

(2014) 05 DEL CK 0167
In the Delhi High Court
Case No : CS(OS) 394/2012

The Indian Hotels Company Ltd.

APPELLANT

Vs

Ashwajeet Garg and Others

RESPONDENT

Date of Decision : 01-05-2014

Acts Referred:

Civil Procedure Code, 1908 (CPC) — Order 39 Rule 1, Order 39 Rule 2, Order 39 Rule 4
Trade Marks Act, 1999 — Section 11, 12, 124, 154, 28

Citation : (2014) 210 DLT 421 : (2014) 59 PTC 256

Hon'ble Judges : Sanjeev Sachdeva, J

Bench : Single Bench

Advocate : Mr. Pravin Anand, Ms. Vaishali Mittal and Ms. Nupur Kumar, Advocate for the Appellant; Gaurav Miglani, Advocate for the Respondent

Judgement

Sanjeev Sachdeva, J.

IA No. 3052/2012 (under Order 39 Rule 1 & 2 CPC), IA No. 5844/2012 (under Order 39 Rule 4 CPC) and IA No. 7826/2012 (under Section 124 of Trademarks Act, 1999)

1. The Plaintiff has filed the present suit for permanent injunction thereby restraining the Defendants from infringing the registered trademark of the Plaintiff.

2. The Plaintiff claims to be the owner of a chain of hotels referred to as Taj Group of Hotels. The Plaintiff in the year 2004 adopted the mark JIVA in relation to the business of SPA. The said mark is claimed to have been continuously used and promoted by the Plaintiff world over and the public refers to the Plaintiff's SPA services as JIVA. The first JIVA SPA was opened by the Plaintiff at Usha Kiran Palace, Gwalior. Thereafter Plaintiff claims to have launched its JIVA SPA at various locations and at the time of filing of the suit, Plaintiff claims that there were 24 JIVA SPAs located across India and abroad.

3. The Plaintiff claims to have extensively used and publicised its mark JIVA

through various publicity mediums. Substantial amount is claimed to have been spent on sales promotion and promotion of the mark JIVA by the Plaintiff. The Plaintiff's JIVA SPA is stated to have won various awards and accolades both in India and abroad. The mark of the Plaintiff is also advertised on the internet.

4. The Plaintiff claims that the trademark of the Plaintiff JIVA has been recognized by various Courts in India. The Plaintiff claims to be the registered proprietor of the trademark JIVA in India as well as in several countries. The Plaintiff claims to have registered the trademark JIVA in India and five other countries, namely, France, South Africa, Indonesia, United Kingdom and Maldives.

5. As per the Plaintiff, the Plaintiff recently became aware of the use by the Defendants of a phonetically and visually deceptively similar trade mark "ZIVA". The Defendants are using the said mark "ZIVA" also for the purposes of SPA. The Defendants also have a domain name www.zivaspa.com. As per the Plaintiff, the Defendants are using the mark for the services identical to that of the Plaintiff and the two marks are deceptively similar inasmuch as pronunciation of the letter Z or J is very similar. As per the Plaintiff, Defendants have dishonestly adopted the mark "ZIVA" to take undue advantage of Plaintiff's goodwill and reputation. The use of the mark ZIVA in identical services to the services of the Plaintiff is likely to create confusion in the minds of the consumers. The Plaintiff claims to have become aware of the use of the impugned mark ZIVA by the Defendants in January, 2012. The Plaintiff filed the suit in February, 2012.

6. By an ex parte order dated 17.02.2012, the Defendants were restrained from dealing in any manner with the service or goods infringing, divulging or passing of the Plaintiff's mark "JIVA".

7. Defendants No. 1 and 2 have filed their written statement claiming that the mark of the Defendants "ZIVA" is registered since 01.10.2009 and the Defendants claimed users since 01.02.2007 in Class-42. The Defendants contend that the Plaintiff being in the same business should have been aware of the use of the mark ZIVA by the Defendants and the registration in favour of the Defendants. Learned counsel for the Defendants contends that the Plaintiff chose to sit back and wait for the Defendants to grow and as such have disentitled them from obtaining an interim order.

8. The Defendants further contend that the Plaintiff was restrained from using the mark "JIVA" by a Single Judge of this Court and the Division Bench has permitted the Plaintiff to use the mark JIVA subject to giving an undertaking that the Plaintiff shall not start any SPA independently of any hotel owned/leased or mortgaged by it under the name JIVA. The Defendants claim that they are using the mark ZIVA in locations where the Plaintiff as per its own undertaking given to the Court is not entitled to operate.

