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IN THE HIGH COURT OF DELHI AT NEW DELHI

% Pronounced on: 12th May, 2022

+ CS(COMM) 92/2022

V GUARD INDUSTRIES LTD

..... Plaintiff

Through: Mr. Sachin Gupta, Ms. Jasleen Kaur, Mr. Pratyush Rao, Ms. Swati Meena and Mr. Snehal Singh, Advocates.

versus

CROMPTON GREAVES CONSUMER

ELECTRICALS LTD

.... Defendant

Through: Mr. Darpan Wadhwa, Senior Advocate with Mr. Hemant Daswani and Ms. Neelakshi Bhaduriya, Advocates.

CORAM:

HON'BLE MS. JUSTICE JYOTI SINGH

JUDGEMENT

JYOTI SINGH, J.

I.A. 2220/2022 (under Order 39 Rules 1 and 2 CPC, by Plaintiff)

- 1. This order will dispose of Plaintiff's application preferred under Order 39 Rules 1 and 2 read with Section 151 CPC, seeking restraint against the Defendant from using the mark "PEBBLE" for sale of electric irons.
- 2. It is averred in the plaint that Plaintiff started selling electrical products being stablizers in the year 1977 and soon expanded into variety of other consumer/domestic electrical and electronic apparatus and instruments, parts and fittings thereof, pumps, fans, batteries, electric irons, UPS, inverters, solar water heaters, industrial motors, etc. under its house well-known trademark 'V-GUARD' as well as under its other well-known trademarks like PEBBLE, VICTO, INSIGNIA etc. The current turnover is

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over 2600 Crores. Plaintiff has been selling water heaters under the Trademark V-Gaurd since 1996 and under the trademark/label PEBBLE since 2013. Plaintiff's products are available across India and in several countries across the world including Nepal, Sri Lanka and United Arab Emirates. Plaintiff has 500 distributors, 3,000 direct dealers, more than 20,000 retailers and service centres, spread across 29 States in India.

- 3. Plaintiff is the proprietor of the trademark/label which is registered under TM Application No.2503134 in Class 11 since 26.03.2013, for goods being water heaters, electric water heaters, heating coils, electric water geysers, etc. as averred in the plaint. According to the Plaintiff, the word PEBBLE is the essential and prominent part of the Trademark/label and thus, Plaintiff has the exclusive right qua the said word in respect of any electric good by virtue of Section 29 of the Trade Marks Act, 1999 (hereinafter referred to as the "Act") *albeit* Plaintiff has filed an application for registration of the trademark PEBBLE (word *per se*) under No.4984108 in Class 7, for goods namely, ironing machines, ironing presses, electric irons and electric clothes presses etc. on 26.05.2021, to fortify its existing rights. The Trade Marks Registry has objected to the
- 4. It is pleaded by the Plaintiff that the trademark PEBBLE has become a household name across India, synonymous with a wide range of electric products like water heaters, geysers, etc., that has won the trust of consumers on account of their quality, dependability, long durability and true after-sales service, provided through authorized service centres, located throughout India. Plaintiff has also initiated efforts to popularize its products

application on the ground that there exists a conflicting mark on the Trade

Marks Register and the application is currently pending.

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sold under the aforesaid trademark and has expended substanital sums of money on sales promotion, advertisement and publicity. Due to superior quality and high efficacy of its goods under the trademark PEBBLE, continuous and extensive use and large sales, Plaintiff has acquired immense reputation and goodwill in the mark and the goods sold thereunder. Consequently, members of the trade and public exclusively associate the trademark with the Plaintiff and with none else. Statement of sales under the trademark PEBBLE reflecting sales turnover till the year 2020-21 has been placed on record.

