

(2017) 08 DEL CK 0061

In the Delhi High Court

Case No : 1694 of 2015

NOKIA CORPORATION

APPELLANT

Vs

MANAS CHANDRA & ANR

RESPONDENT

Date of Decision : 21-08-2017

Acts Referred:

[Trade Marks Act, 1999](#), [Section 29\(4\)](#) -
Infringement of registered trade marks

Citation : (2017) 08 DEL CK 0061

Hon'ble Judges : Manmohan

Bench : SINGLE BENCH

Advocate : Neeraj Grover, Nageeb Nawab, Ashwani Pareek

Judgement

1. Present suit has been filed for declaration and permanent injunction restraining infringement of trademark, passing off, dilution, delivery up and recovery of damage, rendition of account. The prayer clauses in the suit are reproduced hereinbelow:- a. A decree of permanent injunction restraining the Defendants, their directors / proprietors / partners, their principles, employees, agents, distributors, franchisees, representatives and assigns from using the offending marks or any other trade mark or trade name which are deceptively or confusing similar to the plaintiff's registered trade mark NOKIA/ in any manner whatsoever without the permission, consent, licence of the plaintiff thereby infringing the rights of the plaintiff in its registered trade marks amounting to infringement thereof;

b. A decree of permanent injunction restraining the Defendants, their directors/ proprietors/partners, their principals, employees, agents distributors, franchisees, representatives and assigns from using the offending marks or any other trade mark or trade marks which are deceptively or confusingly similar to the Plaintiff's well-known and world renowned trade mark NOKIA/ , amounting to passing off their goods and business as and for the goods and business of the Plaintiff, or in any manner whatsoever, using or incorporating the Plaintiff's well-

known trade mark NOKIA/ or any other trade mark which is deceptively or confusingly similar to the Plaintiff's trade mark NOKIA/ and from taking benefit of the reputation and goodwill of the Plaintiff in any manner whatsoever;

c. An order of delivery up be passed thereby directing the Defendants, their directors / proprietors/partners, their principals, employees, agents, distributors, franchisees, representatives and assigns to hand over to the Plaintiff or its nominated representative all goods, packaging and promotional material, catalogues, stationery and any other material, whatsoever including labels, signs, prints, packages, moulds, plates, dies, wrappers, receptacles and advertisements in its possession or under its control bearing the offending marks which are identical / highly similar to Plaintiff's well known trade mark NOKIA / and / or any other trade mark deceptively or confusingly similar to the Plaintiff's well known trade mark NOKIA/ ;

d. A decree for recovery of damages to the tune of Rs.20,01,000/- against the Defendants, their directors / proprietors / partners, as the case may be;

e. For an order for rendition of accounts of profits earned by the Defendants by its offending illegal trade activities and a decree for the amount so found in favour of the Plaintiff on such rendition of accounts;

f. An order for the costs of the present proceedings including the Court fee affixed and the counsel fee;

g. Such other / further order which the Hon"ble Court deems fit and proper in the facts and circumstances of the case in favour of the Plaintiff and against the Defendants."

2. At the very outset, the learned counsel for the plaintiff stated that he wished to press prayers "a", "b" and "f" of the plaint. He specifically gave up his claim for damages, rendition of accounts and delivery up.

3. On 29th May, 2015, this Court granted an ex parte ad interim injunction in favour of the plaintiff and against the defendants. The relevant portion of the said order is reproduced hereinbelow:- " Consequently, till further order, defendants, their directors, proprietors, principals, employees, agents, distributors, franchisees, representatives and assigns are restrained from using plaintiff's registered trade mark NOKIA or any other trade mark, domain name or trade name deceptively similar to the plaintiff's CS (OS) 1694/2015 Page 4 of 11 mark without permission, consent, license of the plaintiff."

4. Since defendants No. 1 and 2 did not enter appearance despite service, they were proceeded ex parte vide orders dated 21st September, 2016 and 7th October, 2015 respectively and the ex parte interim injunction was confirmed on 21st September, 2016.

5. Mr. Neeraj Grover, learned counsel for plaintiff stated that the plaintiff is the owner of registered trade mark NOKIA and the said registration had been

subsisting since 14th January, 1987 in various classes. In support of his submission, he relied upon exhibits Ex.PW1/5 to Ex.PW1/21.

6. He stated that plaintiff's trade mark NOKIA had acquired a heightened degree of distinctiveness owing to the exclusive, extensive and continuous use of the mark both in India as well as globally.