9. The Defendants further contended that the Plaintiff is not entitled to the exclusivity in the expression JIVA as there are other entities using the mark JIVA and the Plaintiff has chosen not to sue them. The Defendants claim to have

adopted the mark ZIVA honestly and bonafidely. The Defendant claims to be operating 16 SPA clinics all over the country. The Defendants claim to be the copyright owner in the trademark/label "ZIVA" and claim to have extensively advertised and use the said mark ZIVA and acquired goodwill and reputation among the public and the trade. Substantial amount is claimed to have been spent by the Defendants in promoting the trademark ZIVA.

10. Further the Defendants contend that there is no similarity between the two trademarks and the Plaintiff's artistic device "JIVA" and the Defendants' artistic device "ZIVA". As per the Defendants trademarks when compared as a whole are visually and structurally distinct and there is not even a remote possibility or likelihood of any confusion. The Defendants contend that the two marks have concurrently existed for at least five years and there is no instance of any actual confusion.

11. Learned counsel for the Plaintiff has contended that the trademark JIVA is a strong trademark as it is arbitrary, unique and distinctive. Further that the trademark of the Defendants has no meaning except it being similar to the mark of the Plaintiff. The marks are deceptively similar both phonetically and visually. Plaintiff is the prior user, and the marks are put to use by both, the Plaintiff and the Defendant for same services. The Defendants are also operating in five star hotels and at least two cities are common between the SPAs of the Plaintiff and the Defendant and that the mark of the Plaintiff is well known mark and as such is liable to be protected even across different classes.

12. Learned Counsel for the Plaintiff submitted that consequent to the injunction order passed by this court, the Defendants have modified their trademark and have adopted a mark JIVAYA and the Plaintiff has no dispute with the new mark JIVAYA.

13. To resolve the controversy, it would be appropriate to examine the legal position governing the grant of an injunction in trademark matters.

14. u/s 28 of the Trade Marks Act, 1999 (hereinafter referred to as "The Act"), the registration of a mark gives the registered proprietor the exclusive right to use the registered mark and the use of an "identical" or "deceptively similar" mark by another without any permission/authority amounts to infringement of the registered mark u/s 29 of the Act.

15. The Supreme Court of India in the case of Kaviraj Pandit Durga Dutt Sharma Vs. Navaratna Pharmaceutical Laboratories, , held that the action for infringement is a statutory remedy conferred on the registered proprietor of a registered trade mark for the vindication of the exclusive right to the use of the trade mark in relation to those goods. 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 mark would be

immaterial.

16. The Supreme Court of India in the case of American Home Products Corporation Vs. Mac Laboratories Pvt. Ltd. and Another, laid down that when a person gets his trade mark registered, he acquires valuable rights by reason of such registration. Registration of his trade mark give him the exclusive right to the use of the trade mark in connection with the goods in respect of which it is registered and if there is any invasion of this right by any other person using a mark which is the same or deceptively similar to his trade mark, he can protect his trade mark by an action for infringement in which he can obtain injunction. (See also National Bell Co. and Gupta Industrial Corporation Vs. Metal Goods Mfg. Co. (P) Ltd. and Another,).

17. The Supreme Court of India in the case of Laxmikant V. Patel Vs. Chetanbhat Shah and Another, , laid down that the law does not permit any one to carry on his business in such a way as would persuade the customers or clients in believing that the goods or services belonging to someone else are his or are associated therewith. It does not matter whether the latter person does so fraudulently or otherwise. The reasons are two. Firstly, honesty and fair play are, and ought to be, the basic policies in the world of business. Secondly, when a person adopts or intends to adopt a name in connection with his business or services which already belongs to someone else it results in confusion and has propensity of diverting the customers and clients of someone else to himself and thereby resulting in injury. The Supreme Court further laid down that even in cases of honest adoption the injunction must follow in cases where there is probability of confusion in business.

18. On the issue of delay in approaching the court in filing an action for infringement, the Delhi High Court in the case of Tata Oil Mills Co. Ltd. Vs. Wipro Ltd. and Another, laid down that mere delay in filing of a suit for infringement is not fatal. The court referred to the decision of the Division Bench of this court in the case of Swaran Singh Vs. Usha Industries (India) and Another, , wherein the Division Bench held as under:

7. There is then the question of delay. Learned counsel for the respondents had urged that the delay is fatal to the grant of an injunction. We are not so satisfied. A delay in the matter of seeking an injunction may be a ground for refusing an injunction in certain circumstances. In the present case, we are dealing with a statutory right based on the provisions of the Trade and Merchandise Marks Act, 1958. An exclusive right is granted by the registration to the holder of a registered trade mark. We do not think that statutory rights can be lost by delay. The effect of a registered mark is so clearly defined in the Statute as to be not capable of being mis-understood. Even if there is some delay, the exclusive right cannot be lost. The registered mark cannot be reduced to a nullity. The principles governing other types of injunctions are not be readily applied to a case like the present. Of course, if it was a case of a similar mark as opposed to the same mark, the concurrent user coupled with delay might be a ground for refusing an

injunction. However, when the same mark is being used, in a sense, the public is deceived into purchasing the Defendant's good on the belief that they are the Plaintiffs goods, so a registered trade mark is a casualty, it is the duty of the Court to protect the registered mark. That is the whole concept of registration. So, we cannot refuse an injunction even if there is some delay especially when the mark is the same. To refuse the injunction would tantamount to permit a fraud being practised on unwary customers. This is a matter of principles on which the Court cannot refuse the injunction.

