
(2014) 10 DEL CK 0178
In the Delhi High Court
Case No : C.S. (OS) 1572/2013

Radico Khaitan Limited

APPELLANT

Vs

Brima Sagar Maharashtra Distilleries Ltd.

RESPONDENT

Date of Decision : 15-10-2014

Acts Referred:

Civil Procedure Code, 1908 (CPC) — Order 2 Rule 2, Order 39 Rule 1, Order 39 Rule 2, 148

Trade Marks Act, 1999 — Section 11, 38, 39, 40

Citation : (2014) 60 PTC 405

Hon'ble Judges : Sanjeev Sachdeva, J

Bench : Single Bench

Advocate : Sandeep Sethi, Senior Advocate, Ishani Chandra, Sagar Chandra and Harini Niveda, Advocate for the Appellant; A.S. Chandhiok, Senior Advocate, Amita Sehgal and Satinder Singh, Advocate for the Respondent

Judgement

Sanjeev Sachdeva, J.

IA 12712/2013 (On behalf of the Plaintiff Under Order 2 Rule 2 CPC)

The present application has been filed by the Plaintiff seeking liberty under Order 2 rule 2 to sue the Defendant for similar reliefs as prayed for in the suit in respect of other trademarks of the Plaintiff which are being infringed by the Defendant and of which the Plaintiff does not have knowledge at present but may become aware in the future.

The Plaintiff has contended that the Plaintiff has filed the present suit in respect of only five trademarks of the Plaintiff which are being infringed by the Defendant. It is contended that the Plaintiff is not aware if the Defendant is infringing any other trademark of the Plaintiff. Liberty is sought to sue the Defendant in future in respect of trademarks that are not subject matter of the present suit and in respect of which the Plaintiff is not aware if the Defendant is infringing the same.

The present suit is restricted to the trademarks that are subject matter of the present suit. The Plaintiff has contended that the Plaintiff is not aware if any other trademark is being infringed by the Defendant. In case the Plaintiff becomes aware subsequently that the Defendant is infringing any other trademark of the Plaintiff, cause of action would accrue to the Plaintiff from the date of such knowledge. In the said circumstances the application is allowed and the liberty is granted to the Plaintiff under Order 2 rule 2. IA 16926/2013 (On behalf of the Plaintiff under Section 148 Code of Civil Procedure for enlargement of time to file rejoinder to reply filed by Defendant in IA 12719/2013)

The Plaintiff has sought for enlargement of time to file the rejoinder to the reply filed by the Defendant to the application filed by the Plaintiff under Order 39 rules 1 & 2.

The Rejoinder has since been filed and the arguments of the parties have been made on the said application under Order 39 rules 1 & 2. Parties have addressed detailed submissions. The respective pleadings of the parties have been taken into consideration.

In view of the above, the application is allowed and the time to file the rejoinder is enlarged. The rejoinder is directed to be taken on record.

IA 12710/2013 (On behalf of the Plaintiff under Order 39 rules 1 & 2 Code of Civil Procedure)

1. The Plaintiff has filed the present suit for permanent injunction, restraining infringement of trademark, infringement of copyright, passing off etc. against the Defendant thereby restraining the Defendant from selling, manufacturing, offering for sale or in any manner dealing in any alcoholic beverage bearing the mark/label "BRIHAN'S DANZ No. 1 WHISKY, BRIHAN'S PREMIUM BLUE WHISKY, GOA, NOVA GOA, BRIHAN'S ORIGINAL DOCTOR BRANDY" or from adopting/using any other identical or deceptively similar trademark/label. The case of the Plaintiff is that the Plaintiff was formerly known as Rampur Distillery and was established in the year 1943. In the year 1999, the Plaintiff launched its brand under the house mark/trademark Radico.

2. As per the Plaintiff, the Plaintiff has state-of-the-art bottling lines and had set up some well-known trademarks. The Plaintiff is stated to have set up bottling plants in various states. The Plaintiff claims to have strong presence in the market.

3. In the year 2005 the Plaintiff acquired several trademarks including GOA DRY GIN AND LIME, BRIHAN'S GOA, BRIHAN'S No. 1 WHISKY, BRIHAN'S PREMIUM BLUE WHISKY, BRIHAN'S DOCTOR BRANDY etc.. along with their goodwill from Brihans Maharashtra Sugar Syndicates Ltd. (hereinafter referred to as BMSS). Deed of assignment dated 5.10.2005 was executed in favour of the Plaintiff. The assignment is stated to cover all the intellectual property residing in the said trademarks including copyrights in the Logos/legends of the trademarks and the

packaging material being used with those trademarks. The Plaintiff also has registrations in its favour in respect of some of the trademarks.

4. As per the Plaintiff, the trademarks were first adopted by the Plaintiff's predecessor in interest since the year 1994 or thereabouts and were used by them continuously and uninterruptedly before the trademarks were assigned to the Plaintiff in 2005. Thereafter the Plaintiff claims to have used the said trademarks and labels in respect of alcoholic beverages continuously since then and has been using the marks uninterruptedly to date.

5. It is the case of the Plaintiff that though the advertisement of alcoholic beverages is not allowed, the Plaintiff has promoted the alcoholic beverages under the mark and their labels throughout the country. As per the Plaintiff by virtue of such long, continuous and uninterrupted use, excellent quality and extensive promotion of the said trademarks, they have come to be associated exclusively with the Plaintiff in respect of alcoholic beverages. It is contended that the trademarks being arbitrary marks for alcoholic beverages are thus liable to be afforded the highest degree of protection under the Trademarks Act, 1999.

6. As per the Plaintiff, the Plaintiff became aware in the month of April 2012 that the Defendant was manufacturing and marketing BRIHAN'S DANZ No. 1 WHISKY in bottles that had an identical trademark to the Plaintiff's trademark for an identical product being an alcoholic beverage.

7. The Plaintiff issued a legal notice dated 26.04.2012 to the Defendant calling upon them to cease and desist from using the bottles bearing the Plaintiff's registered trademarks. It is contended that the Defendant failed to respond to the said notice. The Plaintiff again came across products manufactured and marketed by Defendant under the trademark BRIHMA'S GOA imprinted on their labels for their alcoholic beverage. It is contended that upon performing due diligence it was found that Defendant were also advertising other products identical to that of the Plaintiff's products. By notice dated 30.07.2013, the Plaintiff called upon the Defendant to immediately cease and desist from using infringing trademarks. The Plaintiff thereafter has filed the present suit.

8. The Defendant has in its defence contended that the suit of the Plaintiff's is barred by delay, laches and acquiescence. It is contended that the Plaintiff knew about the use of the disputed marks by BMSS and the use by the Defendant since the year 2008. It is contended that BMSS by deed of assignment dated 16.12.2010 assigned certain trademarks to the Defendant. It is contended that the Defendant had acquired the said trademarks along with their goodwill and as such was entitled to use the said trademarks.

9. The Defendant apart from specific defences raised to the 5 trademarks in issue have raised the common defence in respect of all five marks i.e. (i) that the excise authorities have approved the mark and label of the Defendant and as such Defendant is entitled to use the same, (ii) further that BMSS was using the trademarks since the year 2008 and the Defendant has been using them since

2011 and as such the Plaintiff being aware of the user is not entitled to the relief of injunction (iii) the Defendant has also applied for registration and/or is the registered proprietor of some of the marks.

10. Apart from the general pleas applicable to all the impugned trademarks, the Defendant has also raised trademark specific pleas.

11. It is contended by the Defendant that the said "BRIHAN'S DANZ No. 1 WHISKY" trademark was assigned to the Defendant under a deed of assignment dated 16.12.2010 for valuable consideration. It is contended that by virtue of the said deed of assignment the Defendant is exclusively entitled to use the said trademark. It is contended that the Defendant has already filed an application for registration of the trademark, which is in process. It is contended that BMSS since 02.12.2008 and thereafter the Defendant since 21.9.2011 is continuously using the said Mark and as such is entitled to use the same.

12. The case of the Plaintiff on the contra is that BMSS by deed of assignment dated 05.10.2005 assigned various trademarks along with their goodwill for a sale consideration of Rupees 17.5 Crores. The trademark BRIHAN'S No. 1 WHISKY was one such trademark. It is contended that the Defendant has adopted a deceptively similar trademark BRIHAN'S DANZ No. 1 WHISKY, the only distinction being the word "Danz". It is submitted that the Plaintiff acquired the entire right, title and interest in the said Mark through deed of assignment dated 05.10.2005.

