas Hygiene Industries P. Ltd. and Another Vs. Sudhir Bhatia and Others,

5. The law on the subject is well settled. In cases of infringement either of Trade Mark or Copyright normally an injunction must follow. Mere delay in bringing action is not sufficient to defeat grant of injunction in such cases. The grant of injunction also becomes necessary if it prima facie appears that the adoption of the mark was itself dishonest.

(b) Izuk Chemical Works Vs. Babu Ram Dharam Prakash,

Trade Mark MOON STAR and SUPER STAR were held to be confusingly similar. In Para 19 of the said judgment, court also held that competing trade marks HAYWARDS 5000 and HAYAWARDS 5000 also held to be confusingly similar and even the use of numeral 5000 was held to be infringement of the plaintiff's rights. Applying the said principles in the above case, trade mark HB-40 of the defendant is confusingly similar to the WD-40 trade mark of the plaintiff.

23. During the course of hearing of the matter, Mr. S.K. Bansal, learned counsel appearing on behalf of the plaintiff makes a statement that his client is agreeable to restrict its claim of relief only to para 31(a) of the plaint and other reliefs are not pressed. He further states that the plaintiff has no objection in case the defendants may use the letters WD in relation to same goods with dissimilar colour-scheme and get-up. In view of the statement made by Mr. Bansal and case proved by the plaintiff, the suit of the plaintiff is decreed in terms of prayer (a) of para 31 of the plaint. Rest of the reliefs are not pressed and hence the same are rejected. Decree be drawn accordingly. However, the plaintiff is entitled for costs. The suit as well as all pending applications stand disposed of.