19. The Supreme Court of India in the case of Midas Hygiene Industries P. Ltd. and Another Vs. Sudhir Bhatia and Others, , laid down that in cases of infringement either of Trade Mark or of Copyright normally an injunction must follow. Mere delay in bringing action is not sufficient to defeat grant of injunction in such cases. The grant of injunction also becomes necessary if it prima facie appears that the adoption of the Mark was itself dishonest.

20. The Division Bench of the Bombay High Court in the case of Encore Electronics Ltd. Vs. Anchor Electronics and Electricals Pvt. Ltd., while dealing with the issue of deceptive similarity between two trademarks "Encore" and "Anchor" held as under:

9. The phonetic similarity between "Anchor" on the one hand and "Encore" on the other, is striking. The two marks are phonetically, visually and structurally similar. The overall impression conveyed by a mark as a whole, has to be assessed in evaluating whether the mark of the Defendant is deceptively similar to the mark of the Plaintiff. Phonetic similarity constitutes an important index of whether a mark bears a deceptive or misleading similarity to another. The phonetic structure indicates how the rival marks ring in the ears. Courts in a country such as ours whose culture is enriched by a diversity of languages and scripts have to consider how the rival marks are spelt and pronounced in languages in which they are commonly used. Counsel for the Defendant submits before the Court that while "Encore" is a word of French origin, "Anchor" is a word of English usage and the pronunciation of the two words must differ. The submission misses the point. The case before the Court is not about how an Englishman would pronounce "Anchor" or a Frenchman would pronounce "Encore". The Court must consider the usage of words in India, the manner in which a word would be written in Indian languages and last but not least, the similarity of pronunciation if the rival marks are used. The manner in which the "a", as in "anchor" is pronounced by an Englishman or Notting Hill may well appear to be discerning traveller to be distinct from a Frenchman's pronunciation of the "e" in "encore" on a fashionable by lane near Champs Elysees. That is no defence to an action in our Courts for passing off. For the ordinary consumer in Ahmedabad and her counterpart in Mumbai's shopping streets, the "a" in "anchor" and the "e" in "encore" are perilously and deceptively similar. The Court must assess the make up of an Indian consumer and, associated with that, the cultural traits that underlie the spelling and pronunciation of words. The case of the Plaintiff is that

in Gujarati as well as in Hindi, there is no even a subtle distinction between the manner in which "Anchor" and "Encore" would be pronounced and we find merit in the submission. The overall impact in terms of phonetical usage is one of striking similarity. The test is not whether a customer who wishes to buy the product of the Plaintiff is likely to end up buying the product of the Defendant. The test is whether the ordinary customer is likely to be led to believe that "Encore" is associated with the mark and the trading style of the Plaintiff. The phonetical, visual and structural get up of the two words is so strikingly similar as to lead to a likelihood of deception. The question of deception is a matter for the Court to determine, particularly at the interlocutory stage.

21. The key factors to be kept in mind while comparing rival marks for deceptive similarity, as laid down by the Division Bench of the Bombay High Court in *Anchor Electronics and Electricals Pvt. Ltd. (Supra)*, is that phonetic similarity constitutes an important index of whether a mark bears a deceptive or misleading similarity to another. The phonetic structure indicates how the rival marks when pronounced appear to the ears of the person hearing the words. Our country is enriched by a diversity of languages and scripts and keeping the aspect of such diversity in mind, the courts have to consider how the rival marks are spelt and pronounced in languages in which they are commonly used. What is important for consideration is 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. What the Court must assess is the general profile of the Indian consumer and, associated with that, the cultural traits that underlie the spelling and pronunciation of words. The test as laid down is not whether a customer who wishes to buy the product of the Plaintiff is likely to end up buying the product of the Defendant. The test is whether the ordinary customer is likely to be led to believe that the product of the Defendant is associated with the mark and the trading style of the Plaintiff.

22. The Supreme Court of India in the case of *K.R. Chinna Krishna Chettiar Vs. Shri Ambal and Co., Madras and Another*, , comparing the rival marks Ambal and Andal, held that the resemblance between the two marks must be considered with reference to the ear as well as the eye. The Supreme Court while relying upon the decision in the case of *Decordova v. Vick Chemical Coy.*, 1951 68 RPC 103 held that a mark is infringed by another trader if, even without using the whole of it upon or in connection with his goods, he uses one or more of its essential features.