13. It is contended that the assignment of trademark BRIHAN'S DANZ No. 1 WHISKY by BMSS to the Defendant is patently wrong and illegal and BMSS could not have assigned the said trademark to the Defendant in the year 2010 in view of the earlier assignment of BRIHAN'S No. 1 WHISKY AND BRIHAN'S No. 1 in favour of the Plaintiff along with all goodwill, common law rights, labels, logo etc.

14. It is contended that the two marks BRIHAN'S DANZ No. 1 WHISKY and BRIHAN'S No. 1 WHISKY are deceptively similar and since the Plaintiff is the sole and exclusive proprietor through prior assignment and has continuous and uninterrupted user since 2005, the Defendant cannot use a deceptively similar mark. It is further contended that the Defendant's label clearly shows the mala fide intention in adoption of the said Mark as the word DANZ is written in small and inconsequential lettering as compared to the words No. 1 WHISKY AND BRIHAN'S.

Plaintiffs BRIHAN'S PREMIUM WHISKY, BRIHAN'S PREMIUM BLUE WHISKY v. Defendant's BRIHAN'S PREMIUM BLUE WHISKY

15. The Defendant in the Written Statement has contended that the impugned trademark was initially assigned by BMSS to the Plaintiff under the Assignment Deed dated 25.10.2005. It is contended that thereafter as the Plaintiff was not interested in acquiring the said trademark, therefore the Plaintiff agreed to reassign the said trademark in favour of BMSS vide letter dated July 2006. It is

contended that the reassignment of trademark in favour of BMSS was further confirmed through the emails exchanged between the Plaintiff and BMSS. It is contended that after the assignment of the same in favour of BMSS on 03.07.2006, the Plaintiff never used the trademark either in the form of label or word per se.

16. It is contended that after getting the reassignment of the said Mark, BMSS assigned the same in favour of the Defendant under the Deed of Assignment of 2010 and as such the Defendant claims to have become the owner of the said trademark.

17. The Plaintiff has contended that though there were some discussions in the year 2006 between the Plaintiff and BMSS for the reassignment of the said Mark, however these never fructified and the mark was never reassigned to BMSS. It is contended that the Defendant has failed to show any Re-assignment Deed, assigning the mark back to BMSS. It is contended that the letter dated 03.07.2006 was a communication between the Plaintiff and BMSS which further stipulated that the parties would be entering into a Re-assignment Deed. It is contended that the email exchanged in 2011 rather confirmed the fact that the reassignment did not take place.

18. It is submitted by the Plaintiff that since there is an admission that the Plaintiff was assigned the Mark by BMSS in 2005 and thereafter there was no reassignment back to BMSS, the 2010 Assignment Deed under which the Defendant claims to have acquired rights is illegal and cannot be enforced. It is thus contended that the very adoption by BMSS and the subsequent assignment to the Defendant and the adoption by the Defendant is dishonest and in violation of the rights of the Plaintiff.

Plaintiffs BRIHAN'S GOA v. Defendant's BRIHMA'S GOA & NOVA GOA

19. It is contended by the Defendant that on 19.05.1994, BMSS applied for registration of the trademark BRIHAN'S GOA. On 20.07.2005 the said trademark was registered in favour of BMSS. On 29.05.2006, the Plaintiff became the subsequent proprietor. It is contended that on 26.11.2009 rectification was filed in respect of the said trademark.

20. It is contended that the Plaintiff was not using the label registered but was using a different label. It is contended that the Defendant was using a different trademark and a completely different label it is contended that the Defendant was using the mark BRIHMA'S GOA and not BRIHAN'S GOA in a different style. It is contended that the two marks are not deceptively similar, further it is contended that the word GOA is a geographical name and nobody including the Plaintiff has the exclusive right over the word GOA.

21. The Plaintiff has contended that mere pendency of the rectification proceedings filed by a 3rd party does not disentitled the Plaintiff from enforcing its rights against the Defendant. It is contended that the two marks and labels

are deceptively similar and likely to cause confusion. It is contended that even geographical marks are entitled to protection. It is contended that the mark and the label used by the Defendant is identical to that of the Plaintiff and has been adopted to mislead the public. It is submitted by the Plaintiff that there are certain disputes that arose with BMSS in the year 2009 for the use of the mark GOA by BMSS and some settlement terms were proposed but they were never finalized. It is contended that the emails relied upon by the Defendant further go on to show that BMSS was seeking permission of the Plaintiff to do certain acts for a limited purpose thereby acknowledging the Plaintiff to be the owner of the GOA trademarks. It is submitted that the said permission was never granted to BMSS. It is submitted that since BMSS and the Plaintiff shared a unique relationship, the discussion was being carried on but that would not entitle the Defendant to claim any benefit of the said discussion.

22. It is contended by the Plaintiff, that the Plaintiff through its Assignor BMSS had been continuously using the mark GOA since 1994 and because of long extensive and continuous use of the said trademark, the consuming public associated the product of the Plaintiff bearing the trademark BRIHAN'S GOA and the GOA LABEL with the Plaintiff. It is contended that the label of the Defendant is deceptively similar.

23. It is contended by the Defendant, that the Defendant was the owner of the said trademark by virtue of the assignment by BMSS in the year 2010. It is submitted that the label NOVA GOA was approved by the excise authorities on 15.06.2009 and the Defendant was using the said label since 21.09.2011. It is submitted that the Plaintiff was aware of the use of the said Mark.

24. It is contended by the Plaintiff that the Defendant's label was a colorable imitation of the Plaintiffs label amounting to infringement of copyright and is also likely to mislead the consuming public. It is submitted by the Plaintiff that the Defendant was relying on unsigned Minutes of Meeting and one-sided emails to try to mislead the Court. It is submitted that from the documents filed by the Defendant, it was clear that BMSS was seeking the Plaintiffs permission to do certain acts for a limited purpose. Further, it is contended that the said documents prima facie show that BMSS was acknowledging that the Plaintiff was the owner of the GOA trademark.

25. It is submitted by the Plaintiff that the mark GOA was an essential feature of the mark NOVA GOA and therefore violates the rights of the Plaintiff.

Plaintiffs BRIHAN'S DOCTOR (WORD PER SE) & BRIHAN'S DOCTOR BRANDY (LABEL) v. Defendant's BRIHMA'S ORIGINAL DOCTOR BRANDY

26. It is submitted by the Defendant in the Written Statement that on 04.06.1976 BMSS applied for registration of the said trademark BRIHAN'S DOCTOR BRANDY and claimed users since 01.06.1972. On 01.02.1978, the Mark was advertised in the trademark journal with the disclaimer that the registration shall give no right to the exclusive use of the word DOCTOR. On 29.07.1978 the

mark was registered in favour of BMSS. On 29.05.2006, the Plaintiff became the subsequent proprietor. It is further contended by the Defendant that the registration of the Mark is subject to the disclaimer of the word DOCTOR and the Plaintiff does not have the exclusive right to use the word DOCTOR.

27. It is contended that the Defendant was using a different mark i.e. BRIHMA'S ORIGINAL DOCTOR BRANDY. It is contended that the use of the said label by the Defendant with the registered trademark BRIHMA'S in no way amounts to infringement of the registered trademark. BRIHAN'S DOCTOR (word per se) of the Plaintiff. It is contended that the trademarks BRIHAN'S AND BRIHMA'S are distinct and different.

28. It is contended that the label used by the Defendant is distinct from the label used by the Plaintiff. It is contended that in the year 2009 some disputes arose between BMSS and the Plaintiff with regard to the use of the labels BRIHMA'S ORIGINAL DOCTOR BRANDY. It is contended that the disputes were resolved in the meeting held on 20.09.2009 and recorded in the Minutes of Meeting and according to the said Minutes of Meeting the labels were amended by BMSS to the satisfaction of the Plaintiff.

29. It is submitted that the Plaintiff agreed not to take any objection or legal action against BMSS on the sale of the two brands BRIHMA'S GOA and BRIHMA'S ORIGINAL DOCTOR BRANDY. It is contended that BMSS has been continuously, with the knowledge and consent of the Plaintiff, used the said amended/agreed labels till the same were assigned to the Defendant and as such the Defendant has the right to use the said labels.

30. Before dealing with the factual averments of the respective parties, it would be appropriate to have a look at the legal position governing the principles of grant of injunction in cases of infringement of trademarks or passing off of trade names.

