
(2016) 10 DEL CK 0134
In the Delhi High Court
Case No : CS(Comm) No. 747 of 2016

Singer Company	Vs	APPELLANT
Mohammed Fayaz		RESPONDENT

Date of Decision : 27-10-2016

Acts Referred:

Trade Marks Act, 1999 — Section 29(2)(b)

Citation : (2017) 236 DLT 457 : (2017) 69 PTC 573 : (2017) 2 RAJ 425

Hon'ble Judges : Mr. G.S. Sistani, J.

Bench : Single Bench

Advocate : None, for the Defendant; Ms. Anuradha Salhotra and Mr. Zeeshan Khan, Advocates, for the Plaintiffs

Final Decision : Disposed Off

Judgement

G.S. Sistani, J.(Oral) - The plaintiffs have filed the present suit for permanent injunction restraining infringement of trademark, passing off, dilution, delivery up etc. against the defendant.

2. While issuing summons in the suit on 29.04.2013, this Court had granted an ex parte ad interim injunction in favour of the plaintiff and against the defendant. Defendant had entered appearance and also filed their written statement. Thereafter, the plaintiffs have filed amended plaint and this court had granted time to the defendant to file its written statement to the amended plaint but defendant failed to file the same. On 15.05.2015, none was present on behalf of the defendant and accordingly, the defendant was proceeded ex parte. The plaintiffs have also filed the ex parte evidence of one, Ms. Veena P.(PW-1) and Mr. Richen Sangwan(PW-2).

3. As per the plaint, the plaintiffs are world leaders in the sewing machine industry. The plaintiffs started their business in the year 1851 when I.M. Singer formed "Singer Company Ltd.", to manufacture and sell a revolutionary product, i.e. a machine to automate and assist in making clothing. The plaintiffs have

worldwide operations and claim to be one of the largest sellers of sewing machines globally.

4. In India, the plaintiff markets its products under the mark "Merritt". A wide range of sewing machines are manufactured under their trademark "Merritt". The plaintiff's trademark "Merritt" was registered in India in the year 1962 and has been used extensively in connection with sewing machines ever since. Owing to extensive use, the word "Merritt" in relation to sewing machines exclusively identifies the plaintiffs or their products. The plaintiffs further enjoy protection of their trade mark in other jurisdiction owing to numerous registrations; including in Bangladesh, Benelux, China, France, United States, Japan, Indonesia.

5. As per the plaint, the plaintiffs have numerous registrations of the mark "Meritt", the details of few registrations are as under:

S. No. Mark Regn No. Class

- 1 Merritt 718379 4
- 2 Merritt 210529 7
- 3 Merritt 344428 7
- 4 Merritt 411830 7
- 5 (Logo) Merritt Majestic Device 798749 7
- 6 Merritt Tailor 798751 7
- 7 (Logo) Merritt Jailor Device 7 98753 7
- 8 Merritt Tailor Master 798754 7
- 9 Merritt 285073 8
- 10 (Logo) 718381 9
- 11 Merritt 247085 11
- 12 Merritt (Logo) 718383 21

6. As per the plaint, the plaintiffs have been making extensive publicity and advertisement at huge expenditure to promote the mark. The sales turnover of the plaintiffs products in India which includes "Merritt" products for the period 2008-2012 are as under:

Year Sales figures (in INR Thousands)(approx)

2008 4,95,525

2009 7,06,057

2010 11,17,923

2011 11,89,081

7. As per the plaint, the principal trademark of the plaintiffs is "Merritt" .The plaintiffs are maintaining standards and they are known for their excellent quality and reliability. The trademark "Merritt" in connection with sewing machines has acquired considerable goodwill and reputation in India and due to uninterrupted usage of trademark, the plaintiffs have acquired common law rights and are also vested with the statutory rights and as such, the plaintiffs have an exclusive right to use the same.

8. It is the case of the plaintiff that the defendant is engaged in the business of manufacturing and marketing sewing machines under the brand name "Merritt Star" wherein the mark of the plaintiff "Meritt" appears prominently.