23. In the case of *Keshav Kumar Aggarwal Vs. M/s. NIIT Ltd.*, a single judge of this court has held as under:

38. It is no more *res integra*, that for ascertaining whether one mark is deceptively similar to another mark, the rival marks have to be compared as a whole. The parameters to be taken into consideration in order to determine whether the Defendant's mark is deceptively similar to the mark of the Plaintiff are very well enunciated in *Pianotist* case reported in 1906(23) RPC 774, which

reads as follows:

You must take the two words. You must judge 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 trademarks 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.

39. In *Kaviraj Pandit Durga Dutt Sharma Vs. Navaratna Pharmaceutical Laboratories*, , the Hon''ble Apex Court in the following paras held as under: "In an action for infringement, the Plaintiff must, no doubt, make out that the use of the Defendant's mark is likely to deceive, but 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. 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 mark would be immaterial;..... When once the use by the Defendant of the mark which is claimed to infringe the Plaintiffs mark is shown to be "in the course of trade", the question whether there has been an infringement is to be decided by comparison of the two marks. Where the two marks are identical no further questions arise; for then the infringement is made out...."

40. This Hon''ble Court, in the case of *Ansul Industries* (supra) placing reliance on the above decision of the Apex Court also held that:

11. Thus, it is well settled that when the question whether the mark causes or is likely to cause deception or confusion arises before a Court, the standard applied is not that of a vigilant consumer or a trader, but standard of an unwary normal customer of the said product. The Court has to consider and examine whether a consumer of the product is likely to be deceived or confused after examining broad and dominant features of the two marks and whether there is overall similarity that is likely to mislead a purchaser. Both the marks have to be considered as a whole.

12. Question of confusion cannot be decided by keeping the two marks by each other and noting similarities and differences between the two marks. Right in a trade mark is with reference to trade and commerce. Question of deception and

confusion has to be examined and dealt with from commercial point of view. The law gives protection to the proprietor of the trade mark if there is likelihood of deception or confusion. The impression created by looking at the two marks and the significant feature and idea behind the two marks that would be formed in the mind of the purchaser is the relevant criteria.

24. In *Keshav Kumar Aggarwal (Supra)* it has been laid down that for ascertaining whether one mark is deceptively similar to another mark, 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. The goods to which they are to be applied must also be considered. The nature and kind of customer who would be likely to buy those goods must be kept in mind. All the surrounding circumstances must be considered. It must be kept in mind what is likely to happen if each of those trademarks 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, the court comes 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 the registration of the impugned mark must be refused.

25. In an action for infringement, the Plaintiff must make out that the use of the Defendant's mark is likely to deceive. 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. 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 mark would be immaterial.

26. When the question whether the mark causes or is likely to cause deception or confusion arises before a Court, the standard applied is not that of a vigilant consumer or a trader, but standard of an unwary normal customer of the said product. The Court has to consider and examine whether a consumer of the product is likely to be deceived or confused after examining broad and dominant features of the two marks and whether there is overall similarity that is likely to mislead a purchaser. Both the marks have to be considered as a whole.

27. The Supreme Court of India in *Amritdhara Pharmacy Vs. Satyadeo Gupta*, while considering the question of phonetic similarity between *Amritdhara* and *Lakshmandhara* laid down that the competing marks have to be compared keeping in mind an unwary purchaser of average intelligence and imperfect recollection.

28. Question of confusion cannot be decided by keeping the two marks by each

other and noting similarities and differences between the two marks. Right in a trade mark is with reference to trade and commerce. Question of deception and confusion has to be examined and dealt with from commercial point of view. The law gives protection to the proprietor of the trade mark if there is likelihood of deception or confusion. The impression created by looking at the two marks and the significant feature and idea behind the two marks that would be formed in the mind of the purchaser is the relevant criteria.

29. In order to ascertain whether one mark is deceptively similar to another, the 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 differences in the design and get up and if so, whether they are of such character as to prevent one design from being mistaken for the other. It would be enough if the impugned mark bears such an overall similarity to the registered mark as would be likely to mislead a person usually dealing with one, to accept the other if offered to him.

30. Ordinary human mind is not gifted with a photogenic memory. What is retained is only the broad feature of what one sees and hears. Later in point of time what is recollected of what was seen and heard earlier is only an imperfect recollection. On comparison of the broad essential features of the two competing marks, if the court comes to a conclusion that the marks are so similar as to cause a confusion or deception then injunction must follow. It is not necessary for the court to place the marks side by side to find out the points of similarity or distinctiveness. The test is that of unwary purchaser of average intelligence and imperfect recollection.