31. In the case of The Indian Hotels Company Ltd. Vs. Ashwajeet Garg and Others, this court had the occasion of considering various judicial pronouncements and culling out the following legal principles for determining the deceptive similarity of marks:

"i. Action for infringement is a statutory remedy conferred on the registered proprietor of a registered trademark. 1

ii. Registration of trademark gives the proprietor the exclusive right to the use of the trademark in connection with the goods in respect of which it is registered.2

iii. If the essential features of the trademark of the Plaintiff have been adopted by the Defendant, the fact that the get-up, packing and other writing or marks on the goods or on the packets shows marked differences, or indicate clearly a trade origin different from that of the registered proprietor of the mark would be immaterial.3

- iv. Mere delay in filing of a suit for infringement is not fatal.⁴
- v. Phonetic similarity constitutes an important index of whether a mark bears a deceptive or misleading similarity to another.⁵
- vi. The Court must consider the usage of words in India, the manner in which a word would be written in Indian languages and the similarity of pronunciation if the rival marks are used.⁶
- vii. Resemblance between the two marks must be considered with reference to the ear as well as the eye.⁷
- viii. The rival marks have to be compared as a whole. The two competing marks must be judged both by their look and by their sound. All the surrounding circumstances must be considered.⁸
- ix. Where the similarity between the Plaintiffs and the Defendant's mark is so close either visually, phonetically or otherwise and the court reaches the conclusion that there is an imitation, no further evidence is required to establish that the Plaintiffs rights are violated.⁹
- x. Competing marks have to be compared keeping in mind an unwary purchaser of average intelligence and imperfect recollection.¹⁰
- xi. Broad and essential features of the two are to be considered. They should not be placed side by side to find out if there are any marked differences in the design and get up.
- xii. A single actual use with intent to continue such use eo instanti confers a right to such mark as a trademark.¹¹
- xiii. The applicant has to establish user of the aforesaid mark prior in point of time than the impugned user by the non-applicant.¹²
- xiv. A suit for infringement is maintainable by a registered proprietor against another registered proprietor.¹³
- xv. While staying the further proceedings pending decision of the registrar on rectification, an interim order including of injunction restraining the use of the registered trademark by the Defendant can be made by the court.¹⁴
- xvi. A trademark shall not be registered if it is identical or similar to an earlier trademark in respect of goods or services covered by the trademark and is likely to cause confusion amongst the public.¹⁵
- xvii. Registration of an identical or a similar trademark shall also be refused for goods and services not covered by the earlier trademark if it is shown that the earlier trademark is a well known trademark.¹⁶
- xviii. The mere fact that the Plaintiff has not chosen to take any action against other parties cannot disentitle the Plaintiff from taking the present action."¹⁷

32. Further, this Court in the case of Classic Equipments (P) Ltd. Vs. Johnson Enterprises and Others, held that:

"Once an Assignment Deed has been executed, the Assignor ceases to have any right, title or interest in the property assigned. It is not open to the Assignor to cancel the assignment by means of a communication."

33. The Supreme Court of India in the case of Power Control Appliances and Others Vs. Sumeet Machines Pvt. Ltd., laid down that:

"It is a settled principle of law relating to trade mark that there can be only one mark, one source and one proprietor. It cannot have two origins."

34. This court in the case of Cadbury India Limited and Others Vs. Neeraj Food Products, has laid down that:

"The impact of the disclaimer on a registration certificate is that a person is precluded from bringing an infringement action in respect of the trade mark registration. The statute did not prohibit in any manner the right given to a person to bring a passing off action in respect of a trade mark which though registered, but contains a disclaimer with regard to any portion thereof."

35. The Bombay High Court in the case of Skol Breweries Limited Vs. Som Distilleries and Breweries Limited and Shaw Wallace and Company Limited, referred to the following paragraph from the decision of the Supreme Court of The Registrar of Trade Marks Vs. Ashok Chandra Rakhit Ltd., , wherein it was held that:

....The disclaimer is only for the purposes of the Act. It does not affect the rights of the proprietor except such as arise out of registration. That is to say, the special advantages which the Act gives to the proprietor by reason of the registration of his trade mark do not extend to the parts or matters which he disclaims. In short, the disclaimed parts or matters are not within the protection of the statute. That circumstance, however, does not mean that the proprietor's rights, if any, with respect to those parts or matters would not be protected otherwise than under the Act. If the proprietor has acquired any right by long user of those parts or matters in connection with goods manufactured or sold by him or otherwise in relation to his trade he may, on proof of the necessary facts, prevent an infringement of his rights by a passing off action or a prosecution under the Indian Penal Code. Disclaimer does not affect those rights in any way.

36. Rejecting the plea of abandonment of a mark because of addition and alteration to the original mark, the Bombay High Court in the case of SKOL BREWERIES (SUPRA) laid down as under:

19. Mr. Bookwala contended that the Plaintiff had abandoned the registered label mark. Relying upon paragraph 8 of the plaint read with Exhibit "E" thereto he submitted that the mark actually used by the Plaintiff was entirely different from the registered mark. The registered mark he submitted had never been used and

must therefore be deemed to have been abandoned. Exhibit "E" to the plaint is a photograph of a bottle with the label affixed thereon. The words "HAYWARDS 5000" form not only an important but a predominant part of the label. These letters and numerals are in the centre of the label and are about four times the size of the letters and numerals of the other material on the label. Reliance however is placed on the fact that the label in addition thereto contains considerable other material. Firstly the word PREMIUM is added to the registered mark. Below the mark "HAYWARDS 5000" are the words "PREMIUM SUPER STRONG BEER". Below these words is the device of a star within a circle and below the same the quantity is mentioned as 650 ml. Above the mark are the words "THE ORIGINAL". The use of this additional material, Mr. Bookwalla contended, established that it is not the registered trademark that has been used by the Plaintiff but another trademark altogether.

20. The added material in the present case does not indicate that the Plaintiff has abandoned the registered mark or the word mark "HAYWARDS 5000". Nor does it indicate that the label on the bottle containing the Plaintiffs product does not constitute the use of the registered label mark. The submission that any variation or deviation from the registered mark does not constitute use of the registered mark is not well founded. Indeed in most cases the label affixed on the products or packages containing the products would contain in addition to the trademark, registered or unregistered, other material. The added material may be of the proprietors volition as well as on account of statutory compulsion. For instance the labels may contain the name of the entity packing/bottling the goods, the name and address of the manufacturer and the quantity of the contents of the package upon which the label is affixed. The label may also contain certification obtained by the manufacturer and the proprietors compliance with statutory requirements whether compulsorily required to be stated or not. If Mr. Bookwalla's submission is accepted it would lead to the absurd result that the mere introduction/mention of such material would lead to the conclusion that the registered mark has not been used and consequently must be deemed to have been abandoned by the proprietor thereof. So long as the registered mark is used in substantially the same manner in which it is registered it must be deemed/considered to constitute the use of the registered mark itself. Where the use of a mark, registered or unregistered, is apparent the mere addition of material on the label or other material on which it appears would not lead to the conclusion that the mark has not thereby been used. In either case the use of the mark must be apparent to wit, the Court must be satisfied that despite the added material the trademark has been used. The use of the mark must be as a trademark and must be obvious/perceptible. The mark must not be lost as a result of the added material for then it is not to the use of the mark for the purpose of an infringement or a passing of action."

37. This High Court in the case of Hi-Tech Pipes Ltd. Vs. Asian Mills Pvt. Ltd., laid down as under:

"The important aspect to be considered is whether the word "Gujarat" has acquired secondary significance and has distinctiveness in respect of the steel pipes produced by the Plaintiff. This principle finds support from the judgment of the learned Single Judge of the Gujarat High Court in Bharat Tiles and Marble Private Ltd. Case (1978 Gujarat Law Reporter 518) as it was held that merely because a trade name is geographically descriptive, it does not imply that an action for passing off cannot be maintained provided the Plaintiff is able to establish the requisite grounds of deceit by use of similar name."

38. This High Court in the case of Sundar Nagar Association Regd. Anr v. Welfare Cultural Club (Regd) & Anr. 1995 (PTC) 270 held that:

"Even though it might be possible for a geographical name to be used with adequate distinction in a way which is not deceptive, a name originally purely geographical in its significance may become so associated with the Plaintiff's goods or services that its use on its own as a trade mark or name without adequate distinction will amount to passing off, especially if it is used in conjunction with get-up or other indicia similar to that used by the Plaintiff.