9. In the first week of March, 2013, the plaintiffs learnt that sewing machines are being sold in the market under the marks Merritt Star. Thereafter, upon making inquiries,it was revealed that sewing machines are being sourced from Delhi by the defendant. Accordingly, the plaintiff purchase done sewing machine from the defendant, plaintiff learnt that the defendant has also filed an application for registration of its mark.

10. The counsel for the plaintiff has submitted that owing to extensive marketing and strict standards of quality, its products marketed under the mark "Merritt" have created an unparalleled position in the eyes of the public. The goodwill of the plaintiffs" business is clearly reflected from the sales turnover for "Signer" and "Merritt" products as detailed in paragraph 6 foregoing.

11. Counsel for the plaintiff further submits that defendant has mala fide adopted a nearly identical mark by merely adding a suffix to the mark of the plaintiff in order to free-ride upon the tremendous goodwill of the plaintiff.

12. Counsel for the plaintiff further submits that since the two marks are identical, it is not necessary for the plaintiff to prove further that the use of defendant's mark is likely to deceive or cause confusion. In support of this contention, counsel has relied upon decision of the apex court rendered in the case of Kaviraj Pandit Durga Dutt Sharma v. Navaratna Pharmaceutical Laboratories, AIR 1965 SC 980. Counsel for the plaintiff further submits that in order to show passing off, the plaintiff has to establish prior user of the mark than the defendant. In support of this contention, counsel has also relied upon decision of this court in Century Traders v. Roshan Lal Duggar & Co., AIR 1978 Del 250.

13. I have heard learned counsel for the plaintiff and also examined the affidavits by way of evidence of PW-1 and PW-2, who have deposed on the lines of the plaint. The plaintiff has filed the affidavit by way of evidence of PW-1 and PW-2, who have deposed on the lines of the plaint. Despite service, the defendant has decided not to contest the suit and has been accordingly proceeded ex parte. The documents exhibited are as follows:

Copy of the power of Attorney executed in favour of Ms. Veena P, by the plaintiff No.1 has been exhibited as Exhibit PW-1/1;

Copy of the letter issued by the plaintiff No.1 stating that plaintiff No.2 is the licensee of the plaintiff No.1 has been exhibited as Exhibit PW-1/2;

Photographs of the plaintiff's product under the mark Merritt has been exhibited as Exhibit PW-1/3;

Certified copy of the trademark registration number 718379 has been exhibited as Exhibit PW-1/4;

Certified copy of the trademark registration number 210529 has been exhibited as Exhibit PW-1/5;

Certified copy of the trademark registration number 798749 has been exhibited as Exhibit PW-1/6;

Certified copy of the trademark registration number 798751 has been exhibited as Exhibit PW-1/7;

Certified copy of the trademark registration number 798753 has been exhibited as Exhibit PW-1/8;

Certified copy of the trademark registration number 798754 has been exhibited as Exhibit PW-1/9;

Certified copy of the trademark registration number 285073 has been exhibited as Exhibit PW-1/10;

Certified copy of the trademark registration number 718381 has been exhibited as Exhibit PW-1/11;

Certified copy of the trademark registration number 718383 has been exhibited as Exhibit PW-1/12;

Certified copy of TM-24 for bringing the plaintiff No.1 as registered proprietor of the mark for the Trade Mark Registration No.285073 along with the certified copy of deed of assignment dated 11.04.2013 between the Singer Company Limited and the plaintiff has been exhibited as Exhibit PW-1/13;

Certified copy of TM-24 for bringing the plaintiff No.1 as registered proprietor of the mark for the Trade Mark Registration No.718379, 798749, 798751, 798753, 798754, 718381 and 718383 along with the certified copy of deed of assignment dated 11.04.2013 between the Singer Company Limited and the plaintiff has been exhibited as Exhibit PW-1/14;

Certified copy of TM-24 for bringing the plaintiff No.1 as registered proprietor of the mark for the Trade Mark Registration No.210529 has been exhibited as Exhibit PW-1/15;

Copies of the international registrations has been exhibited as Exhibit

PW-1/16(colly);

Print out of the status of defendant's trade mark application no.2315929 has been exhibited as Exhibit PW-1/17;

