

(2022) 04 DEL CK 0051

In the Delhi High Court

Case No : Civil Suit (COMM) No. 1092 Of 2018, I.A. No. 11452 Of 2018, 8931 Of 2019

Red Bull AG

APPELLANT

Vs

Pepsico India Holdings Pvt Ltd & Anr

RESPONDENT

Date of Decision : 06-04-2022

Acts Referred:

Code Of Civil Procedure, 1908 — Order 39 Rule 1, Order 39 Rule 2
Trade Marks Act, 1999 — Section 2(1)(m), 9(1)(a), 9(1)(b), 9(1)(c), 28, 29, 29(4), 30(2)(a), 30, 31, 32, 33, 34, 35, 57, 124

Citation : (2022) 04 DEL CK 0051

Hon'ble Judges : Amit Bansal, J

Bench : Single Bench

Advocate : Anirudh Bakhru, Abhishek Singh, Naqeeb Nawab, Himanshu Deora, Raghav Vig, Yashwardhan Singh, Sudhir Chandra, Dheeraj Nair, Shruti Dass

Judgement

Amit Bansal, J

I.A. No.11451/2018 (O-39 R-1 & 2)

1. By way of the present judgment, I shall dispose of the application filed on behalf of the plaintiff under Order XXXIX Rules 1 and 2 of the Code of Civil Procedure, 1908 (CPC) seeking interim injunction against the defendants, restraining the defendants from using the tagline "STIMULATES MIND. ENERGIZES BODY.", which is claimed to be deceptively similar to the plaintiff's registered trademark/tagline "VITALIZES BODY AND MIND.".

2. The present suit was filed in August, 2018 and thereafter, vide order dated 24th September, 2018, the parties were referred for mediation. However, the mediation did not bear fruits and accordingly, on 05th December, 2018, the matter was fixed for arguments on the present application. Replies to the application were filed by the defendants on 14th and 27th February, 2019.

PLAINTIFF'S SUBMISSIONS

3. Counsel for the plaintiff made the following submissions:

I. The plaintiff and its group of companies have been manufacturing and marketing, inter alia, energy drinks sold under the trademark "Red Bull", since the year 1987.

II. In relation to its product, the plaintiff is using the tagline "VITALIZES BODY AND MIND." since the year 1987.

III. The aforesaid tagline of the plaintiff has been registered as a trademark in 73 different countries around the world.

IV. In India, the aforesaid tagline was registered by the plaintiff in 2010, with effect from 21st January, 2004 under Class 32.

V. The usage of the aforesaid mark has become a source identifier of the plaintiff's products and on account of long and extensive usage, it has acquired distinctiveness in relation to the products of the plaintiff.

VI. Plaintiff enjoys the dominant market share in respect of energy drinks all over the world, including India, as stated in paragraphs 22 and 23 of the plaint.

VII. The plaintiff spends enormous amounts on the marketing of its product in relation to the aforesaid tagline of the plaintiff, as stated in paragraphs 27 and 28 of the plaint.

VIII. The defendants launched their energy drink "STING" in India in the year 2017 and adopted the tagline "STIMULATES MIND. ENERGIZES BODY.", which is deceptively similar to the plaintiff's registered tagline.

IX. The words "BODY" and "MIND" have been copied by the defendants, whereas the words "STIMULATES" and "ENERGIZES" are both synonyms of the term "VITALIZES" used by the plaintiff. Therefore, the term is conceptually identical to the plaintiff's registered mark.

X. The aforesaid tagline has been used by the defendants with mala fide and dishonest intention since the aforesaid tagline is not used by the defendants anywhere else in the world.

XI. The defendants have adopted the plaintiff's tagline to ride upon the goodwill and popularity of the plaintiff's tagline, which amounts to infringement as well as passing off.

XII. Reliance is placed on the judgment of the Division Bench of this Court in Proctor & Gamble Manufacturing (Tianjin) Co. Ltd. & Ors. v. Anchor Health & Beauty Care Pvt. Ltd., 211 (2014) DLT 466 (DB); Shree NathHeritage Liquor Pvt. Ltd. & Anr. v. Allied Blender & Distilleries Pvt. Ltd., 221 (2015) DLT 359 (DB); and Anil Verma v. R.K. Jewelers SK Group & Ors., 2019 (78) PTC 476 (Del).

DEFENDANT'S SUBMISSIONS

4. Per contra, senior counsel appearing for the defendants made the following submissions:

I. The get up and layout of the cans in which the products of the plaintiff and the defendants are sold is totally different. In this regard, attention of the Court is drawn to page 7 of the written statement, where a comparison has been drawn out between the two products. Therefore, there can be no question of any deception and consequently, no action of passing off can be made out.

II. In terms of Section 28 of the Trade Marks Act, 1999 (Trade Marks Act), exclusive rights in respect of the registered mark can only be claimed if the registration is valid and the same is subject to other provisions of the Trade Marks Act.