39. Section 40 of the Trade Marks Act, 1999 lays down as under:

40. Restriction on assignment or transmission where multiple exclusive rights would be created.--

(1) Notwithstanding anything in sections 38 and 39, a trade mark shall not be assignable or transmissible in a case in which as a result of the assignment or transmission there would in the circumstances subsist, whether under this Act or any other law, exclusive rights in more than one of the persons concerned to the use, in relation to--

(a) same goods or services;

(b) same description of goods or services;

(c) goods or services or description of goods or services which are associated with each other, of trade marks nearly resembling each other or of identical trade mark, if having regard to the similarity of the goods and services and to the similarity of the trade marks, the use of the trade marks in exercise of those rights would be likely to deceive or cause confusion:

Provided that an assignment or transmission shall not be deemed to be invalid under this sub-section if the exclusive rights subsisting as a result thereof in the persons concerned respectively are, having regard to limitations imposed thereon, such as not to be exercisable by two or more of those persons in relation to goods to be sold, or otherwise traded in, within India otherwise than for export therefrom, or in relation to goods to be exported to the same market outside India or in relation to services for use at any place in India or any place outside India in relation to services available for acceptance in India.

41. It is thus clear that there cannot be two assignments of a mark. If two

assignments of a mark were permissible, then there would be confusion with regard to the origin of the goods or services. The basic principle underlying protection of intellectual property rights is that the purchaser of the goods should be clear as to the source of the goods. If the source of the goods is unclear or there is confusion as to the origin/source of the goods in the mind of the ultimate user then the very concept of protection of intellectual property right would be defeated.

42. It is more in the interest of the general public than in the interest of the proprietors of the mark that there should be no confusion as to the origin/source of the goods. If two assignments of a mark were permissible then there would be confusion in the mind of the ultimate user as to who is the proprietor of the goods. The consumer would never be certain about the quality of the goods sought to be purchased.

43. Keeping in view the interest of ultimate consumers, the courts have laid down the principle of one mark one proprietor. However there may be situations where a proprietor of a mark being unaware of the prior mark honestly adopts a mark which is identical or similar to the earlier mark and puts the same to use, he may, in a passing off action, be entitled, in the facts and circumstances of the case, to set up the defence of honest concurrent use. Though in an infringement action of a registered mark, this defence may not be available.

44. Where there is a dishonest adoption in the first instance, the period of use is of no consequence. If it prima facie appears that the adoption of a mark was dishonest then even if the Defendant has been using the mark for a considerably long period of time it would be of no consequence even in a passing off action. What is relevant is whether the adoption was honest or not. Only where the adoption of the mark is honest that the Defendant would be entitled, subject to other conditions being satisfied, to set up the defence of honest and concurrent user. Where the adoption of the mark is not honest then the defence of honest and concurrent user would not be permitted to be set up.

45. Coming to the facts of the present case, it would be necessary to examine the terms and conditions of the two Assignment Deeds to ascertain the rights that have accrued to the two rival parties.

46. Both the Plaintiff and Defendant have set up their respective Assignment Deeds from a common predecessor BMSS. The Plaintiff has relied upon the Assignment Deed dated 05.10.2005 (hereinafter referred to as the 2005 Assignment Deed) and the Defendant has relied upon the Assignment Deed dated 16.12.2010 (hereinafter referred to as the 2010 Assignment Deed).

47. With regard to the 2005 Assignment Deed in favour of the Plaintiff, there is no dispute by the Defendant that the 2005 Assignment Deed has been executed. The Defendant has categorically admitted in the written statement that 2005 Assignment Deed has been executed by the Assignor BMSS.

48. The Plaintiff has disputed the execution and validity of the 2010 Assignment Deed but for the purposes of decision of the application, since only a prima facie view is to be taken, it is assumed that the 2010 Assignment Deed has been duly executed.

49. Prima facie what is to be considered is the effect of the 2005 Assignment Deed vis-?-vis the 2010 Assignment Deed.

50. The Defendant has admitted that the 2005 Assignment Deed was duly executed and that it did create rights and interest in favour of the Plaintiff with regard to the trademarks that are subject matter of the said deed.

51. If the rights and interests created by the 2005 Assignment Deed in favour of the Plaintiff were absolute then one has to determine whether there was any residuary rights in the said marks left for BMSS to subsequently assign to the Defendant by way of the 2010 Assignment Deed.

2005 ASSIGNMENT DEED

52. The sale consideration of the said 2005 Assignment Deed is Rs. 17.50 Crores.

53. Some of the relevant clauses and recitals of the 2005 Assignment Deed record as under:

"B. the Assignor is the sole proprietor and owner of the trademarks listed at Annexure A [hereinafter all such trademarks referred to as the "trademarks"]

D. The Assignor has agreed to sell, transfer and assign to the Assignee its rights, interests and title in the trademarks and the formulation and accordingly the parties have agreed to execute the said deed on the terms and conditions contained therein

1.1 The Assignor as the sole and exclusive proprietor and owner of trademarks, hereby irrevocably assigns, conveys and transfers unto the Assignee, all the property, right, title and interests in the trademarks, including those available at common law, in perpetuity, together with all rights connected with the goodwill of the business in respect of the trademarks, for all territories of the world, including India. This assignment shall be free and clear of any and all charges, lien, security, interests, liabilities, claims and any other form of third-party rights, both actual and potential.

1.2 The Assignor further transfers and assigns all rights and entitlements to extend, renew and secure extensions, renewals of the trademarks on worldwide basis and future rights, title and interest to any modification and, or, alteration of the trademarks. The Assignor covenants that the trademarks shall become the absolute and exclusive property of the Assignee and the Assignor shall thereafter have no right, title, claim or interest in or in relation to the trademarks.

1.3 The assignment herein shall include assignment, transfer and conveyance in all the intellectual property rights, including copyright, design and patent in (i)

trade dress, the labels and variations of the trademarks, logos/legends in the trademarks detailed at Annexure C hereof; and (ii) bottles, caps and other packaging material that is being used with the trademarks.

3.1.5 The Assignor shall not dispute that impugn the validity of the rights granted to the Assignee under this deed, nor shall the Assignor act or permit action in any manner, that shall impair his right to such trademarks and including, among other things, jeopardizing the distinctiveness or significance of the trademarks or altering the trademarks in any manner whatsoever.

3.1.6 The Assignee shall be entitled to use the trademarks and be entitled to the goodwill of the business related to the trademarks of the Assignor in connection therewith without any objection or interruption by the Assignor or on any person claiming under it.

3.1.7 The Assignor shall henceforth never adopt, use, register or seek to register any mark which would be identical with or similar to or deceptively similar to the trademarks and

4.3 The Assignee hereby undertakes and confirms that the words BRIHANS and BRIHANS logo will be used exclusively by Assignee strictly for the assigned trademarks only which are covered under this deed.

4.4 The Assignee hereby further agrees and confirms that the Assignor has full right to assign any other word and label of the Assignor other than those covered under this deed.

4.5 The Assignee also hereby agrees and confirms that the ownership of the word BRIHANS and the BRIHANS logo shall remain with the Assignor exclusively forever as before and the Assignee shall not use the word BRIHANS or BRIHANS logo for any other products manufactured or marketed by Assignee, without the prior written consent of the Assignor.

4.6 The Assignee of also hereby agrees and confirms that the Assignor shall be free to manufacture/bottle its own products under other brands/trademarks [other than those covered under this deed] as well as products of other manufacturers under the brand names of such manufacturers.

5.3 The Assignee shall have the unrestricted right to assign or otherwise dispose of this assignment or any of its rights hereunder, in whole or in part.

Annexure A lists out 39 brands/trademarks assigned by the said deed of 2005. The brands assigned and contained in Annexure A relevant for the present controversy are as under:

54. The 2005 Assignment Deed by the recital clause stipulates the Trademarks subject matter of the Deed and as listed at Annexure A. Apart from the trademarks stipulated in Annexure A, the Assignor has assigned the trade-dress, Labels, Logos/Legends in the trademarks as per Annexure C.

55. The Assignor (BMSS) has by the said deed irrevocably assigned, conveyed and transferred to the assignee (the Plaintiff) all the property, right, title and interests in the trademarks, including those available at common law, in perpetuity, together with all rights connected with the goodwill of the business in respect of the trademarks, for all territories of the world, including India.

56. The Assignor further transferred and assigned all rights and entitlements to extend, renew and secure extensions, renewals of the trademarks on worldwide basis and future rights, title and interest to any modification and, or, alteration of the trademarks. The Assignor further covenanted that the trademarks shall become the absolute and exclusive property of the Assignee and the Assignor shall thereafter have no right, title, claim or interest in or in relation to the trademarks.