Power of attorney dated 15.02.2012 wherein it is authorised Mr. Rajeev Baja to sign and institute the present suit on behalf of the plaintiff No.2 has been exhibited as Exhibit PW-2/1;

Copy of the power of attorney executed in favour of Mr. Richin Sangwan by the plaintiff No.2 has been exhibited as Exhibit PW-2/2;

Copies of the photographs of the defendant's products have been exhibited as Exhibit PW-2/3;

The original invoice of the defendant for sale of the impugned sewing machine has been exhibited as Exhibit PW-2/4;

Copies of the annual report of the year 2008 to 2012 of the plaintiff No.2 has been exhibited as Exhibit PW-2/5;

Copies of the invoices of February 2013 issued by the plaintiff No.2 against the sale of its products under the mark MERRITT has been exhibited as Exhibit PW-2/6; and

Copies of the pamphlets, brochures and promotional materials of the plaintiff No.2 has been exhibited as Exhibit PW-2/7.

14. I have also gone through the written statement filed on behalf the defendant. No substantial defence has been raised by the defendant; the defendant has merely denied all the allegations and denied infringement on two grounds. First, that the word "Merritt" is not associated with the plaintiffs and they are not using their primary mark, i.e. "Singer". Secondly, that there is no similarity between the marks of the parties, "Merritt" and "Merritt Star" are not similar to constitute infringement.

Infringement of Trademark

15. Based on the documents placed on record, there is no doubt that the plaintiff is the registered proprietor of the trade marks mentioned in paragraph 4 foregoing. Section 29 (2) of the Trade Marks Act stipulates the conditions when usage by a person amounts to infringement of a registered trademark. Section 29 (2) reads as follows:

"(2) A registered trade mark is infringed by a person who, not being a registered proprietor or a person using by way of permitted use, uses in the course of trade, a mark which because of -

(a) its identity with the registered trade mark and the similarity of the goods or services covered by such registered trade mark; or

(b) its similarity to the registered trade mark and the identity or similarity of the goods or services covered by such registered trade mark; or

(c) its identity with the registered trade mark and the identity of the goods or services covered by such registered trade mark, is likely to cause confusion on the part of the public, or which is likely to have an association with the registered trade mark."

(Emphasis Supplied)

16. In respect of the test of adjudicating infringement, a coordinate bench of this Court in *The Royal Bank of Scotland Group PLC v. Sharekhan Limited*, 216 (2015) DLT 197, after taking into consideration numerous judicial pronouncements, held as under:

"35. The test of comparison of the marks side by side is not a sound one since a purchaser will seldom have the two marks actually before him when he makes his purchase. The eye is not an accurate recorder of visual detail and marks are remembered by general impression or by some significant detail rather than by any photographic recollection of the whole. While judging the question as to whether the defendants have infringed the trade mark by colourable imitation of the mark or not, the Court has to consider the overall impression of the mark in the minds of general public and not by merely comparing the dissimilarities in the two marks.

36. In order to establish infringement, the main ingredients of Section 29 of the Act are that the plaintiff's mark must be registered under the Act; the defendant's mark is identical with or deceptively similar to the registered trade mark; and the defendant's use of the mark is in the course of trade in respect of the goods covered by the registered trade mark. The rival marks are to be compared as a whole. Where two rival marks are identical, it is not necessary for the plaintiff to prove further that the use of defendant's trademark is likely to deceive and cause confusion as the registration shows the title of the registered proprietor and the things speak for themselves. In an infringement action, once a mark is used as indicating commercial origin by the defendant, no amount of added matter intended to show the true origin of the goods can effect the question. If Court finds that the defendant's mark is closely, visually and phonetically similar, even then no further proof is necessary.