31. Further the Delhi High Court in the case of Century Traders Vs. Roshan Lal Duggar Co., has laid down that for the purpose of claiming proprietorship of a mark, it is not necessary that the mark should have been used for a considerable length of time. A single actual use with intent to continue such use eo instanti confers a right to such mark as a trade mark. Further, in order to succeed in an application for temporary injunction the applicant has to establish user of the aforesaid mark prior in point of time than the impugned user by the non-applicant. Further still, actual damage or fraud is unnecessary in a passing off action whether the relief asked for is injunction alone or injunction, accounts and damages. If there is a likelihood of the offending trade mark invading the proprietary right, a case for injunction is made out.

32. To examine the effect of the defence raised by the Defendant of Section 30(2) (e), i.e. that since the mark of the Defendant is also registered, no action for infringement can lie against the Defendant, we need to look at the relevant provisions of the Act.

33. Section 30(2)(e) of the Act lays down as under:

30. Limits on effect of registered trade mark-

(1)

(2) A registered trade mark is not infringed where--

(a).....

(e) the use of a registered trade mark, being one of two or more trade marks registered under this Act which are identical or nearly resemble each other, in exercise of the right to the use of that trade mark given by registration under this Act.

34. Section 30 of the Act lays down the limitations on the exercise of rights granted by the registration of a trade mark. Section 30(2)(e) lays down that a registered trademark is not infringed in case of use of another identical or nearly resembling also registered trademark.

35. A similar issue came up for consideration before the single judge of this court in the case of Clinique Laboratories LLC and Another Vs. Gufic Limited and Another, and this court held as under:

14. I thus conclude that a suit for infringement of registered trademark is maintainable against another registered proprietor of identical or similar trademark and in such suit, 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, if the court is prima facie convinced of invalidity of registration of the Defendant's mark.

36. In the Clinique case (Supra) the court has held that a suit for infringement was is maintainable by a registered proprietor against another registered proprietor and while staying the further proceedings pending decision of the registrar in rectification proceedings, the Defendant could be enjoined from using its registered trademark.

37. In an appeal¹ filed against the order of the single judge in Clinique case (Supra) the Division bench vacated the injunction on the ground that the competing marks were not deceptively similar. The Division Bench noticed that no defence had been raised u/s 30(2)(e) of the Act and no finding was returned on the aspect of maintainability of the suit and the legal position of grant of injunction against a registered proprietor.

38. A single Judge of the Bombay High Court in the case of 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, held as under:

10. Section 124 expressly recognizes the right to file an action for infringement even if the Defendants' mark is registered. Whether or not the Plaintiff has challenged the Defendants' registration as yet or not is not relevant. Section 124 establishes that the legislature did not intend prohibiting the filing of a suit for infringement merely because the Defendants' mark is also registered. Section 124 in fact expressly recognizes the right to file such an action. This is clear from

the fact that section 124 provides that such an action may be stayed, if it otherwise satisfies the provisions thereof. If it were not so, the Act would have provided for a bar to the filing of such an action.

11. Even in the absence of section 124, it would make no difference. Once it is held that this Court has jurisdiction to entertain such an action, the Court can always adjourn the hearing of the application for interlocutory reliefs or even the suit pending rectification proceedings.

39. A single Judge of the Delhi High Court in the case of *The Singer Company Limited & Anr. Versus Ms. Chetan Machine Tools & Ors.* ILR (2009) 3 Del 802 : (2009) 159 DLT 135 held as under:

17. Having regard to the provisions of Section 124 of the Trade Marks Act, 1999, I am prima-facie of the view that a suit by a registered proprietor of a trademark against another registered proprietor of the same trademark cannot be declined to be entertained at the threshold. Such a suit can lie but may have to be stayed depending upon the defence raised by the Defendants. I am, however, expressing no final opinion on the issue raised except saying that the suit cannot be rejected at the inception itself.

40. In the case of *Chorion Rights Limited Vs. Ishan Apparel and Others*, the Delhi High Court held that when contesting parties hold trademark registrations, their rights are to be determined on the basis of principles applicable for passing off, the most important component of which is establishing prior use of the mark.

41. Further in the case of *Mrs. Rajnish Aggarwal and Others Vs. Anantam*, a single Judge of this Court held that where registration of the mark of the Defendant is not correctly granted in accordance with the Trade Mark Rules, 2002, the Defendant cannot take the benefit of Section(s) 28(3) and 30 of the Trade Marks Act, 1999 and thus, there is no bar to the suit for infringement against the Defendant. The court further relied upon the Judgment in the *Clinique* case (Supra) to hold that a suit for infringement of registered trademark is maintainable against another registered proprietor of identical or similar trademark and in such suit, 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, if the court is prima facie convinced of invalidity of registration of the Defendant's mark.