57. The assignment included assignment, transfer and conveyance in all the intellectual property rights, including copyright, design and patent in (i) trade dress, the labels and variations of the trademarks, logos/legends in the trademarks detailed at Annexure C hereof; and (ii) bottles, caps and other packaging material that was being used with the trademarks.

58. It was further agreed that the Assignor shall not dispute or impugn the validity of the rights granted to the Assignee, nor shall the Assignor act or permit action in any manner, that shall impair his right to such trademarks and including, among other things, jeopardizing the distinctiveness or significance of the trademarks or altering the trademarks in any manner whatsoever.

59. The Deed further stipulates that the Assignee shall be entitled to use the trademarks and be entitled to the goodwill of the business related to the trademarks of the Assignor in connection therewith without any objection or interruption by the Assignor or on any person claiming under it. The Assignor agreed never to adopt, use, register or seek to register any mark which would be identical with or similar to or deceptively similar to the trademarks.

60. The Assignee undertook that the words BRIHANS and BRIHANS logo will be used exclusively by Assignee strictly for the assigned trademarks only which were covered under this deed. It was agreed by the Assignee that the Assignor had full right to assign any other word and label of the Assignor other than those covered under the said deed. The Assignee agreed that the ownership of the word BRIHANS and the BRIHANS logo shall remain with the Assignor exclusively forever as before and the Assignee shall not use the word BRIHANS or BRIHANS logo for any other products manufactured or marketed by Assignee, without the prior written consent of the Assignor.

61. The Assignor was free to manufacture/bottle its own products under other brands/trademarks (other than those covered under the said deed) as well as products of other manufacturers under the brand names of such manufacturers. The Assignee had the unrestricted right to assign or otherwise dispose of this assignment or any of its rights, in whole or in part.

62. The clauses of the Deed further imply that the Plaintiff had absolute right to use the assigned marks for the products in respect of which the same had been applied. Even BMSS could not apply the marks for the same products and it could use the marks for products other than those covered by the Deed. The Plaintiff also had the right to protect the marks assigned even from misuse by BMSS.

2010 ASSIGNMENT DEED

63. The sale consideration of the 2010 Assignment Deed is Rs. 1,000/- only.

64. By the 2010 Assignment Deed, the Assignor BMSS has assigned to the Defendant 74 Trademarks.

65. Annexure A lists out 74 brands/trademarks assigned by the said deed of 2010. The brands assigned and contained in Annexure A relevant for the present controversy are as under:

66. It may be noted that out of the 74 trademark, the Assignor has used the word BRIHMA'S only for the two impugned marks i.e. BRIHMA'S GOA and BRIHMA'S ORIGINAL DOCTOR BRANDY apart from the word per se BRIHMA'S.

67. Comparison of the two Assignment Deeds shows that the Assignor BMSS has sought to assign the same mark to both the Plaintiff and the Defendant. Once the Assignment in favour of the Plaintiff was complete, the Assignor did not have the power to give what was already given to the Plaintiff and was no longer it's to give. Further, the 2010 Assignment Deed to the extent it assigns the marks already assigned would be contrary to Section 40 of the Trademarks Act, 1999 as it results in the creation of concurrent exclusive rights in more than one person, which would be likely to deceive and cause confusion.

68. In view of the law as laid down by the CLASSIC EQUIPMENTS CASE (SUPRA) once the 2005 Assignment Deed was executed, BMSS ceased to have any right, title or interest in the trademarks assigned and as such could not re-assign them by the 2010 Assignment Deed. The 2010 Assignment Deed to the extent it seeks to assign the trademarks already assigned would be invalid and inoperative.

69. The Defendant has not denied the execution and validity of the 2005 Assignment Deed on the contrary there is an admission that the same has been duly execute and it conveys the title in favour of the Plaintiff.

70. The trademarks assigned by the 2005 Assignment Deed to the Plaintiff and relevant for the present controversy are BRIHANS PREMIUM WHISKY, BRIHANS No. 1 WHISKY, BRIHAN'S No. 1, BRIHAN'S WHISKY, BRIHAN'S PREMIUM BLUE WHISKY, BRIHANS DOCTOR BRANDY, BRIHAN'S DOCTOR, GOA DRY GIN & LIME 35 UP, BRIHAN'S GOA, BRIHAN'S GOA SPECIAL DRY GIN.

71. Once the abovementioned trademarks were assigned to the Plaintiff, BMSS could not have adopted, used or assigned, identical or deceptively similar trademarks. The 2010 Assignment Deed seeks to assign the following trademarks to the Defendant that are claimed to be identical or deceptively

similar: BRIHAN'S PREMIUM BLUE, BRIHAN'S DANZ No. 1, NOVA GOA PREMIXED DRY GIN, BRIHMA'S GOA, and BRIHMA'S ORIGINAL DOCTOR BRANDY.

72. Another important factor to be noticed in the 2010 Assignment Deed is that for the impugned marks the user claimed by BMSS is that of 2008 onwards. From the own showing of the Defendant the adoption of the deceptively similar marks are much after the adoption of the mark by the Plaintiff coupled with the fact that the Plaintiff has purchased the said marks along with their goodwill and is entitled to take benefit of the user of the predecessor i.e. of BMSS. Since BMSS prior to the assignment of 2005 has claimed to been using the marks for a considerably long period of time and has assigned the said marks along with goodwill to the Plaintiff, the benefit of the said user would inure to the Plaintiff who had for a valuable consideration purchased the said marks along with their goodwill.

73. The adoption of the impugned marks by the Defendant coupled with the user of its predecessor i.e. BMSS would be that of 2008 or so, which is subsequent to the adoption of the marks by the Plaintiff coupled with the user of its predecessor.

74. The fact that the 2010 Assignment Deed refers to the status of application for some of the impugned marks as "to be applied" and for other impugned marks the date as 04.12.2008, prima facie shows a conscious decision on the part BMSS and Defendant not to refer to any prior user as it was clear to them that the user of BMSS prior to the said period had been assigned to the Plaintiff. If there was any residual rights remaining in BMSS, then BMSS would not have shown the date of adoption of the said marks as 2008 rather it would have claimed user since 1974 or so.

75. It is settled law that for comparing two marks for their deceptive similarity, the two marks as a whole have to be considered. The mark or words comprised in a mark cannot be split-up for the purposes of comparison. The test is, if the two competing marks when taken as a whole and compared, then whether there is any deceptive similarity between the two or not. The test is not that the words, in the mark be split up to ascertain whether there are any dissimilarities or not. The rival marks have to be compared as a whole. The two competing marks must be judged both by their look and by their sound. All the surrounding circumstances must be considered (AMRITDHARA PHARMACY CASE (SUPRA)).

76. Even if some words comprised in a mark are generic, still the mark taken as a whole can attain distinctiveness of the product of the proprietor. For example the words "Premium" and "Whisky" may be generic words but when coupled with the other words like BRIHAN'S then the mark as a whole i.e. BRIHAN'S PREMIUM WHISKY would be capable of distinctiveness. More so when the mark is a registered mark.

77. Concerted effort was made by the Defendant to point out to the various dissimilarities in the impugned marks. It was contended that there was difference

in the colour of the background of the label, in one there was a single tree and in the other there was a double tree, the picture of the Castle was different, different font was being used, the word blue was missing and there were other visual dissimilarities.

78. If the essential features of the trademark of the Plaintiff have been adopted by the Defendant, the fact that the get-up, packing and other writing or marks on the goods or on the packets shows marked differences, or indicate clearly a trade origin different from that of the registered proprietor of the mark, would still be immaterial (AMERICAN HOME PRODUCTS (SUPRA)). Broad and essential features of the two are to be considered. They should not be placed side by side to find out if there are any marked differences in the design and get up.

79. The test laid down by the Supreme Court is that the two competing marks are not to be kept side-by-side to ascertain whether there are any dissimilarities but the true test is that of an imperfect recollection of a person of average intelligence. Competing marks have to be compared keeping in mind an unwary purchaser of average intelligence and imperfect recollection (AMRITDHARA PHARMACY CASE (SUPRA)).

80. If the above tests were to be applied to the impugned marks and the labels adopted by the Defendant, then it is clear that the test is fully satisfied in the facts of the present case.