- 5. It is the case of the Plaintiff that on account of long, continuous and exclusive use and painstaking quality control, Plaintiff's trademark PEBBLE has acquired enviable goodwill and reputation such that it has acquired the status of a well-known mark under Section 2(1)(zb) of the Act, which entitles Plaintiff to the highest degree of statutory protection against any form of infringement, misappropriation and dilution of distinctiveness, irrespective of whatever goods or business it is used for. Thus, Plaintiff has the exclusive right to use the trademark which ought to be protected against imitation, confusion, deception, dilution and unfair competition by competitors in the trade.
- 6. It is averred that Plaintiff has been vigilant in protecting its intellectual property rights against misuse by third parties and was granted *ex parte ad interim* injunction in a suit being CS (COMM) 225/2021, with respect to Mixer Grinders, which finally culminated into a decree in its favour on 13.08.2021.
- 7. Defendant, on the other hand, as per averments in the plaint, is dealing in various electrical/electronic/electric appliances under its trademark CROMPTON/CROMPTON GREAVES, to which the Plaintiff

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has no objection and the grievance of the Plaintiff is limited to the Defendant dealing in 'electric iron' under the impugned mark PEBBLE, which is phonetically, structurally and visually identical/deceptively similar to Plaintiff's trademark/label

Let it is the case of the Plaintiff that in the first week of January, 2021, Plaintiff came across the impugned product, 'electric iron', sold on Defendant's interactive website, namely https://www.crompton.co.in/ and Defendant also published brochures and uploaded images of the product bearing the impugned mark on its website. Further enquiries revealed that the product bearing the impugned mark is also available on third party e-commerce websites like, Amazon and Flipkart and the images reflect the word 'PEBBLE' prominently.

8. Plaintiff sent a legal notice on 21.01.2021 to the Defendant to discontinue the use of the impugned mark. Defendant, however, responded by stating that there shall be no confusion amongst the public as the Defendant was using CROMPTON PEBBLE and not PEBBLE for selling dry irons, which were not being sold by the Plaintiff. Defendant also stated that Plaintiff's mark was registered with respect to goods falling under Class 11 while the Defendant was selling dry irons falling under Class 7 and had a registration for the mark.

CONTENTIONS ON BEHALF OF THE PLAINTIFF

9. The impugned mark PEBBLE is phonetically, visually, structurally identical or deceptively similar to the Plaintiff's trademark/label

, which is registered for goods being *inter alia* water heaters, heating coils etc. falling in Class 11. The word 'PEBBLE' is the essential and dominant part of the registered trademark/label of the Plaintiff, which

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confers on the Plaintiff the exclusive right to use the said word in respect of the electrical goods falling in the said Class. Adoption and use of the impugned mark by the Defendant with respect to similar goods i.e electric irons, is likely to cause confusion and deception.

- 10. The competing products, i.e. electric irons and water heaters: (1) are domestic electrical goods; (2) are sold at the same shops; (3) have same trade channels; (4) are purchased by same class of consumers; and (5) convert electric energy to heat energy. Thus, the goods are related and similar. Goods of 'similar description' does not mean goods substantially analogous or used as mere substitutes of each other. Matter needs to be looked from the commercial point of view and trade channel is an important consideration where the competing goods are used in the same sector. Reliance was placed on the judgment of the Division Bench of this Court in *Pramod Kumar Garg v. Punjab Tractor Ltd.*, 2010 (115) DRJ 679 (DB) and of the Co-ordinate Bench in FDC Limited v. Docsuggest Healthcare Services Private Limited & Anr., 2017 SCC OnLine Del 6381. Defendant is violating the statutory rights of the Plaintiff and its action amounts to infringement under Section 29 of the Act.
- 11. Defendant is dealing in various products, viz. electronic, electrical and electric appliances, under its trademark CROMPTON/CROMPTON GREAVES, to which the Plaintiff has no objection. Grievance of the Plaintiff is limited to the Defendant dealing in electric irons under the impugned mark 'PEBBLE'.
- 12. The trademark PEBBLE has been extensively and commercially used by the Plaintiff in the course of trade since the year 2013, on account of which it has acquired formidable goodwill and reputation as a badge of quality products originating from the Plaintiff, which is evident from the