42. Section 11 of the Act lays down as under:

11. Relative grounds for refusal of registration.-

(1) Save as provided in Section 12, a trade mark shall not be registered if, because of--

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

(b) its similarity to an earlier trade mark and the identity or similarity of the goods or services covered by the trade mark,

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.

(2) A trade mark which--

(a) is identical with or similar to an earlier trade mark; and

(b) is to be registered for goods or services which are not similar to those for which the earlier trade mark is registered in the name of a different proprietor,

shall not be registered if or to the extent the earlier trade mark is a well-known trade mark in India and the use of the later mark without due cause would take unfair advantage of or be detrimental to the distinctive character or repute of the earlier trade mark.

(3) A trade mark shall not be registered if, or to the extent that, its use in India is liable to be prevented--

(a) by virtue of any law in particular the law of passing off protecting an unregistered trade mark used in the course of trade; or

(b) by virtue of law of copyright.

(4) Nothing in this section shall prevent the registration of a trade mark where the proprietor of the earlier trade mark or other earlier right consents to the registration, and in such case the Registrar may register the mark under special circumstances u/s 12.

Explanation.--For the purposes of this section, earlier trade mark means--

(a) a registered trade mark or convention application referred to in Section 154 which has a date of application earlier than that of the trade mark in question, taking account, where appropriate, of the priorities claimed in respect of the trade marks;

(b) a trade mark which, on the date of the application for registration of the trade mark in question, or where appropriate, of the priority claimed in respect of the application, was entitled to protection as a well-known trade mark.

(5) A trade mark shall not be refused registration on the grounds specified in sub-sections (2) and (3), unless objection on any one or more of those grounds is raised in opposition proceedings by the proprietor of the earlier trade mark.

(6) The Registrar shall, while determining whether a trade mark is a well-known trade mark, take into account any fact which he considers relevant for determining a trade mark as a well-known trade mark including--

(i) the knowledge or recognition of that trade mark in the relevant section of the public including knowledge in India obtained as a result of promotion of the trade

mark;

(ii) the duration, extent and geographical area of any use of that trade mark;

(iii) the duration, extent and geographical area of any promotion of the trade mark, including advertising or publicity and presentation, at fairs or exhibition of the goods or services to which the trade mark applies;

(iv) the duration and geographical area of any registration of or any application for registration of that trade mark under this Act to the extent they reflect the use or recognition of the trade mark;

(v) the record of successful enforcement of the rights in that trade mark, in particular, the extent to which the trade mark has been recognised as a well-known trade mark by any court or Registrar under that record.

(7) The Registrar shall, while determining as to whether a trade mark is known or recognised in a relevant section of the public for the purposes of sub-section (6), take into account--

(i) the number of actual or potential consumers of the goods or services;

(ii) the number of persons involved in the channels of distribution of the goods or services;

(iii) the business circles dealing with the goods or services, to which that trade mark applies.

(8) Where a trade mark has been determined to be well-known in at least one relevant section of the public in India by any court or Registrar, the Registrar shall consider that trade mark as a well-known trade mark for registration under this Act.

(9) The Registrar shall not require as a condition, for determining whether a trade mark is a well-known trade mark, any of the following, namely:--

(i) that the trade mark has been used in India;

(ii) that the trade mark has been registered;

(iii) that the application for registration of the trade mark has been filed in India;

(iv) that the trade mark-

(a) is well-known in; or

(b) has been registered in; or

(c) in respect of which an application for registration has been filed in, any jurisdiction other than India; or

(v) that the trade mark is well-known to the public at large in India.

(10) While considering an application for registration of a trade mark and

opposition filed in respect thereof, the Registrar shall--

- (i) protect a well-known trade mark against the identical or similar trade marks;
- (ii) take into consideration the bad faith involved either of the applicant or the opponent affecting the right relating to the trade mark.

(11) Where a trade mark has been registered in good faith disclosing the material information to the Registrar or where right to a trade mark has been acquired through use in good faith before the commencement of this Act, then, nothing in this Act shall prejudice the validity of the registration of that trade mark or right to use that trade mark on the ground that such trade mark is identical with or similar to a well-known trade mark.

43. u/s 11 of the Act, 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 trade mark and is likely to cause confusion amongst the public. Registration of an identical or a similar trade mark shall also be refused for goods and services not covered by the earlier trade mark if it is shown that the earlier trade mark is a well known trademark and use of the later trademark would without cause take unfair advantage or be detrimental to the distinctive character or repute of the earlier trade mark. A trade mark shall also be refused registration if it's use is liable to be prevented by any law including the law of passing off or by law of copyright. Section 11 further lays down the exception to the above and also stipulates the factors to be taken into account to determine whether the earlier trademark is a well known trade mark or not.