7. Mr. Neeraj Grover contended that in February, 2014 while conducting a search in the online records of the Trade Marks Registry, the plaintiff became aware of the defendant No.1's application for the mark NOKIA in class 2 for goods which included paints, thinners etc. In support of his contention, he referred to the defendants' trade mark application No. 2133639 (Ex.PW1/27).

8. Mr. Neeraj Grover pointed out that a Cease and Desist notice dated 10th February, 2014, (Ex. PW1/30) had been sent by the plaintiff to the defendants pursuant to which the defendants withdrew their trade mark application No. 2133639.

9. He however stated that the defendants were still engaged in manufacturing of goods bearing the impugned mark as huge quantities of the same had been seized and sealed by the Local Commissioner. In support of his contention, he referred to the photographs of defendants' products bearing the impugned mark as well as original advertising pamphlet of defendant No. 1 to show that they were still using the NOKIA mark of the plaintiff. (Ex. PW1/32 and Ex. PW1/33).

10. Having perused the papers and having heard the learned counsel for plaintiff, this Court is of the view that the defendants' impugned marks NOKIA and BCP NOKIA are identical to the plaintiff's registered mark NOKIA. Further, the plaintiff's mark NOKIA is recognized as a well known trade mark and as per the provisions of Section 29(4) of the Trade Marks Act, 1999, the trade mark NOKIA is entitled to protection across all goods.

11. Recently, this court in the case of Exxon Mobil Corporation and Others Vs. Anser Pasha: CS(OS) 2032/2015, decided on 03rd July, 2017, had culled out the relevant law pertaining to Section 29(4) of the Act. The same reads as under:-
"11. Coordinate Benches of this Court in Rolex SA Vs. Alex Jewellery Pvt. Ltd. & Ors., 2009 (41) PTC 284 (Del.) and Bloomberg Finance LP Vs. Prafull Saklecha & Ors., 2013 (56) PTC 243 (Del.) while analysing Section 29(4) of the Act, 1999 have held as under:-

A. Rolex SA Vs. Alex Jewellery Pvt. Ltd. & Ors. (Supra):

"14. The trademark ROLEX has been registered in favour of the plaintiff with respect to watches etc since much prior to the user claimed by the defendants from 1995. If the plaintiff satisfies the test of Section 29(4)(c), the plaintiff even on the basis of its registrations other than with respect to jewellery, would be entitled to maintain an action of infringement against defendants with respect to jewellery. The only question to be determined at this prima facie stage is whether the registered trademark ROLEX of the plaintiff, in relation to watches,

has a reputation in India and the use of the mark by the defendants is without due cause and takes unfair advantage of and/or is detrimental to the distinctive character or repute of the registered trademark. xxx xxx xxx

18. This court, even prior to introduction of Section 29(4) in the 1999 Act had in Daimler Benz Aktiengesellschaft Vs Hybo Hindustan (1994) 14 PTC 287 in relation to another well known trademark "Benz" held that such names are different from other names - these are names which have become household words - it was held that there would hardly be anyone conscious of automobiles who would not recognize the name "Benz" used in connection with cars. The defendant in that case was restrained from using the name "Benz" with reference to underwear. The Senior counsel for the plaintiff also relied upon (i) Hamdard National Foundation Vs Abdul Jalil application for interim relief in suit No. 1240/2004 decided on 13th August, 2008 where use of name Hamdard in relation to processing and marketing of rice was enjoined notwithstanding plaintiff till then not dealing in the same and diversity in the goods and considerable delay in bringing the action. It was held that the consumer was likely to believe that the goods of defendant, though dissimilar, originate from the plaintiff. (ii) General Motors Corpn Vs Yplon SA decided by the court of Justice of European Communities and Premier Brands UK Ltd Vs Typhoon Europe Ltd Fleet Street Reports (2000) 767 on the aspect of deception and dilution respectively. (iii) Order of Assistant Registrar of Trade Marks, Singapore holding that watches have over the years evolved from their traditional function as being merely time keepers to being distinguished as items of fashion/fashion accessories. (iv) Cartier International B.V. Vs Choosy Corner (2003) 26 PTC 160 (Delhi) where the mark cartier was held to have tremendous goodwill and reputation and use thereof in relation to different goods i.e., garments was enjoined. (v) Honda Motors Co Ltd Vs Charanjit Singh (2003) 26 PTC 1 (Del) where mark Honda was held to have a global goodwill and reputation and use thereof in relation to pressure cooker was enjoined on the principles of passing off. and a number of other judgments, which are discussed in judgments aforesaid and with which it is not necessary to burden this order."