sales of the Plaintiff amounting to Rs.42.14 Crores in the year 2018-19 and Rs.36.13 Crores in the year 2019-20. Sale of electric irons by the Defendant under the impugned mark PEBBLE is a clear misrepresentation by the Defendant to the public at large that the source/origin of the electric irons is from the Plaintiff and/or there exists a trade connection or association between the Plaintiff and the Defendant. Defendant's acts are calculated to deceive the consumers and the adoption of the impugned mark is clearly dishonest and with a view to encash on the goodwill and reputation of the Plaintiff. This is adversely affecting the Plaintiff's image and reputation in the market and the Defendant is guilty of passing off.

- 13. Irreparable harm is being caused to the Plaintiff due to passing off and unfair competition by the Defendant, besides monetary losses on account of dilution of its registered trademark. A consumer buying the Defendant's product presuming it to be a product originating from the Plaintiff shall expect the same high standards that the Plaintiff has strived to achieve over the years. Plaintiff would lose the trust and goodwill of its loyal customer base if the quality control is diluted by the Defendant and this would be an irreversible damage.
- 14. Plaintiff is admittedly the prior and continuous user since the year 2013, whereas Defendant has claimed user since the year 2020. Reliance is placed on *Stifel Laboratories, Inc and Another v. Ajanta Pharma Limited*, 2014 SCC OnLine Del 3405, wherein the Court has held that for grant of an *ad interim* injunction in a dispute relating to rival trademarks, Plaintiff has to firstly *prima facie* establish priority in use to the use of the Defendant and secondly, commercial continuous user and thirdly deceptive similarity between the rival marks.

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15. In the alternative, even assuming for the sake of argument that the goods are dissimilar, as alleged by the Defendant, a case of infringement under Section 29(4) of the Act is clearly made out, as all the ingredients are

satisfied. Plaintiff's goods, sold under its trademark have acquired substantial goodwill and reputation. It is not necessary for a proprietor of a registered mark to show that it is a well-known trademark, when claiming infringment, under Section 29(4) of the Act. It is enough if the Plaintiff is able to establish as a *prima facie* case that it has reputation in addition to the other requirements under Section 29(4) of the Act. Reliance is placed on a judgment of this Court in *Bloomberg Finance LP v. Prafull Saklecha & Ors.*, 2013 SCC OnLine Del 4159.

16. Before proceeding to capture the contentions raised on behalf of the Defendant, it would be pertinent and relevant to note at this stage, a development which took place during the hearing of the present suit. Present suit was filed in February, 2022 and Plaintiff had averred in the plaint that

the Defendant's mark was registered on 23.07.2021 in Class 8, in respect of 'electric irons', claiming user from 17.10.2020. However, pursuant to the judgment passed by a Co-ordinate Bench in *W.P.(C) IPD* 4/2022 titled as *Dr. Reddys Laboratories Limited v. Controller General of Patents Designs and Trademarks*, registration of the said Defendant's mark has been suspended. The star argument of the Defendant was initially predicated on registration of its mark, however, on account of the aforesaid development, the contention urged with respect to the registration and the rights flowing therefrom needs no adjudication. Put in a narrow compass, the contention was that Plaintiff is not entitled to initate infringement

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proceedings against the Defendant, who is a registered properietor of its mark with respect to 'electric irons', falling in Class 8. Plaintiff's application for registration with respect to electric irons is pending before the Registrar. Even assuming that the registration of the Plaintiff covers electric irons, even then Section 28(3) of the Act bars the Plaintiff from initiating proceedings for infringement against the Defendant, who is a registered proprietor of its mark. Extensive arguments were also addressed on the issue as to whether registration of the Defendant with respect to 'electric irons' was correctly granted in Class 8 and several documents were relied upon by the Defendant to justify the classification in Class 8 based on Nice Classification System. Plaintiff's counsel had laboured hard to demonstrate that the registration was in a wrong class.