III. In respect of the registration granted to the plaintiff for the tagline, the defendants have filed a rectification petition under Section 124 of the Trade Marks Act on the ground that the registration is in contravention of Section 9 of the Act. The tagline used by the plaintiff is completely descriptive and therefore, registration ought not to have been granted by the Trademark Registry in terms of Section 9(1)(b) of the Trade Marks Act. Reliance is placed on paragraph 10 of the plaint to contend that the plaintiff itself acknowledges that it is using the aforesaid tagline only in a descriptive manner.

IV. The defendants sell their drink under the brand name "STING" in respect of which the defendants have obtained registration. However, the tagline is being used by the defendants only in a descriptive manner and therefore, no registration has been sought in respect thereof, as a trademark. Therefore, no case of injunction is made out under Section 29 of the Trade Marks Act.

V. Whether the aforesaid tagline of the plaintiff has acquired secondary meaning on account of long usage, thereby giving it distinctive character, is a matter of trial.

VI. The registration granted to the plaintiff was objected to by the Registry on the ground that the aforesaid tagline "designates the quality of goods". No response was filed by the plaintiff to the aforesaid Examination Report of the Registry and therefore, registration ought not to have been granted to the plaintiff in respect of the aforesaid tagline.

VII. In view of the fact that the use by the defendants, of the impugned mark, is in a descriptive manner so as to indicate the kind and quality of its product, the defendants are entitled to the benefit of Section 30(2)(a) and Section 35 of the Trade Marks Act. In this regard, reliance is placed on the Division Bench judgments of this Court in *Marico Limited v. Agro Tech Foods Limited*, 174 (2010) DLT 279 (DB) and *Stokley Van Camp, Inc. v. Heinz India Private Limited*, 171 (2010) DLT 16.

VIII. Attention of this Court is drawn to a Facebook post dated 6th October, 2017 by the defendants on their Facebook page to show that the present suit is barred

by delay and laches as the product with the impugned mark of the defendants was launched in October, 2017 in India and the present suit has been filed only in August, 2018, after the defendants had established their presence in the Indian energy drinks market.

IX. On the question of delay and laches, reliance is placed on the judgment of the Supreme Court in *Wander Ltd. v. Antox India (P) Ltd.*, 1990 (2) SCC 399.

REJOINDER SUBMISSIONS

5. Counsel for the plaintiff made the following submissions in rejoinder:

I. The registered tagline of the plaintiff is not a descriptive mark as it is not descriptive of the characteristics or quality of the energy drink. On the contrary, the aforesaid trademark uses an imaginative phrase.

II. In terms of Section 31 of the Trade Marks Act, registration of a mark is prima facie evidence of its validity. Unless the defendants are able to demonstrate that the ground of registration was perverse, at a prima facie stage, the registration has to be assumed to be valid.

III. The plaintiff had filed an affidavit dated 18th May, 2004 in response to the Examination Report of the Registry and it was only after considering the same that the registration was granted in favour of the plaintiff.

IV. It is wrong to contend that the defendants are using the impugned mark in a descriptive manner.

V. The judgments in *Marico (supra)* and *Stockely Van Camp, Inc. (supra)* are distinguishable in the facts and circumstances of the present case.

ANALYSIS AND FINDINGS

PASSING OFF

6. First, I propose to deal with the issue whether a case of passing off has been made out by the plaintiff against the defendants.

7. The basic premise for passing off is deception caused on account of the defendant attempting to show its goods as that of the plaintiff. The Supreme Court in the case of *Satyam Infoway Ltd. v. Siffynet Solutions (P) Ltd.*, (2004) 6 SCC 145, has held as follows:

"13. The next question is would the principles of trade mark law and in particular those relating to passing off apply? An action for passing off, as the phrase "passing off" itself suggests, is to restrain the defendant from passing off its goods or services to the public as that of the plaintiff's. It is an action not only to preserve the reputation of the plaintiff but also to safeguard the public. The defendant must have sold its goods or offered its services in a manner which has deceived or would be likely to deceive the public into thinking that the defendant's goods or services are the plaintiff's. The action is normally available

to the owner of a distinctive trademark and the person who, if the word or name is an invent'd one, invents and uses it. If two trade rivals claim to have individually invented the same mark, then the trader who is able to establish prior user will succeed. The question is, as has been aptly put, who gets these first? It is not essential for the plaintiff to prove long user to establish reputation in a passing off action. It would depend upon the volume of sales and extent of advertisement."

8. The aforesaid observation of the Supreme Court reflects that the common law remedy of passing off restrains a defendant from riding on the reputation and goodwill earned by a plaintiff, being the prior user/owner of a distinctive mark. The purpose of an action of passing off is to prevent confusion and deception amongst consumers and the public at large.