B. Bloomberg Finance LP Vs. Prafull Saklecha & Ors. (Supra):

"37. Section 29 (4) is also distinct from Section 29 (1) to (3) of the TM Act in another important aspect. The element of having to demonstrate the likelihood of confusion is absent. Perhaps to balance out this element, the legislature has mandated the necessity of showing that (a) the mark has a reputation in India (b) that the mark has a distinctive character (c) the use by the infringer is without due cause. In other words, the legislative intent is to afford a stronger protection to a mark that has a reputation without the registered proprietor of such mark having to demonstrate the likelihood of confusion arising from the use of an identical or similar mark in relation to dissimilar goods and services. The words "detriment" in the context of the "distinctive character" of the mark brings in the concept of "dilution" and "blurring". In the context of "repute" they are

also relatable to the concept of "tarnishment" and "degradation". The words "takes "unfair advantage" refers to "freeriding" on the goodwill attached to mark which enjoys a reputation. The disjunctive "or" between the words "distinctive character" and "repute" is designedly inserted to cater to a situation where a mark may not have a distinctive character and yet may have a reputation.

xxx xxx xxx

46.2 In the above background, the Court discussed Section 29 (4) in the context of "dilution" and observed:

"(1) The "likelihood of Confusion" test which is the essential basis of Trademark law, is not incorporated in relation to infringement of the kind Section 29(4) envisions. Section 29(1) - which talks of trademark infringement, generally, prescribes that the impugned mark should be "identical with, or CS (OS) 1694/2015 Page 9 of 11 deceptively similar to the registered trademark. Section 29 (2), (which deals with trademark infringement) enacts that the impugned mark should be similar or identical with the registered mark, as to cause confusion in relation to similar goods. The emphasis on similar goods is the recurring theme in each of the sub clauses ((a), (b) and (c)) and the identity/similarity requirement along with the similarity of goods are twin, conditions (established by the use of the conjunctive "and"). However, Section 29 (4) posits identity or similarity of the mark alone but, in relation to dissimilar goods.

(2) The object of the "dilution" form of infringement (under Section 29(4)) in effect, is a wider trademark protection without the concomitant likelihood of confusion requirement, as it is in respect of dissimilar or unrelated products and services.

(3) The confusion requirements under Section 28 are different from those under Section 29 (4). Section 29 (4) does not refer to the need for proving confusion anywhere in the relevant portions. Obviously the emphasis here is different.

(4) The plaintiff has to establish, under Section 29 (4) apart from the similarity of the two marks (or their identity) that his (or its) mark -

(i) has a reputation in India;

(ii) the use of the mark without due cause

(iii) the use (amounts to) taking unfair advantage of or is detrimental to, the distinctive character or repute of the registered trade mark.

(5) Importantly, there is no presumption about trademark infringement, even if identity of the two marks is established, under Section 29 (4). In contrast, Section 29 (3) read with Section 29 (2) (c) enact that if it is established that the impugned mark's identity with the registered trade mark and the identity of the goods on services covered by such registered trade mark is likely to cause confusion on the part of the public, or which is likely to have an association with the registered trade mark, "the court shall presume that it is likely to cause

confusion on the part of the public."

47. The ratio of the decision in ITC Limited, relevant to the instant case is Section 29 (4) offers "a wider trademark protection without the concomitant likelihood of confusion requirement, as it is in respect of dissimilar or unrelated products and services....."

12. This Court is further of the opinion that the adoption of the NOKIA mark by the defendants is dishonest and amounts to passing off and misrepresentation as the consumers would be misled into buying the defendants' infringing products believing them to be originating from the plaintiff.

13. The defendants' use of the marks identical to that of the plaintiff's registered mark NOKIA is also bound to dilute the distinctive character of the mark NOKIA.

14. In any event, as the averments in the plaint have not been rebutted by the defendants nor did the defendants bother to put forth their stand in spite of ample opportunities given by this Court, they are deemed to have been admitted.

15. Keeping in view the aforesaid facts, mandate of law and the persistent conduct of the defendants in selling products bearing the mark NOKIA, the suit is decreed in terms of prayers "a", "b" and "f" of the prayer clause. The plaintiff shall be entitled to costs including monies spent on court-fees, Local Commissioner's fees and other expenses etc.