17. It bears repetition to state that registration of the Defendant's mark stands suspended and thus, the aforesaid contentions of the Defendant premised on registration, need not detain the Court any further, as they are no longer relevant for adjudication of the *lis* between the parties.

CONTENTIONS ON BEHALF OF THE DEFENDANT

18. Plaintiff has obtained registration in the trademark/label in Class 11, which is evident from the certificate of registration. Plaintiff has separately applied for registration of the word mark PEBBLE, however, the application is pending. Thus, at this stage, Plaintiff cannot assert a statutory right in the word PEBBLE and consequently, cannot allege infringement against the Defendant for adopting and using the word PEBBLE as a part of its trademark 'CROMPTON PEBBLE'. In law, registration of a composite/label mark confers exclusive right to its use as a whole and not to its constituent parts separately.

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- 19. Plaintiff's application TM No.4984108 for registration in Class 7 for goods *inter alia* 'electric irons' on 'Proposed to be Used' basis is pending before the Trade Marks Registry and the only registration that the Plaintiff currently holds is in Class 11 *inter alia* with respect to 'water heaters'.
- Plaintiff's registration for in Class 11 does not confer any right on the Plaintiff to seek protection cross-class *qua* its trademark for 'electric irons' which fall in Class 8. Therefore, the Plaintiff, not being a registered proprietor of a mark with respect to 'electric irons', cannot sue the Defendant for infringement.
- Plaintiff has miserably failed to produce any material on record to 20. falls within the ambit of well-known show how its trademark mark. Apart from a few stray invoices with respect to sale of 'water heaters', the veracity of which can only be tested during the trial, the only material produced by the Plaintiff are two online news articles stating that Plaintiff has introduced PEBBLE series of 'water heaters'. No sales figures, certified by the Chartered Accountant, have been placed on record by the Plaintiff. Moreover, mark of the Plaintiff has neither been declared as a well-known mark by any Court of law nor is it listed in the list of well-known trademarks by the Trade Marks Registry. Since the mark of the Plaintiff is not a well-known mark, in order to establish infringement, Plaintiff would be required to satisfy the triple test, i.e. identity/deceptive similarity of trademarks in relation to identical/similar goods and common trade channels, which it has failed to do.
- 21. Defendant's mark is visually, structurally as well as phonetically different from the Plaintiff's registered device mark. Plaintiff has registration in a device mark, where the pebbles are stacked over each other

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and are shown in green colour. In contrast, Defendant has prefixed the word CROMPTON along with the word PEBBLE, which acts as a source identifier of its products. The word CROMPTON is the prominent part of the mark of the defendant. The goods in question are also dissimilar inasmuch as water heaters of the Plaintiff are used for heating water while the electric irons of the Defendant are used for ironing. Apart from different usage, goods manufactured and marketed by the Plaintiff traverse through completely divergent trade channels and cater to a different consumer base and thus there is no scope of confusion or deception on account of co-existence of the marks, judged from the perspective of a man of average intelligence with imperfect recollection.

- 22. Reliance was placed on the following judgments:
 - A. Nandhini Deluxe v. Karnataka Cooperative Milk Producers Federation Limited, (2018) 9 SCC 183;
 - B. Vardhman Buildtech Pvt. Ltd. V. Vardhman Properties Ltd., (2016) 233 DLT 25 (DB);
 - C. SK Sachdeva v. Shri Educare Limited, (2016) 65 PTC 614 (DB); and
 - D. Kaviraj Pandit Durga Dutt Sharma v. Navaratna Pharmaceuticals Laboratories, AIR 1965 SC 980.
- 23. Reliance was also placed on Kerly's Law of Trade Marks and Trade Names (15th Edn.) stating that the essential function of a trademark is to guarantee the identity of the origin of the trade-marked product to the consumer and enable him to distinguish the product from the other products which have another origin, without confusion, and that the trademark acts not only as a badge of origin but also as a guarantee of quality of the goods.