81. The plea raised by the Defendant that the Plaintiff is not entitled to any injunction as there is delay in approaching the court is not sustainable. The Plaintiff has contended that the Plaintiff on becoming aware of the adoption of the marks by the Defendant immediately issued the cease and desist notice and approached the court. Further, it is contended that the adoption of the similar mark by BMSS was itself dishonest and the alleged subsequent assignment to the Defendant in 2010 was also malafide. In the facts of the present case, BMSS being the assignors of the mark to the Plaintiff in 2005 cannot claim that the alleged adoption of identical or deceptively similar marks in 2008 was honest and as such cannot be permitted to set up the defence of honest and concurrent user. It is further contended by the Plaintiff that the Plaintiff became aware of the use by the Defendant in 2012 and issued a cease and desist notice to the Defendant in 2012 who failed to respond to the same. Thereafter, it is contended that the products were not visible in the market and therefore the Plaintiff did not take any action. Plaintiff again came across the infringing products in July 2013 when the second cease and desist notice was issued and the present suit was filed. It is denied that the Plaintiff was aware of the disputed labels since 2008.

82. The contention of the Defendant, that both parties i.e. BMSS and the Plaintiff were getting their products manufactured under similar trademarks and selling them through the same channel of suppliers and as such there was acquiescence on the part of the Plaintiff, is not sustainable without proof of the same. The mere fact that the bottling plant was common would not ipso facto imply that the

Plaintiff were aware that BMSS was using an identical mark or that the Plaintiff had agreed to BMSS adopting a similar mark. Since the Plaintiff has denied this fact and there is nothing prima facie on record to show that the Plaintiff consented to the same, it is a plea that would require the parties to lead evidence and would be considered at an appropriate stage.

83. It is an admitted position that the Plaintiff acquired rights under the 2005 Assignment Deed and BMSS had divested itself of all its rights under the said Deed. BMSS had also agreed not to use the Marks assigned to the Plaintiff or to use Marks that are deceptively similar to the Marks assigned to the Plaintiff. The plea that BMSS was also using a similar mark to that of the mark that was assigned would only go on to show that BMSS was using the mark in breach of the 2005 Assignment Deed. It had agreed not to use any deceptively similar mark to the mark assigned to the Plaintiff. BMSS, itself being the Assignor of the marks cannot set up a defence of an honest concurrent user. On the other hand, it would go on to show that the adoption of the marks that were deceptively similar to the marks assigned was dishonest. The fact that the mark was adopted dishonestly and put to use would not entitle the Defendant or its predecessor to claim the defence of honest concurrent user.

84. Since BMSS was itself the assignor of the marks, it cannot claim that it adopted the deceptively similar marks without the knowledge of the existence of the marks of the plaintiff. The Plea that the Plaintiff by its silence and inaction permitted the marks of BMSS to grow cannot come to the aid of BMSS as the adoption was not without the knowledge of the marks of the Plaintiff. BMSS adopted deceptively similar marks with full knowledge and at its own risk. Since the adoption of the deceptively similar marks by BMSS was with the knowledge of the marks of the Plaintiff, the defendant being an assignee of the deceptively similar marks from BMSS cannot thus claim to be in a better position than its assignor.

BRIHAN'S DANZ No. 1 WHISKY

85. The defence raised by the Defendant in respect of BRIHAN'S DANZ No. 1 WHISKY is not sustainable. The contention that BRIHAN'S was always secured and there is a disclaimer with regard to the words No. 1 WHISKY and that the Plaintiff is not using the word DANZ is also not sustainable. The Defendant is attempting to dissect the trademark into different words. The test is that the mark as a whole has to be considered. The mark is not to be dissected into its various components to see whether individually there is any similarity or distinctiveness. What is relevant is not to dissect the words but the trademarks as a whole along with its trade dress, layouts, color scheme, and other components that go into making a mark including logo, label, ticket etc. have to be considered. One has to see whether the mark when it is examined as a whole is capable of distinguishing the goods or services of the proprietor of the mark from the goods and services of the others. If the test is satisfied then the mark as a whole would be a distinctive mark capable of protection. When the mark of

the Plaintiff BRIHAN'S No. 1 WHISKY is looked at as a whole, it is prima facie clear that the mark is distinctive and thus capable of protection.

86. The Trademark BRIHANS No. 1 WHISKY is registered and was assigned by BMSS to the Plaintiff. The Defendant claims that the mark BRIHAN'S DANZ No. 1 WHISKY was assigned to it by BMSS. The Defendant is using the mark BRIHAN'S DANZ No. 1 WHISKY with the word DANZ in a much smaller font. The addition of the word DANZ, in a much smaller font, has not made any substantial difference to the mark and it continues to remain deceptively similar. When the mark of the Defendant's BRIHAN'S DANZ No. 1 WHISKY is compared with the trademark of the Plaintiffs BRIHAN'S No. 1 WHISKY, and the test as laid down by the Supreme Court in AMRITDHARA PHARMACY CASE (SUPRA) of an unwary purchaser of average intelligence and imperfect recollection is applied, it is apparent that the mark of the Defendant is deceptively similar to that of the Plaintiff.

87. The contention of the Defendant that there was disclaimer to the use of the words "No. 1 & Whisky" and that the Plaintiff has changed the labels from the ones that were assigned by BMSS does not further the case of the Defendant. The Plaintiff being the proprietor of a mark or logo or a label is also entitled to use the marks, logos or labels that are modifications, variation of the same. The contention that the registered label is not what is being put to use and that what was assigned is not being used also does not merit any consideration. The variations in the mark that is assigned and mark that is being presently used are very insignificant and minor. The mark when taken as a whole shows that what is being used is very similar to the one that was assigned. Further, for the plea of passing off, the registration would not be relevant what is relevant is the user.

88. It has been laid down in the CADBURY INDIA LIMITED (SUPRA) that the disclaimer on a registration certificate does not prohibit, in any manner, the right given to a person to bring a passing off action in respect of a trade mark which though registered, but contains a disclaimer with regard to any portion thereof. The Supreme Court in ASHOK CHANDRA RAKHIT (SUPRA) laid down that the disclaimer is only for the purposes of the Act. It does not affect the rights of the proprietor, the special advantages which the Act gives to the proprietor by reason of the registration of his trade mark do not extend to the parts or matters which he disclaims. In short, the disclaimed parts or matters are not within the protection of the statute. That circumstance, however, does not mean that the proprietor's rights, if any, with respect to those parts or matters would not be protected otherwise than under the Act. If the proprietor has acquired any right by long user of those parts or matters in connection with goods manufactured or sold by him or otherwise in relation to his trade he may, on proof of the necessary facts, prevent an infringement of his rights by a passing off action or a prosecution under the Indian Penal Code. Disclaimer does not affect those rights in any way.

89. Since the two marks BRIHAN'S No. 1 WHISKY and BRIHAN'S DANZ No. 1 WHISKY are deceptively similar and the Plaintiff is admittedly the prior user of

the trademark BRIHAN'S No. 1 WHISKY, the Defendant is liable to be restrained from using the deceptively similar mark.

BRIHAN'S PREMIUM BLUE WHISKY

90. With regard to the trademark BRIHAN'S PREMIUM BLUE WHISKY, it is admitted by the Defendant, that the said mark was assigned by BMSS to the Plaintiff. What is contended by the Defendant is that the Plaintiff thereafter reassigned the mark back to BMSS. This contention presupposes the validity of the 2005 Assignment Deed. It presupposes that the deed was duly executed and all rights of BMSS in the said trademark were duly conveyed to the Plaintiff. What has to be seen thereafter is whether there was any reconveyance or reassignment by the Plaintiff back to BMSS or not?

91. The Defendant has not placed on record any deed of reassignment of the said mark in favour of BMSS by the Plaintiff. Reliance is placed on letter dated 03.07.2006. The said letter only states that the Plaintiff has agreed to reassign the brand "BRIHAN'S PREMIUM BLUE WHISKY" to BMSS and would be entering into a supplemental agreement towards this. It further states that a draft agreement would be sent shortly. It is not the case of the Defendant that any Agreement or Deed of Re-assignment was ever executed between the Plaintiff and BMSS. The letter on the contrary confirms that the Plaintiff had become the owner/proprietor of the mark. Once the assignment/conveyance was complete in favour of the Plaintiff the only way that BMSS could have adopted the mark was by way of a Re-assignment. The Defendant has neither pleaded nor relied upon any Deed of Re-assignment. As there is no Deed of Re-assignment so there is no question of BMSS adopting the same mark or assigning it to the Defendant by the 2010 Assignment Deed.