9. At this stage, it may be apposite to refer to a comparison of the two products of the plaintiff and the defendants.

PLAINTIFF'S PRODUCT

DEFENDANTS' PRODUCT

10. A look at the two products above would show that there is no similarity between the two products. The layout of the two cans is totally different. It is to be noted that (i) the brand names of both the aforesaid products, "Red Bull" and "STING" are prominently displayed on the cans; (ii) the color scheme of the two products is completely different; (iii) the fonts used in the two products are also different; (iv) the taglines used, which are subject matter of the present dispute, are used in very small fonts on both the cans in comparison to "Red Bull" and "STING"; and, (v) the colour in which the taglines are written and the backgrounds in which the taglines appear are also completely different.

11. In light of the above, it is apparent that no confusion or deception would be caused to the customers of both the parties in respect of their products. Therefore, in my prima facie view, no case of passing off is made out.

INFRINGEMENT

12. Now, I propose to deal with the plaintiff's claim of infringement. The plaintiff's case is that it has been using the aforesaid tagline for a long period of time and has spent enormous amounts on its promotion. Therefore, it has acquired a secondary meaning in respect of the plaintiff's product. Further, registration has been granted to the plaintiff for the aforesaid tagline not only in India but in various other countries. The defendants have adopted the plaintiff's tagline in a malafide manner so as to communicate the same idea. On the other hand, the contention of the defendants is that the tagline used by the plaintiff is descriptive and laudatory in nature. Therefore, no registration could have been granted to the plaintiff in respect of the aforesaid tagline and consequently, the registration granted to the plaintiff has been duly challenged by the defendants. Whether the aforesaid tagline of the plaintiff has acquired secondary meaning on

account of long usage can only be established in trial. Furthermore, the defendants are also using their tagline in a descriptive manner and not as a trademark.

13. The law with regard to use of a descriptive word/mark and Section 30(2)(a) of the Trade Marks Act has been laid down in the case of Marico (supra). The said case relates to a dispute between the plaintiff who was using the trademark "Sundrop" and the defendant who was using the trademark "Saffolla" in respect of identical products i.e., cooking oils. The plaintiff was additionally using the registered trademarks "LOSORB" and "LO-SORB", whereas the defendant was using the expression "LOW ABSORB TECHNOLOGY". The plaintiff objected to the use of the said expression on the ground that it had registrations in favour of the terms "LOSORB" and "LO-SORB". After analysing the various provisions of the Trade Marks Act, a Division Bench of this Court came to the conclusion that the expression "LOW ABSORB TECHNOLOGY" has been used by the defendant in a descriptive manner and therefore, in terms of Section 30(2)(a) of the Trade Marks Act, the plaintiff will not be entitled for injunction. The principles of law elucidated by the Division Bench in paragraphs 24 and 25 of Marico (supra) are set out below:

"24. In view of the co-relation between Section 28 and different sub-sections of Section 124, it becomes clear that the entitlement to claim invalidity of registration on the ground of the expression "if valid" as found under Section 28 only arises if the defendant in his written statement in a suit alleging infringement of a registered trade mark takes up the plea with respect to registration of trade mark being "invalid" or has already applied for cancellation of the registered trade mark before the suit alleging infringement is filed.

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25. Section 29 entitles an action being filed for infringement of a registered trade mark against an identical, nearly identical or deceptively similar trade mark used in relation to the same goods in respect of which the trade mark is registered or to similar goods. In case, the trade mark is not identical and the goods are also not the same for which the trade mark is registered, an infringement action will only lie if the conditions of Sub-section (4) of Section 29 are satisfied being of the registered trade mark having a reputation in India and the use of the registered trade mark without due cause takes unfair advantage or is detrimental to the distinctive character or repute of the registered trade mark. Sections 30 and 35 entitle a person to use the registered trade mark if the conditions mentioned in those sections are satisfied, meaning thereby, in spite of registration, and in spite of the statutory rights conferred by Sections 28 and 29, an owner of a registered trade mark cannot sue for infringement if the use by the defendant of the trade mark falls within the exceptions as carved out under various sub-sections of Section 30 and Section 35. That this is so becomes absolutely clear from the expressions "nothing in Section 29 shall be construed as preventing the use of the registered trade mark...." As appearing in Section

30, and "nothing in this Act shall entitle the proprietor or a registered user of a registered trade mark..." as appearing in Section 35. Included in Section 30, is disentitlement to an infringement action in spite of registration of the trade mark where the use of the registered trade mark is in relation to the goods to indicate the kind, quality, intended purpose, etc., or other characteristics of the goods. Therefore there are two stages/tiers of defence in an infringement action. The first is for cancellation of registration in terms of Section 57. If the registration is cancelled obviously nothing will survive in the infringement action. The second tier is that even if the registration is valid there are still valid defences as enunciated in Sections 30 to 35 of the Act which will disentitle the plaintiff to relief in an action brought for infringement of a registered trade mark."