Test of comparison of rival marks

37. (i) In *Pianotist Co. Ltd.*'s application, 1906 (23) R.P.C. 774, it was observed as follows :

"You must take the two words. You must judge of them, both by their look and by their sound. You must consider the goods to which they are to be applied. You must consider the nature and kind of customer who would be likely to buy those goods. In fact, you must consider all the surrounding circumstances; and you must further consider what is likely to happen if each of those trade marks is

used in a normal way as a trade mark for the goods of the respective owners of the marks. If, considering all those circumstances, you come to the conclusion that there will be a confusion-that is to say, not necessarily that one man will be injured and the other will gain illicit benefit, but that there will be a confusion in the mind of the public which will lead to confusion in the goods-then you may refuse the registration, or rather you must refuse the registration in that case."

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(iii) In the case of *Sandow Ltd.'s Application*, 31 R.P.C. 205 it was clarified that among the surrounding circumstances to be taken into account, one of considerable importance is the imperfect recollection a person is likely to have of a mark with which he is only vaguely acquainted. While approving the above tests for comparison of the two word-marks, the Supreme Court held in *F. Hoffmann-La Roche & Co. Ltd. v. Geoffrey Manner & Co. Pvt. Ltd.* (1969) 2 SCC 716 that:

"It is also important that the marks must be compared as whole. It is not right to take a portion of the word and say that because that portion of the word differs from the corresponding portion of the word in the other case there is no sufficient similarity to cause confusion. The true test is whether the totality of the proposed trade mark is such that it is likely to cause deception or confusion or mistake in the minds of persons accustomed to the existing trade mark."

(iv) In the case of *Tokalon Ltd. v. Davidson and Co.* 32 R.P.C. 133, it was observed that:

"...We are not bound to scan the words as we would in a question of compatriotic literarum. It is not a matter for microscopic inspection, but to be taken from the general and even casual point of view of a customer walking into a shop."

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(vii) In the decision reported in AIR 1951 Bom 147, *James Chadwick & Bros. Ltd. v. The National Sewing Thread Co. Ltd.* Chagla C.J. and Bhagwati, J.; referring to the words "likely to deceive or cause confusion" in section 10 of the Act observed as follows:-

"Now in deciding whether a particular trade mark is likely to deceive or cause confusion, it is not sufficient merely to compare it with the trade mark which is already registered and whose proprietor is offering opposition to the registration of the former trade mark.

What is important is to find out what is the distinguishing or essential feature of the trade mark already registered and what is the main feature or the main idea underlying that trade mark, and if it is found that the trade mark whose registration is sought contains the same distinguishing or essential feature or conveys the same idea, then ordinarily the Registrar would be right if he came to the conclusion that the trade mark should not be registered. The real question is

as to how a purchaser, who must be looked upon as an average man of ordinary intelligence, would react to a particular trade mark, what association he would form by looking at the trade mark, and in what respect he would connect the trade mark with the goods which he would be purchasing. It is impossible to accept that a man looking at a trade mark would take in every single feature of the trade mark. The question would be, what would he normally retain in his mind after looking at the trade mark? What would be the salient feature of the trade mark which in future would lead him to associate the particular goods with that trade mark"

?"

(Emphasis Supplied)

17. Further in the case of Kaviraj Pandit Durga Dutt Sharma (Supra) it has been held that once it is established that the essential features of the registered mark have been imitated, it becomes immaterial whether there are any distinguishing features in the packaging, get-up etc. The relevant paragraph reads as under:

"28. ?In an action for infringement, the plaintiff must, no doubt, make out that use of the defendant's mark is likely to deceive, but were the similarity between the plaintiff's 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 plaintiff's rights are violated. Expressed in another way, if the essential features of the trade mark 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 in which he offers his goods for sale show marked differences, or indicate clearly a trade origin different from that of the registered proprietor of the make would be immaterial; whereas in the case of passing off, the defendant may escape liability if he can show that the added matter is sufficient to distinguish his goods from those of the plaintiff."

(Emphasis Supplied)

18. Applying the foregoing principles in the present case, I am of the view that the defendant has infringed the mark of the plaintiffs. I hold so as the defendant cannot merely add the word "STAR" after the registered trade mark of the plaintiffs and claim that there is no longer any similarity in the marks. The first word of the marks of both the parties is identical. Even the suffix chosen, i.e. Star, has been cleverly chosen as the same may create an impression upon the minds of the public that it is a superior line of the products of the plaintiffs. Further, in view of the dicta of Kaviraj Pandit Durga Dutt Sharma (Supra), the stand taken by the defendant in its written statement cannot be accepted.