44. The Delhi High Court in the case of Prakash Roadline Ltd. Vs. Prakash Parcel Service (P) Ltd., rejected the contention of the Defendant therein that there were others in the market with similar name whom the Plaintiff had chosen not to sue by holding that the other parties may not be affecting the business of the Plaintiff. They may be small time operators who really do not matter to the Plaintiff. Therefore, the Plaintiff may not choose to take any action against them. The Court further held that the mere fact that the Plaintiff has not chosen to take any action against such other parties cannot disentitle the Plaintiff from taking the present action.

45. The legal principles that thus emerge are the following:

- i. Action for infringement is a statutory remedy conferred on the registered proprietor of a registered trade mark.²
- ii. Registration of trade mark gives the proprietor the exclusive right to the use of the trade mark in connection with the goods in respect of which it is registered.³
- iii. 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 shows marked differences, or indicate clearly a trade origin different from that of the registered proprietor of the mark would be

immaterial.²

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.⁵

vii. Resemblance between the two marks must be considered with reference to the ear as well as the eye.⁶

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.⁷

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.⁷

x. Competing marks have to be compared keeping in mind an unwary purchaser of average intelligence and imperfect recollection.⁸

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 trade mark.⁹

xiii. The applicant has to establish user of the aforesaid mark prior in point of time than the impugned user by the non-applicant.⁹

xiv. A suit for infringement is maintainable by a registered proprietor against another registered proprietor.¹⁰

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.¹¹

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 trade mark and is likely to cause confusion amongst the public.¹²

xvii. Registration of an identical or a similar trade mark shall also be refused for goods and services not covered by the earlier trade mark if it is shown that the earlier trade mark is a well known trademark.¹³

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 action¹⁴

46. For a Plaintiff to be entitled to the relief of injunction, the Plaintiff has to satisfy three basic ingredients. The Plaintiff has to show a strong prima facie case for grant of an ad-interim injunction, the balance of convenience should be in favour of the Plaintiff and in favour of grant of an ad-interim injunction and finally it should be shown that in case ad-interim injunction is not granted, the Plaintiff shall suffer an irreparable loss and injury.

47. To ascertain whether the Plaintiff satisfies the three basic preconditions for grant of an ad-interim injunction we need to examine the rival contentions in light of the propositions of law as enumerated hereinabove.

48. The Plaintiff is the prior adopter of the mark JIVA. The Plaintiff claims to have adopted the mark in the year 2004. Plaintiff in support of its contention has placed on record copies of its registration certificate. The Defendant claims to have adopted the mark ZIVA in 2007. Both the Plaintiff and Defendant have applied the rival marks in respect of SPA services. The Plaintiff has continuously and extensively used the mark. Substantial amount of expenditure has been incurred by the Plaintiff in the promotion and development of the mark. At the time of filing of the suit, Plaintiff claims that there were 24 JIVA SPAs located across India and abroad. The Plaintiff claims to have extensively used and publicised its mark JIVA through various publicity mediums. Substantial amount is claimed to have been spent on sales promotion and promotion of the mark JIVA by the Plaintiff. The Plaintiff's JIVA SPA is stated to have won various awards and accolades both in India and abroad. The mark of the Plaintiff is also advertised on the internet. Copies of various awards received by the Plaintiff for its spa have been placed on record. Plaintiff has also placed on record various registration certificates granted by the Trade Marks Registries abroad. Plaintiff has also placed on record certificate of chartered accountant certifying the income from the SPA services. Plaintiff has also placed on record advertisements and publicity material from the year 2005 onwards.

49. The two competing marks are JIVA and ZIVA. The difference is only of the letter J and Z. The phonetic similarity between Jiva and Ziva is striking. The two marks are phonetically, visually and structurally similar. The rival marks phonetically ring the same in the ears. Considering the usage of words in India and the manner in which the competing words would be written in Indian languages and the similarity of pronunciation if the competing marks are used, the unmistakable result is that the two marks are phonetically and visually similar. There is a likelihood of confusion. The ordinary customer is likely to be led to believe that "Ziva" is associated with the mark "Jiva" and the trading style of the Plaintiff. The phonetic, visual and structural get up of the two words is so strikingly similar as to lead to a likelihood of deception. The marks when compared keeping in mind an unwary purchaser of average intelligence and imperfect recollection leave no room for doubt that there is likelihood of confusion in case both the marks are permitted to remain in the market. When

the above laid tests are applied to the facts of the present case, it is prima-facie seen that both the marks are deceptively similar.