14. Applying the aforesaid principles of law to the facts of the case before the Division Bench, the Division Bench arrived at the following conclusions:

"37. Our conclusion is that we have in fact totally failed to appreciate the argument as raised on behalf of the appellant. Surely, when rights are claimed over a word mark as a trade mark and which word mark is in fact a mere tweak of a descriptive word indicative of the kind, quality, intended purpose or other characteristics of the goods, it is not open to urge that although the respondent is using the descriptive word mark in fact only as a part of sentence as a description (and even assuming for the sake of argument only the descriptive word mark in itself) along with another independent trade mark, yet the use of descriptive words are to be enjoined against. How can it at all be argued that though the respondent is in fact shown to be using the disputed word(s) only with a descriptive intendment, yet, such use should be taken not in a descriptive manner but as a trade mark. If we permit such an argument to prevail then what will happen is that what cannot be directly done will be indirectly done i.e., whereas the appellant is not entitled to succeed in the infringement action because the use by the respondent is in furtherance of its statutory rights of the user of the words which are descriptive of the kind, quality, intended purpose or characteristic of the goods, yet, merely because the appellant states that the respondent is using the same as a trade mark, the same should be taken as infringement of the trade mark of the appellant. Not only the plaintiff has no exclusive rights whatsoever to the trade marks because they are such which fall within the mischief of Section 30(2)(a), the respondent/defendant is always fully justified and entitled to use the descriptive words in any and every manner that it so chooses and pleases to do. If there are no rights of the plaintiff to exclusive user of the trade mark then where does arise the question of disentitlement of a defendant to use the trade mark of the appellant inasmuch as any person who adopts a descriptive word mark does so at its own peril in that any other person will also be fully entitled to use the same in view of a specific statutory rights thereto, and there are various other statutory rights including that under Section 30(2)(a), and which is what is being done by the respondent in the facts of the present case and its rights being further stronger because of the use along with the simultaneous use of its trade mark "Sundrop".

38. In the facts and circumstances of the present case, Section 30(2)(a) clearly applies in entitling the respondent to use the expression "WITH LOW ABSORB TECHNOLOGY" because that is only a descriptive use by normal English words in the English language indicative of the kind, quality, intended purpose of characteristic of the goods. There is no use of the expression "bona fide" in Section 30(2)(a) as is found in Section 35, and we do not propose to import in Section 30(2)(a) the expression "bona fide" because the subject matters of the two sections i.e. Section 32 (a) and Section 35 are though common on certain limited aspects, however the two Sections do in fact operate in separate fields. Also looking at the issue in another way, "bona fide" aspect can in a way be said to be very much included in Section 30(2)(a) because the use of words which indicate their relation to the goods for the kind, quality, intended purpose or other characteristics, etc. of the goods, is clearly only a bona fide user of the same and which "bona fideness" does not have to be additionally proved. In fact, there is ordinarily not only no lack of bona fides in using the normal descriptive word, and on the contrary there is in fact mala fides of a plaintiff in adopting otherwise a descriptive word mark and for which adaption there is ordinarily an absolute ground for refusal of registration of the trade mark. There is no mala fides of the respondent as alleged by the appellant because the respondent is using the expression "LOW ABSORB" as part of a sentence in a descriptive manner and the respondent is also prominently using its own trade mark "Sundrop", an aspect we have repeatedly referred to otherwise in this judgment. Merely because the respondent used "TM" earlier after the expression "LOW ABSORB TECHNOLOGY" is not such as to wipe out statutory rights/defences of the respondent.

39. We are also of the opinion that once the person, against whom a suit is filed on the ground of infringement of a trade mark which is in fact a descriptive word, then, if a defendant is using his own word mark as a trade mark prominently in addition to the descriptive word mark which the plaintiff claims to be his trade mark, nothing further is required to show the bona fides of the defendant against whom infringement of a registered trade mark is alleged. In the facts of the present case, we have already adverted to in detail the prominent use by the respondent of its independent trade mark "Sundrop", and, the fact that the expression "LOW ABSORB" is being used only as part of the sentence which reads "WITH LOW ABSORB TECHNOLOGY".

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CONCLUSIONS

41. The following conclusions thus emerge:

(i) A mark which is sought to used as a trade mark, if, is one falling under Section 9(1)(a) to (c), then the same ordinarily ought not to be afforded protection as a trade mark.

(ii) Before the marks which fall under Section 9(1)(a) to (c) are given protection

as a trade mark, the distinctiveness must of an undisturbed user of a very large/ considerable number of years, with the emphasis being on discouragement on appropriation of such marks which fall under Section 9(1)(a) to (c).