92. Even in the 2010 Assignment Deed, BMSS has stated that the registration of the said mark is still to be applied. BMSS, having assigned the mark to the Plaintiff and thereafter entering into negotiation with the Plaintiff for reassignment of the mark back to itself, can never take the plea of honest concurrent user. Since BMSS could not have adopted the mark there is no question of BMSS thereafter reassigning the mark to the Defendant.

93. The contention of the Defendant that the Plaintiff is not entitled to an injunction as the Plaintiff has neither used the label nor the mark BRIHAN'S PREMIUM BLUE WHISKY is not sustainable. It is an admitted position that the Plaintiff had purchased the said mark along with its goodwill from. BMSS. BMSS had assigned the mark to the Plaintiff and agreed not to use any mark identical or similar to the marks assigned. Further, the Plaintiff has contended that it has been using the said mark uninterruptedly. Whether the Plaintiff has in fact used the mark or not after the assignment is an aspect which would be looked into after the parties have led that evidence.

94. As per the Plaintiff the adoption of the mark by BMSS and the Defendant is not honest. It is contended that the Plaintiff was originally using the label with a

windmill which was subsequently changed to a castle and the Defendant also changed their label to a castle which prima facie establishes that the adoption by the Defendant was not honest.

95. Further, the defence of the Defendant that the Plaintiff is using the trademark BRIHAN'S PREMIUM WHISKY and not BRIHAN'S PREMIUM BLUE WHISKY amounts to an admission that the Plaintiff is using the trademark BRIHAN'S PREMIUM WHISKY. The trademark BRIHAN'S PREMIUM WHISKY and BRIHAN'S PREMIUM BLUE WHISKY are also deceptively similar. The use of the mark BRIHAN'S PREMIUM BLUE WHISKY by the Defendant is likely to create an impression in the mind of the consumers that the proprietor of both the marks i.e. BRIHAN'S PREMIUM BLUE WHISKY and BRIHAN'S PREMIUM WHISKY is the same. Since the Plaintiff is admittedly the prior user of the trademark BRIHAN'S PREMIUM WHISKY, the Defendant is liable to be restrained from using the mark BRIHAN'S PREMIUM BLUE WHISKY.

BRIHMA'S GOA/NOVA GOA

96. With regard to the trademark GOA SPECIAL DRY GIN the contention of the Defendant is that what was assigned was a label in a different style than what is being used by the Plaintiff. It is contended that there is no excise license to show that GOA SPECIAL DRY GIN was being used.

97. The case of the Plaintiff is that the Defendant is using a mark BRIHMA'S GOA which is very similar to the mark BRIHAN'S GOA of the Plaintiff.

98. On applying the test of an unwary purchaser of average intelligence and imperfect recollection and comparing the two conflicting mark, it is apparent that there is a great degree of similarity between the two rival marks in terms of their trade dress, get up, presentation, color scheme and layouts.

99. The word GOA is a geographic name and in terms of the law as laid down in the cases of HI-TECH PIPES LIMITED (SUPRA) and SUNDAR NAGAR ASSOCIATION (SUPRA), a name originally purely geographical in its significance may become so associated with the Plaintiff's goods or services that its use on its own as a trade mark or name without adequate distinction will amount to passing off, especially if it is used in conjunction with get-up or other indicia similar to that used by the Plaintiff.

100. The word GOA by itself may not be capable of protection as a trademark but when coupled with the mark BRIHAN'S the mark prima facie becomes distinctive. The fact that the BMSS had adopted the word BRIHMA'S as a prefix to the word GOA shows that it was aware that it could not use the mark GOA with the prefix BRIHAN'S as the same would be deceptively similar. The words BRIHAN'S GOA and BRIHMA'S GOA are also deceptively similar. The fact that the Defendant is claiming to be a successor from BMSS and is not claiming any independent right to the said mark, prima facie establishes that the Defendant cannot also use a deceptively similar mark.

101. Since the Plaintiff admittedly is the prior user of the trademark BRIHAN'S GO A, the Defendant is liable to be restrained from using the deceptively similar mark BRIHMA'S GOA.

102. However as regards the mark NOVA GOA of the Defendant is concerned, it is seen that the Defendant is not using the words BRIHAN'S and/or BRIHMA'S either as a prefix or as a suffix with the impugned mark. The trade dress, getup, layout, colour scheme etc. of the two rival marks BRIHAN'S GOA and NOVA GOA is also not similar.

103. Prima facie the Plaintiff has not been able to show that the mark NOVA GOA being used by the Defendant is being used in conjunction with get-up or other indicia similar to that used by the Plaintiff more so when the words BRIHAN'S or BRIHMA'S are not being used therein. Thus there does not prima facie seem to be any likelihood of confusion between the two rival marks.

104. Since the Defendant is using the said mark without the suffix or prefix BRIHAN'S or BRIHMA'S, and in a trade dress and get up that is not similar of that of the Plaintiff, the Defendant is not liable to be restrained from continuing to use the same.

BRIHMA'S ORIGINAL DOCTOR BRANDY

105. The case of the Plaintiff is that the Defendant is using the mark BRIHMA'S ORIGINAL DOCTOR BRANDY which is very similar to the Plaintiff's mark BRIHAN'S DOCTOR BRANDY.

106. On applying the test of an unwary purchaser of average intelligence and imperfect recollection and comparing the two conflicting mark, it is apparent that there is a great degree of similarity between the two rival marks in terms of their trade dress, get up, presentation, color scheme and layouts.

107. The words DOCTOR and BRANDY by itself may not be capable of protection as a trademark but when coupled with the mark BRIHAN'S the mark prima facie becomes distinctive. The fact that the BMSS had adopted the word BRIHMA'S as a prefix to the words ORIGINAL DOCTOR BRANDY shows that it was aware that it could not use the mark DOCTOR BRANDY with the prefix BRIHAN'S as the same would be deceptively similar. The words BRIHAN'S DOCTOR BRANDY and BRIHMA'S ORIGINAL DOCTOR BRANDY are also deceptively similar.

108. The fact that the Defendant is claiming to be a successor from BMSS and is not claiming any independent right to the said Mark, prima facie establishes that the Defendant cannot also use a deceptively similar mark.

109. Since the Plaintiff admittedly is the prior user of the trademark BRIHAN'S DOCTOR BRANDY, the Defendant is liable to be restrained from using the deceptively similar mark BRIHMA'S ORIGINAL DOCTOR BRANDY.

110. Further perusal of Annexure A to the 2010 Assignment Deed (marks assigned to Defendant) shows that for various marks the prefix "BRIHAN'S" is

used but for only two marks i.e. BRIHMA'S GOA & BRIHMA'S ORIGINAL DOCTOR BRANDY the prefix "BRIHMA'S" is used. BRIHAN'S GOA and BRIHAN'S DOCTOR BRANDY are admittedly assigned to the Plaintiff. The fact that only for these two brands the prefix BRIHMA'S is used implies that the BMSS and Defendant were aware that these two marks could not be used in their original form. This prima facie shows a deliberate attempt to circumvent the stipulation in the 2005 Assignment Deed.

111. The prefixes BRIHAN'S and BRIHMA'S are deceptively similar. Comparing the rival marks as a whole (i.e. BRIHAN'S GOA v. BRIHMA'S GOA & BRIHAN'S DOCTOR BRANDY v. BRIHMA'S ORIGINAL DOCTOR BRANDY) it is clear that the said two prefixes would not make much of a difference to the marks as a whole and that the two rival marks would continue to be; deceptively similar.

112. Further, the email of 2009 exchanged between the Plaintiff and BMSS, relied upon by the Defendant, goes to show that BMSS was also aware that it could not use the Mark BRIHAN'S GOA and BRIHAN'S DOCTOR BRANDY without the permission of the Plaintiff. The email indicates that the BMSS was seeking permission for manufacture of a limited number of cases and was also negotiating for amending its label to the satisfaction of the Plaintiff.

113. Though the Minutes of Meeting dated 20.02.2009 relied upon by the Defendant are disputed by the Plaintiff, they prima facie show that the Plaintiff was even in the year 2009 objecting to the adoption of the two similar marks by BMSS. The fact that BMSS under whom the Defendant is claimed to have acquired rights had entered into negotiations with the Plaintiff prima facie establishes that even BMSS was aware that the rival Marks were deceptively similar and it could not use the said Marks without the permission of the Plaintiff.