19. In view of the foregoing, I am of the view that the defendants are infringing the registered trademarks of the plaintiff under Section 29 (2) (b).

Passing Off

20. Passing Off action arises out of common law and is not pre-conditioned on registration. The term "passing off" was explained by James, L.J. in *Singer Manufacturing Co. v. Loog*, (1880) 18 ChD 395 as under:

"I have often endeavoured to express what I am going to express now (and probably I have said it in the same words, because it is very difficult to find other words in which to express it) - that is, that no man is entitled to represent his goods as being the goods of another man; and no man is permitted to use any mark, sign or symbol, device or other means, whereby, without making a direct false representation himself to a purchaser who purchases from him, he enables such purchaser to tell a lie or to make a false representation to somebody else who is the ultimate customer."

(Emphasis Supplied)

21. Lord Diplock in *Erven Warnink Besloten Vennootschap v. J. Townend & Sons (Hull) Ltd.*, (1979) A.C 731 had identified five essentials to establish an action of passing off. The relevant excerpt is as under:

"My Lords, *A.G Spalding and Brothers v. A.W. Gamage Ltd.*, 84 L.J.Ch 449, and the later cases make it possible to identify five characteristics which must be present in order to create a valid cause of action for passing off: (1) a misrepresentation, (2) made by a trader in the course of trade, (3) to prospective customers of his or ultimate consumers of goods or services supplied by him, (4) which is calculated to injure the business or goodwill of another trader (in the sense that this is a reasonably foreseeable consequence) and (5) which causes actual damage to a business or goodwill of the trader by whom the action is brought or (in a *quia timet* action) will probably do so."

(Emphasis Supplied)

22. The foregoing essentials have been accepted by the Supreme Court in *Cadila Health Care Ltd. v. Cadila Pharmaceuticals Ltd.*, (2001) 5 SCC 73 and *Heinz Italia v. Dabur India Ltd.*, (2007) 6 SCC 1. In *Cadila Health Care Ltd.* (Supra), the Supreme Court had further laid down the following decisive tests for checking deceptive similarity:

"35. Broadly stated, in an action for passing-off on the basis of unregistered trade mark generally for deciding the question of deceptive similarity the following factors are to be considered:

(a) The nature of the marks i.e. whether the marks are word marks or label marks or composite marks i.e. both words and label works.

(b) The degree of resemblance between the marks, phonetically similar and hence similar in idea.

(c) The nature of the goods in respect of which they are used as trade marks.

(d) The similarity in the nature, character and performance of the goods of the

rival traders.

(e) The class of purchasers who are likely to buy the goods bearing the marks they require, on their education and intelligence and a degree of care they are likely to exercise in purchasing and/or using the goods.

(f) The mode of purchasing the goods or placing orders for the goods.

(g) Any other surrounding circumstances which may be relevant in the extent of dissimilarity between the competing marks.

36. Weightage to be given to each of the aforesaid factors depending upon facts of each case and the same weightage cannot be given to each factor in every case."

(Emphasis Supplied)

23. In the present case, applying the foregoing test I am of the view that the defendants have tried to dupe the general public by portraying their products in a manner that they originate from the plaintiff. Such usage would inevitably lead to loss of revenue as also that of goodwill. Accordingly, the defendants have indulged into the offence of passing off.

24. Having held that the defendant have infringed the registered trademarks of the plaintiff as well as committed the tort of passing off, it is a fit case for granting injunction in favour of the plaintiffs and against the defendant. The plaintiffs have not prayed for damages in the present suit.

25. Accordingly, the present suit is decreed in favour of the plaintiffs and against the defendant in terms of paragraph 27 a) i. and ii., b) and c) of the plaint.

26. Let a decree sheet be drawn accordingly.

I.A. 6878/2013 (under Order 39 Rules 1 & 2 CPC)

27. Interim order dated 29.04.2013 is made confirmed.

28. Application stands disposed of.