(iii) A civil Court in a suit filed for infringement of a registered trade mark is entitled (if there is no earlier judgment which has achieved finality in cancellation proceedings) to consider the validity of registration for the purpose of passing an interlocutory order including of grant or refusal of an interim injunction—once the objection as to invalidity of registration is taken up in the pleading/written statement.

(iv) A trade mark which falls under Section 9(1)(a) to (c) cannot be registered on proposed to be used basis. Evidence on distinctiveness with respect to trade marks falling under Section 9(1)(a) to (c) should be the evidence of user evidencing distinctiveness as on the date of application for registration or at the best of evidence up to the date of registration.

(v) In infringement actions the Court is entitled to consider the evidence of distinctiveness up to the date of registration for the purpose of passing any interlocutory order and not evidence showing distinctiveness post registration. However, in cancellation proceedings evidence of distinctiveness post registration of the trade mark can also be considered.

(vi) Even if there is finality to registration of a trade mark, yet the defendant in infringement action can take statutory defences under Sections 30 to 35 to defeat the infringement action."

15. Reference may also be made to the judgment of the Division Bench in *Stockely Van Camp, Inc. (supra)*, which was heard together with the *Marico (supra)* case by the same Division Bench, however, a separate judgment in respect thereof was delivered by the Division Bench on 10th November, 2010. In *Stockely Van Camp, Inc. (supra)*, the appellants/plaintiffs were selling the sports drink "Gatorade" and in respect of which the expression "Rehydrates, Replenishes Refuel" was being used. An injunction was claimed against the respondent/defendant, which was using the expression "Rehydrates Fluids; Replenishes Vital Salts; and Recharge Glucose" in respect of its energy drink "Glucon D Isotone", on the ground that it was deceptively similar to the plaintiffs' mark/expression. Relying upon the judgment in *Marico (supra)*, the Division Bench dismissed the appeal and denied grant of interim injunction in favour of the appellants/plaintiffs. The relevant observations of the Division Bench are reproduced below:

"8. In view of the ratio of the case of *Marico*, in the present case, the submissions as urged by the counsel for the appellants are liable to be rejected because:-

(v) The trade mark in question namely "Rehydrates, Replenishes and Recharges" is in fact an expression which clearly falls within Section 9(1)(b) of the said Act

and it is clearly a descriptive trademark. There should be discouragement from giving protection to such descriptive trademarks. We have already observed in the judgment in Marico's case that we are using an expression "descriptive trademark" as a general expression to cover all cases which fall under Section 9(1) (b) and Section 30(2) (a) of the said Act.

(ii) The mark in question of the appellants was wrongly registered because a mark which is a deceptive mark could have only have been registered after extensive user to make such mark distinctive, however, the mark was registered on a proposed to be used basis.

(iii) The learned Single Judge for the purpose of deciding the interlocutory application was justified in looking into the prima facie validity of registration because the registration is only a prima facie proof of validity and is a rebuttable presumption, inasmuch as, it is not that there have been cancellation proceedings initiated with respect to the registered trademark and which cancellation proceedings have been finally dismissed.

(iv) This court would not look into the evidence of user post registration of the trademark so as to claim distinctiveness on the basis of such user. We find substance in the stand of the respondent that there is almost no evidence as on record as at this stage showing user of the mark so as to make the same distinctive as on the date of registration.

(v) Even assuming that there was finality of registration of the trademark, the respondent has taken valid defences under Sections 30 (2) (a) and 35 of the said Act inasmuch as the subject mark only describes the product namely the sports drink."

16. Now I propose to apply the legal principles elucidated in the aforesaid judgments to the facts of the present case.

17. Undoubtedly, the tagline of the plaintiff, which is included in the definition of "mark" given in Section 2(1)(m) of the Trade Marks Act, has been granted registration in India in 2010, with effect from the date of the Trademark Application No.1262384 i.e., 21st January,2004. However, the rights granted upon registration under Section 28 of the Trade Marks Act are not absolute, being subject to other provisions of the Trade Marks Act and upon the registration of the trademark being valid.

18. It has been vehemently contended on behalf of the defendants that in the present case, registration has been wrongly granted to the plaintiff and the registration application filed on behalf of the plaintiff should have been rejected in terms of Section 9(1)(b) of the Trade Marks Act, as the mark in respect of which registration was sought by the plaintiff was descriptive in nature.