50. The Plaintiff and Defendant both used their marks for identical services i.e. SPA services. The Plaintiff is prior adopter of the mark and both operate in hotels. The mark of the Plaintiff is arbitrary and unique. No explanation has been provided by the Defendants as to how they adopted a mark so similar to the mark of the Plaintiff. The fact that the Plaintiff can only use the mark in its own hotels would make no difference as the likelihood of confusion is to be examined from the point of view of the customers. The customers or consumers of SPA services would not be aware of the restriction on the Plaintiff. The consumers/customers are likely to be confused and likely to believe that the mark of the Defendants is associated with the mark of the Plaintiff. The marks are put to use by both, the Plaintiff and the Defendant for same services. The Defendants are also operating in five star hotels and at least two cities are common between the SPAs of the Plaintiff and the Defendant.

51. The Plaintiff claims to have become aware of the use of the impugned mark ZIVA by the Defendants in January, 2012. The Plaintiff filed the suit in February, 2012. There is nothing on record to show that the Plaintiff had any knowledge prior thereto of the existence of the Defendant.

52. Since the Defendants adopted a nearly identical mark to that of the Plaintiff much after the Plaintiff had adopted the mark, put it to use and advertised it extensively, there is a likelihood of confusion and thus prima facie the plea of the Plaintiff regarding the invalidity of the registration of the mark of the Defendant is tenable.

53. In terms of section 11 of the Act, a mark which is identical or similar to an earlier trade mark cannot ordinarily be registered and as held in the case of *Rajnish Aggarwal Versus Anantam* (Supra) where registration of the mark of the Defendant is not correctly granted in accordance with the Trade Mark Rules, 2002, the Defendant cannot take the benefit of Section(s) 28(3) and 30 of the Trade Marks Act, 1999 and thus, there is no bar to the suit for infringement against the Defendant. A suit for infringement of registered trademark is maintainable against another registered proprietor of identical or similar trademark and in such a suit, 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, if the court is prima facie convinced of invalidity of registration of the Defendant's mark.

54. The plea of the Defendants that the Plaintiff is not entitled to the exclusivity in the expression JIVA as there are other entities using the mark JIVA and the Plaintiff has chosen not to sue them is untenable. Mere fact that the Plaintiff has not chosen to take any action against other parties cannot disentitle the Plaintiff from taking the present action. The other parties may not be affecting the

business of the Plaintiff. They may be small time operators who really do not matter to the Plaintiff. Therefore, the Plaintiff may choose not to take any action against them.

55. The Plaintiff has established a prima facie case. Further, balance of convenience is in their favour as they are prior users of the said mark and irreparable injury would be caused to them if the Defendant is allowed to carry on its infringing activity. Delay, if any, is not fatal in case of infringement of trade mark. In the present case, it is an undisputed fact that the trade mark and name used by the Defendant is identical to the Plaintiffs and in relation to the same goods and services, therefore, the question of delay in filing the suit, if any, does not arise.

56. In view of the above, the Defendants are restrained from using the trade mark ZIVA or JIVA or any other trademark deceptively similar to the trade mark of the Plaintiff JIVA in respect of SPA services and any other similar services as that of the Plaintiff and the ex-parte ad-interim order granted on 15.03.2011 is confirmed. However, the Defendants shall be entitled to use the mark "JIVAYA" in relation to these goods and services as the Plaintiff has stated that they have no quarrel with the said mark "JIVAYA". The findings hereinabove shall have no bearing when the matter is considered after trial or on the proposed rectification proceedings.

57. Thus IA No. 3052/2012 (under Order 39 Rule 1 & 2 CPC by the Plaintiff) is allowed. IA No. 5844/2012 (under Order 39 Rule 4 CPC by the Defendants) is dismissed. IA No. 7826/2012 (under Section 124 of Trademarks Act, 1999 of the Plaintiff) is allowed. The Plaintiff is permitted to initiate proceedings for rectification of the mark ZIVA of the Defendants registered under registration No. 1868684. The suit is adjourned for a period of three months to enable the Plaintiff to apply to IPAB for rectification of the register in the prescribed manner.

1Judgment dated 09.07.2010 in FAO (OS) 222 of 2009 M/s Gufic Ltd. & Anr Versus Clinique Laboratories, Llc & Anr.

2Kaviraj Pandit Durga Dutt Sharma (Supra)

3American Home Products (Supra)

4Tata Oil Mills Co. Ltd. (Supra), Midas Hygiene (Supra)

5Anchor Electronics and Electricals Pvt. Ltd. (Supra)

6K. R. Chinna Krishna Chettiar (Supra)

7Keshav Kumar Aggarwal (Supra)

8Amritdhara Pharmacy (Supra)

9Century Traders (Supra)

10Clinique case (Supra), Siyaram Silk Mills Ltd. (Supra), The Singer Company

Limited & Anr (Supra), Chorion Rights Limited (Supra)

11Rajnish Aggarwal v. Anantam (Supra)

12Section 11 of the Act

13Section 11 of the Act

14Prakash Roadline Ltd. (Supra)