114. There is nothing on record filed by the Defendant to show, that the Plaintiff ever expressly agreed to the user by BMSS of the two impugned marks and if so on what conditions. However, prima facie the email/minutes amount to an acknowledgment on the part of BMSS that the Plaintiff was the proprietor of the said Marks and BMSS could not have used the two impugned Marks without the permission and consent of the Plaintiff.

115. Where a trader adopts a deceptively similar mark being fully aware of the mark of another trader, then he does so at his own risk. He cannot be permitted to set up the defence of honest concurrent user who has adopted the deceptively similar mark being unaware of the earlier mark.

116. Further, the Bombay High Court in the case of SKOL BREWERIES (SUPRA) laid down that so long as the registered mark is used in substantially the same manner in which it is registered it must be deemed/considered to constitute the use of the registered mark itself. Where the use of a mark, registered or unregistered, is apparent the mere addition of material on the label or other material on which it appears would not lead to the conclusion that the mark has not thereby been used. In either case, the use of the mark must be apparent to

wit, the Court must be satisfied that despite the added material the trademark has been used. The use of the mark must be as a trademark and must be obvious/perceptible. The mark must not be lost as a result of the added material for then it is not to the use of the mark for the purpose of an infringement or a passing of action.

117. The plea of the Defendant that sale of liquor is licensed and it can be marketed only if there is a license granted and that it has a license duly approved by the excise authorities and as such it is entitled to use the impugned marks is also not sustainable. The mere fact that the excise authorities have granted license to the Defendant to market its product under a mark which is similar to that of the Plaintiff would not in any manner impinge upon the rights of the Plaintiff or dilute the mark of the Plaintiff. The use of a trademark is governed by the Trademarks Act, 1999 as also under the common law. The excise authorities are not authorities appointed under the Trademarks Act or vested with the powers under the Trademarks Act. The examination of a label by the authorities under the Excise Act is for a purpose different than that prescribed under the Trademarks Act for the Registrar of Trademarks. The mere fact that the label of the Defendant is approved by the excise authorities would not permit or entitle the Defendant to use a mark which is deceptively similar to the mark adopted by the Plaintiff.

118. Another relevant factor is that the 2005 Assignment Deed is an assignment of 39 trademarks for a consideration of Rs. 17.50 Crores whereas the 2010 Assignment Deed is an assignment of 74 trademarks and that also for a meager consideration of only Rs. 1000/-. It is though contended by the Defendant that the 2010 Assignment Deed is part of a Business Transfer Agreement. The said contention would not prima facie make any difference as the said Assignment Deed does not mention that there was any other sale consideration coupled with the Rs. 1,000/- mentioned therein.

119. Further contention of the Defendant that Annexure C is blank is also of no consequence as the Defendant in its written statement has itself contended that the Plaintiff was using the logo or label different from the one that was assigned implying thereby that it admits that logos/labels were assigned even though they were not enumerated in the agreement in annexure C. Further there is nothing on record to show that the Logos/labels were not assigned.

120. The Plaintiff has been able to satisfy the three essential requirements for grant of an ad-interim injunction. The Plaintiff has been able to show a strong prima facie case in its favour. The Balance of convenience is in favour of the Plaintiff and in case an ad-interim injunction is not granted, the Plaintiff shall suffer an irreparable loss and injury.

121. To conclude:

"(i) BRIHAN'S DANZ No. 1 WHISKY: The Defendant is restrained by way of an ad-interim injunction from directly or indirectly selling, manufacturing, offering for

sale or in any manner dealing in any Alcoholic Beverage bearing the mark/label BRIHAN'S DANZ No. 1 WHISKY/BRIHAN'S No. 1 WHISKY or from adopting/using any other identical or deceptively similar trademark/label. The Defendant however, is not restrained from using the words DANZ and/or No. 1 and/or WHISKY without the prefix or suffix BRIHAN'S in a getup, trade dress, style and label that is neither identical nor deceptively similar to that of the Plaintiff;

(ii) BRIHAN'S PREMIUM BLUE WHISKY: The Defendant is restrained by way of an ad-interim injunction from directly or indirectly selling, manufacturing, offering for sale or in any manner dealing in any Alcoholic Beverage bearing the mark/label BRIHAN'S PREMIUM BLUE WHISKY/BRIHAN'S PREMIUM WHISKY or from adopting/using any other identical or deceptively similar trademark/label. The Defendant however, is not restrained from using the words PREMIUM and/or BLUE and/or WHISKY without the prefix or suffix BRIHAN'S in a getup, trade dress, style and label that is neither identical nor deceptively similar to that of the Plaintiff;

(iii) BRIHMA'S GOA: The Defendant is restrained by way of an ad-interim injunction from directly or indirectly selling, manufacturing, offering for sale or in any manner dealing in any Alcoholic Beverage bearing the mark/label BRIHAN'S GOA/BRIHMA'S GOA or from adopting/using any other identical or deceptively similar trademark/label and also the trade dress, getup of layout similar to that of the Plaintiff. The Defendant however, is not restrained from using the word GOA without the prefix or suffix BRIHAN'S and/or BRIHMA'S in a getup, trade dress, style and label that is neither identical nor deceptively similar to that of the Plaintiff;

(iv) NOVA GOA: The Defendant, is not restrained from using the trademark NOVA GOA without the prefix or suffix BRIHAN'S and/or BRIHMA'S in a getup, trade dress, style and label that is neither identical nor deceptively similar to that of the Plaintiff; and

(v) BRIHMA'S ORIGINAL DOCTOR BRANDY: The Defendant is restrained by way of an ad-interim injunction from directly or indirectly selling, manufacturing, offering for sale or in any manner dealing in any Alcoholic Beverage bearing the mark/label BRIHAN'S DOCTOR BRANDY or BRIHMA'S ORIGINAL DOCTOR BRANDY or from adopting/using any other identical or deceptively similar trademark/label. The Defendant however, is not restrained from using the words DOCTOR and/or BRANDY without the prefix or suffix BRIHAN'S and/or BRIHMA'S in a getup, trade dress, style and label that is not deceptively similar to that of the Plaintiff."

122. The application is accordingly partly allowed in the above terms. List the matter before the roster bench for directions on 12th November, 2014.

1 Kaviraj Pandit Durga Dutt Sharma Vs. Navaratna Pharmaceutical Laboratories, .

2 American Home Products Corporation Vs. Mac Laboratories Pvt. Ltd. and

Another, .

3 American Home Products Corporation Vs. Mac Laboratories Pvt. Ltd. and Another, .

4 Tata Oil Mills Co. Ltd. Vs. Wipro Ltd. and Another, , Midas Hygiene Industries P. Ltd. and Another Vs. Sudhir Bhatia and Others, .

5 Encore Electronics Ltd. Vs. Anchor Electronics and Electricals Pvt. Ltd., .

6 K.R. Chinna Krishna Chettiar Vs. Shri Ambal and Co., Madras and Another, .

7 K.R. Chinna Krishna Chettiar Vs. Shri Ambal and Co., Madras and Another, .

8 Amritdhara Pharmacy Vs. Satyadeo Gupta, .

9 Keshav Kumar Aggarwal Vs. M/s. NIIT Ltd., .

10 Amritdhara Pharmacy Vs. Satyadeo Gupta, .

11 Century Traders Vs. Roshan Lal Duggar Co., : Century Traders Vs. Roshan Lal Duggar Co., .

12 Clinique Laboratories LLC and Another Vs. Gufic Limited and Another, , M/s. Siyaram Silk Mills Limited Vs. M/s. Shree Siyaram Fab Private Limited, M/s. Satyanarayan Tawani, Mr. Kailash Chand Tawari and Mr. Kamal Kishore Gupta, , The Singer Company Limited and Another Vs. Chetan Machine Tools and Others, , Chorion Rights Limited Vs. Ishan Apparel and Others, .

13 Clinique Laboratories LLC and Another Vs. Gufic Limited and Another, , M/s. Siyaram Silk Mills Limited Vs. M/s. Shree Siyaram Fab Private Limited, M/s. Satyanarayan Tawani, Mr. Kailash Chand Tawari and Mr. Kamal Kishore Gupta, , The Singer Company Limited and Another Vs. Chetan Machine Tools and Others, , Chorion Rights Limited Vs. Ishan Apparel and Others, .

14 Mrs. Rajnish Aggarwal and Others Vs. Anantam, .

15Section 11 of the Trademarks Act, 1999.

16Section 11 of the Trademarks Act, 1999.

17 Prakash Roadline Ltd. Vs. Prakash Parcel Service (P) Ltd., .