19. The product of the plaintiff is an energy drink, the purpose of which is to provide energy to the body. The words "VITALIZES" (used in the plaintiff's tagline) and "STIMULATES"; "ENERGIZES"(used in the defendant's tagline) are

synonyms as per the plaintiff's own case. In this regard, reference may be made to paragraph 10 of the plaint, which is set out below:

"10 Prior to 1987, there was no beverage category for 'energy drinks'. This product category was created by the Plaintiff itself when it launched its Red Bull Energy Drink in 1987. The launch of the Red Bull Energy Drink was supported by the mark VITALIZES BODY AND MIND® which is a mark specifically coined, created and adopted in order to introduce the concept of the 'energy drink' to the consumer with the promise that the Red Bull Energy Drink will rejuvenate, stimulate and energise the body as well as the mind. For the last 30 years the Plaintiff has used the mark extensively to identify its product such that the mark VITALIZES BODY AND MIND® has acquired a secondary meaning in order to function as a source identifier of the Plaintiff and the Plaintiff's product alone. The distinctiveness of the mark VITALIZES BODY AND MIND® is also established by various facts including but not limited to multiple jurisdictions granting trade mark registration and protection to the mark VITALIZES BODY AND MIND® in favour of the Plaintiff."

(emphasis supplied)

20. The aforesaid paragraph is a clear acknowledgement on behalf of the plaintiff that the aforesaid tagline/mark has been used by the plaintiff in a manner so as to describe the attributes or quality of its drink. A person who consumes the Red Bull energy drink has an assurance that the drink will rejuvenate, stimulate and energize the body as well as the mind. In fact, the aforesaid words "STIMULATES" and "ENERGIZES" have been used by the defendant in its impugned mark. The fact that the plaintiff has used the aforesaid tagline in a descriptive manner is also evidenced by the fact that the tagline appears as a sentence on the can of the plaintiff's product, wherein the first word "VITALIZES" has the alphabet "V" in capital letters and the sentence ends with a full stop.

21. I do not agree with the contention of the plaintiff that the aforesaid tagline of the plaintiff does not have a direct reference to the products of the plaintiff. It may be that the aforesaid tagline could also be used in respect of some of the other products or services, but, in my view, the aforesaid tagline, which is a phrase or an expression, has a direct reference to the quality, intended purpose, values and other characteristics of the plaintiff's products.

22. In this regard, reliance is also placed on the Examination Report dated 16th February, 2004 of the Trademark Registry, whereby the Registry had raised objection with regard to the plaintiff's mark designating quality of the products. Though it has been contended on behalf of the defendants that the plaintiff did not file any response to the aforesaid objection raised by the Registry, the counsel for the plaintiff has drawn attention of the Court to the affidavit dated 18th May, 2004 filed on behalf of the plaintiff in response to the aforesaid Examination Report of the Registry (page 604 of the documents filed by the plaintiff).

23. I have perused the affidavit filed on behalf of the plaintiff in respect of the examination report of the Registry. Even in the said affidavit, the plaintiff has nowhere claimed that the tagline is not descriptive of the plaintiff's products. The entire focus of the aforesaid affidavit is that on account of long usage and extensive amounts spent by the plaintiff towards advertisement, the aforesaid tagline has become distinctive of the goods of the plaintiff. Yet, the Trade Mark Registry proceeded to grant registration to the plaintiff's aforesaid tagline.

24. Objection to the registration has been taken in the written statement by the defendants and a rectification application has also been filed on behalf of the defendants under Section 124 of the Trade Marks Act on the ground that the registration granted in favour of the plaintiff is invalid and the same is pending adjudication.

25. In view of the above, there is a doubt created over the registration granted in favour of the plaintiff in respect of the aforesaid tagline. While deciding the present application the Court has to take a prima facie view with regard to the validity of the registration of the mark and in my prima facie view, the tagline used by the plaintiff is of descriptive/laudatory character, which ought not to have been granted registration in view of Section 9(1)(b) of the Trade Marks Act.

26. The use of the impugned tagline by the defendants is also in a descriptive/laudatory manner and not as a trademark. The tagline used by the defendants, "STIMULATES MIND. ENERGIZES BODY." is a phrase or an expression comprising of four words of the English language that aims to describe the features and quality of its drink. In comparison to the brand name of the defendants' product, "STING", which is displayed prominently on the cans, the impugned tagline only appears in a small font. Furthermore, the defendants have not sought any registration in respect of the aforesaid tagline.

27. Therefore, I do not accept the contention of the plaintiff that the defendants are using the impugned mark in a manner that is likely to be taken as being used as a trademark. Resultantly, no infringement has been committed by the defendants in terms of Section 29 of the Trade Marks Act.

28. It has been vehemently contended on behalf of the plaintiff that the impugned tagline of the defendants gives the same impression as that of the plaintiff. But, since the products of the plaintiff and defendants are of the same kind, viz. energy drinks, descriptive or laudatory taglines in respect of these products have necessarily to communicate the same idea. Therefore, it cannot be said that the adoption of the impugned mark by the defendants was not bona fide. Resultantly, the defendants would be entitled to the benefit of Section 30(2) (a) and Section 35 of the Trade Marks Act.

29. In my prima facie view, the present case is squarely covered by the judgments of the Division Bench in Marico (supra) and Stockely Van Camp, Inc. (supra). The tagline of the plaintiff and the impugned tagline of the defendants are both descriptive in nature and therefore, the plaintiff is not entitled to grant

of interim injunction against the defendants.

30. The plaintiff has contended that the trademark, "Red Bull" is a well-known trademark and has also acquired distinctiveness on account of long and extensive usage and the promotional expenses incurred by the plaintiff. However, at this stage, it cannot be said what part of the promotional expenses or sales revenue is relatable to the tagline of the plaintiff and what part to the brand name of the plaintiff. This can be determined only at the stage of trial. Therefore, at this prima facie stage, it cannot be said that the tagline of the plaintiff "VITALIZES BODY AND MIND." has acquired distinctiveness and secondary meaning. This can only be established as a matter of trial. In this regard, reference may be made to *Bharat Biotech International Ltd. v. Optival Health Solutions Pvt. Ltd. and Another*, 2020 SCC OnLine Del 852 : (2020) 82 PTC 501, whereby this Court has held as under:

"52. Insofar as the submission of Mr. Chandra that the mark 'Typbar-TCV/TCV' has attained distinctiveness is concerned, this Court in *FDC Limited* (supra), in paras 19 and 20 held as under:

"19. In *Godfrey Philips India v. Girnar Food and Beverages*, (2005) 30 PTC 1 (SC) and *Indian Shaving Products. Gift Pack*, (1998) 18 PTC 698, it was held that even descriptive marks are capable of registration as trademarks, and their unauthorized use can amount to infringement, provided they attain that level distinctiveness, through sustained use and reputation, that a mere use of such generic term would immediately signify the plaintiff as its manufacturer. Therefore, in order to so find, that use of a descriptive term or a term that is *publici juris*, amounts to infringement, the plaintiff must establish that use of the term has become synonymous with its mark, or that the reputation of the mark is of such nature that the public is likely to get confused and would attribute the defendants' goods to the plaintiff's. The more descriptive the term employed or alleged to be infringing, higher the standard of evidence required to establish that term has in fact acquired secondary meaning and thereby, attained distinctiveness.

(Emphasis supplied)

20. As to the standard of evidence required to demonstrate distinctiveness, it was held, in *British Sugar* [1996] RPC 281, that:

"There is an unspoken and illogical assumption that use equals distinctiveness. The illogicality can be seen from an example: no matter how much use a manufacturer made of the word "Soap" as a purported trade mark for soap the word would not be distinctive of his goods." (internal quotes omitted)

In *Bach Flower Remedies*, [2000] RPC 513, the Court observed that:

"First, use of a mark does not prove that the mark is distinctive. Increased use, of itself, does not so either. The use and increased use must be in a distinctive sense to have any materiality."

(Emphasis supplied)

In *Broadhead* (1950) 67 RPC 209, the Court, following the observation of Lord Russell in the much celebrated *Coca Cola of Canada v. Pepsi Cola of Canada* (1942) IA 2265/2007 in CS(OS) 334/2008 page No. 14 of 20 59 RPC 127, stated: "Where you get a common denominator, you must in looking at the competing formulae pay much more regard to the parts of the formulae which are not common-although it does not flow from that that you must treat words as though the common part was not there at all."

53. From the above, it is clear to establish that a generic/descriptive term/word has attained distinctiveness/secondary meaning, the plaintiff has to establish:

- (1) That the use of the term has become synonymous with its mark.
- (2) The quality or characteristic would be a material factor determining the purchasing decision of significant portion of consumers.

54. Suffice would it be to state whether the marks 'TCV'/'TYPBAR-TCV' have attained distinctiveness/secondary meaning can only be established during trial. It is the case of Mr. Sapra that there are no pleading in the plaint with regard to distinctiveness. I say nothing on that. The same shall be seen, at the time of final hearing following the trial."

31. In the present case, the defendants launched their products in India in October/November, 2017 using the impugned mark on their product. Although the present suit was filed in the year 2018, the fact of the matter is that no injunction has been granted in favour of the plaintiff till date, even though the delay may not entirely be attributable to the plaintiff. Even though some of this delay may be attributable to the judicial process and/or the outbreak of COVID-19 pandemic, the undisputed position is that the defendants have been selling their product with the impugned mark for almost five years. One of the factors to be weighed by the Court is whether or not at this stage, an interim injunction should be granted in favour of the plaintiff, restraining the defendants from using the impugned mark. In this regard, it would be apposite to refer to the observations made by the Supreme Court in *Wander Ltd. and Ors. v. Antox India P. Ltd.*, 1990 Supp SCC 727, which are set out below:

"5. Usually, the prayer for grant of an interlocutory injunction is at a stage when the existence of the legal right asserted by the plaintiff and its alleged violation are both contested and uncertain and remain uncertain till they are established at the trial on evidence. The court, at this stage, acts on certain well settled principles of administration of this form of interlocutory remedy which is both temporary and discretionary. The object of the interlocutory injunction, it is stated

"...is to protect the plaintiff against injury by violation of his rights for which he could not adequately be compensated in damages recoverable in the action if the uncertainty were resolved in his favour at the trial. The need for such protection must be weighed against the corresponding need of the defendant to be

protected against injury resulting from his having been prevented from exercising his own legal rights for which he could not be adequately compensated. The court must weigh one need against another and determine where the 'balance of convenience' lies."

The interlocutory remedy is intended to preserve in status quo, the rights of parties which may appear on a prima facie case. The court also, in restraining a defendant from exercising what he considers his legal right but what the plaintiff would like to be prevented, puts into the scales, as a relevant consideration whether the defendant has yet to commence his enterprise or whether he has already been doing so in which latter case considerations somewhat different from those that apply to a case where the defendant is yet to commence his enterprise, are attracted."

32. Applying the aforesaid principles and taking into account that the defendants have been selling their product for a period of five years with the aforesaid impugned mark, the balance of convenience would be against the grant of interim injunction.

33. Counsel for the plaintiff has placed reliance on the judgment of a Division Bench of this Court in Procter & Gamble Manufacturing v. Anchor Health & Beauty Care Pvt. Ltd., 211 (2014) DLT 466 (DB). In the aforesaid case, the respondent/plaintiff was using the expressions "ANCHOR ALLROUND PROTECTION" / "ALLROUND PROTECTION" and "ALLROUND" in respect of its toothpaste and the appellants/defendants were using the expression "ALL-AROUND PROTECTION" / "ALL-ROUNDER" / "ALLROUNDER" in respect of their toothpaste. Aggrieved therefrom, the plaintiff filed a suit against the defendant in which an interim injunction was granted in favour of the plaintiff by the Single Judge. The appeal filed on behalf of the defendant against the grant of interim injunction was dismissed by the Division Bench. The factors which weighed with the Division Bench in the aforesaid case to confirm the injunction were that the marks "ALLROUND PROTECTION" and "ALLROUND" were not descriptive marks. Further, the appellants/defendants had themselves obtained registration of the mark "ALL-AROUND PROTECTION" in the United States of America.

34. In my view, both the aforesaid factors are enough to distinguish the facts of the present case from the aforesaid case. In the present case, I have already arrived at a prima facie view that the taglines used by both the plaintiff and the defendants are descriptive in nature as they describe the qualities/characteristic of their respective products. The Division Bench was of the view that the words "ALLROUND" and "ALLROUND PROTECTION" are not descriptive of the product toothpaste. The fact that the defendants therein had applied for registration of the expression "ALL-AROUND PROTECTION" in the United States of America was also one of the factors which weighed with the Division Bench in coming to the conclusion that the marks therein were not descriptive.

35. Though the previous judgments of the Division Bench in Marico (supra) and

Stockely Van Camp, Inc. (supra) were noted by the Division Bench in Procter & Gamble Manufacturing (supra), no doubts were expressed on the correctness of the aforesaid judgments. It was only noted that each case depends of its unique facts. I cannot agree more with the findings of the Division Bench that each case turns on its own unique facts and in my view, the facts of the present case are different from the facts of the case before the Division Bench in Procter & Gamble Manufacturing (supra). The facts of the present case are more akin to the case of Stockely Van Camp, Inc. (supra).

36. The counsel for the plaintiff has also placed reliance on the judgment in Shree Nath Heritage Liquor (supra) in support of its contention that where a synonym of the plaintiff's mark is used by the defendant, injunction can be granted. But, the aforesaid judgment was in the context of the synonyms being used as the main trademarks and not in the context of taglines. Therefore, in my view, the aforesaid judgment would not be applicable in the facts and circumstances of the present case.

37. Next, the plaintiff has relied upon the judgment in Anil Verma (supra). In the aforesaid judgment, the court held the slogans used by the plaintiff to be imaginative and not descriptive and therefore, granted injunction in favour of the plaintiff. In the present case, I have already held the two competing marks to be descriptive. Therefore, the judgment in Anil Verma (supra) will be of no use to the plaintiff.

38. In light of the aforesaid findings, need is not felt to refer to other judgments filed on behalf of the parties.

39. In view of the discussion above, the plaintiff has failed to establish a prima facie case in its favour for grant of interim injunction. Both the taglines used by the plaintiff and the defendants are descriptive and laudatory in nature. Whether the aforesaid tagline of the plaintiff has acquired distinctiveness or secondary meaning in respect of the plaintiff's products can only be established at the stage of trial. Balance of convenience is also in favour of the defendants for not granting interim injunction as the products of the defendants have been selling in the market with the impugned tagline for almost five years. Hence, the present application under Order XXXIX Rule 1 and 2 of the CPC is dismissed.

40. Any observations or expression of opinion in this judgment will have no bearing on the merits of the case.

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41. List before the Roster Bench on 09th May, 2022.