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24. Defendant is a market leader in manufacture, distribution and sale of consumer electric products, such as fans, lighting, home appliances etc. in the niche as well as common electrical products segment. Products of the Defendant are known for their pristine quality, as emanating from the Defendant alone and are sold in the market under various product identification marks in association and in conjunction with and under the umbrella of the house mark 'CROMPTON'. Defendant is a well-known company having a legacy of over 84 years and does not need to ride over any third party's goodwill and reputation, much less of the Plaintiff. Considering that the competing goods and the marks are different and the house mark of the Defendant, i.e. CROMPTON is a clear source identifier, no case for passing off can be laid by the Plaintiff against the Defendant. The word PEBBLE has a dictionary meaning and though not descriptive fits appropriately with 'electric irons' and thus, the adoption of the mark CROMPTON PEBBLE is bonafide.

ANALYSIS AND FINDINGS

- 25. Section 28 of the Act confers certain rights by virtue of registration, subject to other provisions of the Act, including the exclusive right to use the trademark in relation to goods or services in respect of which it is registered and to obtain relief in respect of infringement of the trademark in the manner provided under the Act. Therefore, clearly, two rights emanate in favour of a registered proprietor of a trademark from Section 28. Section 29 of the Act lays down the ingredients and constituent elements of infringement of registered trademarks.
- 26. At the cost of repetition, it is relevant to note at this stage that the prime defence of the Defendant in the present suit was predicated on the registration of its mark with respect to 'electric irons' in Class 8. However,

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as aforementioned, in view of the suspension of the said registration, the entire edifice of the Defendant's case founded on registration falls and, therefore, the Defendant cannot claim any statutory right flowing from the earlier registration of the trademark.

27. In order to deal with the allegation of infringement, the first question that begs an answer is whether the competing trademarks are identical/deceptively similar or not. However, before entering into the said aspect, it is crucial to deal with the contention of the Defendant that the Plaintiff has

registration in the label/device mark pebbles, which is neither identical nor deceptively similar to the impugned mark PEBBLE and Plaintiff cannot claim infringement of the word mark PEBBLE. This contention, in my view, only merits rejection. In this context, useful would it be to refer to a judgment of the Division Bench of this Court in United Biotech Pvt. Ltd. v. Orchid Chemicals & Pharmaceuticals Ltd., 2012 SCC OnLine Del 2942. In the said case, Appellant had obtained registration of the trademark "FORZID" in Class 5 and questioning the registration, Respondent filed application for removal of the mark on the ground that the said trademark was deceptively similar to an earlier registered trademark 'ORZID' (label mark), registered in the name of Respondent No.1 in Class 5. IPAB (Intellectual Property Appellate Board) allowed the rectification application with direction to the Registrar of the Trade Marks to remove the trademark 'FORZID' from the Register. Learned Single Judge dismissed the writ petition laying a challenge to the said order and the Appellant filed an intra-court Appeal. The primordial argument of the Appellant was that Respondents' assertion of statutory right in the word "ORZID" (per se) was contrary to the mandate of Section 17 of the Act, which gives exclusive right

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to a registered proprietor to use the trademark as a whole and not in part, which the Respondents were trying to assert. Relying on the dicta of the Supreme Court in *Ramdev Food Products Ltd. v. Arvindbhai Rambhai Patel AIR 2006 SC 3304*, more particularly paras 82 to 84 thereof, the Division Bench held that though ORZID was a label mark, the word 'ORZID' contained therein was also worthy of protection. Para 26 from the judgment in *United Biotech (supra)* is as follows:

"26. We find that the learned Single Judge rightly held that when a label mark is registered, it cannot be said that the word mark contained therein is not registered. We, thus, are of the opinion that although the word "ORZID" is a label mark, the word "ORZID" contained therein is also worthy of protection. The learned Single Judge has rightly observed that the judgment of the Supreme Court in Ramdev Food Products Ltd. (supra) is the complete answer. This aspect is considered and the argument of the appellant is rejected in the following words:

"27. On whether the OCPL could successfully ask for rectification for UBPL's word mark **FORZID** notwithstanding that OCPL held registration only for a label mark, the judgment of the Supreme Court in Ramdev Food Products Ltd. v. Arvindbhai Rambhai Patel, (2006) 8 SCC 726 : AIR 2006 SC 3304 is a complete answer. The Court there referred to an earlier decision in Registrar of Trade Marks v. Ashok Chandra Rakhit, AIR 1955 SC 558, which concerned the proprietory mark 'Shree' which formed part of the device as a whole and was an important feature of the device. The Supreme Court observed that registration of a trade mark as a whole would give the proprietor "a right to the exclusive use of word 'Shree' as if separately and by itself." Therefore it would not be correct for UBPL to contend that the registration held by OCPL does not cover the word mark ORZID.""

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- 28. A Co-ordinate Bench of this Court in Max Healthcare Institute Ltd. v. Sahrudya Health Care Pvt. Ltd., (2019) 262 DLT 59 reiterated and emphasised the principles propounded in Allied Blenders & Distillers Pvt. Ltd. v. Shree Nath Heritage Liquor Pvt. Ltd., (2014) 211 DLT 346 and Ramdev Food Products Ltd. (supra) that the test for infringement of a label/word mark is a test of prominent word of the mark and thus, adoption by a Defendant of a prominent word in the label/device mark of the Plaintiff in a given case, amounts to infringement.
- Coming to the present case, the word PEBBLE, in my view, is an essential and the dominant part of Plaintiff's registered label mark pebble . Tested on the touchstone of the aforementioned precedents, Defendant cannot be permitted to argue that Plaintiff cannot assert a right for exclusive use on the word PEBBLE on the basis of registration in the label/device, pending registration in the word PEBBLE per se.

29.

- 30. The next issue that now arises for consideration is to examine the identity/similarity of the competing marks. The tests to determine the similarity have been laid down in several judgments but to avoid burdening this judgment, I may only refer to a passage from FDC Limited (supra), wherein the determining factors were elucidated:
 - "57. The degree of similarity between the marks concerned can be assessed from their visual, structural and phonetic similarity. Apart from the visual and phonetic similarity, factors like class of users, distinctive character of the registered trademark, imperfect recollection of the average consumer, and overall impression of the mark are considered in ascertaining similarity between two marks. The Supreme Court in Kaviraj Pandit Durga Dutt Sharma v. Navaratna Pharmaceutical Laboratories AIR 1965 Supreme Court 980 (1), in para 28 observed as follows:

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"In an action for infringement, the plaintiff must, no doubt, make out that use of the defendant's mark is likely to deceive, but where 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 mark would be immaterial;...."

[emphasis supplied]

- 31. The impugned mark PEBBLE, in my *prima facie* view, is phonetically, visually and structurally identical to the dominant part of the Plaintiff's registered trademark, i.e. PEBBLE and thus, no further inquiry is necessitated to assess 'similarity'.
- 32. At this stage, it is important to deal with the contention of the Defendant that a trademark is a source indicator and the word CROMPTON is a source identifier of its product and thus seen in this light, use of the impugned mark PEBBLE shall not create any confusion in the minds of the consumers. In my view, this stand of the Defendant cannot be accepted. It is a settled law that a trademark, in order to be a source indicator, must either be distinctive or where the word mark is descriptive or generic, it should have acquired a secondary meaning, such that the consumers associate the mark with the proprietor of that mark and none else and this can be established by showing its continuous and extensive use in relation to the goods, substantial sales turnover etc. In the present case, Defendant has only averred in the reply to the present application that the word

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CROMPTON is a source identifier. There are no pleadings showing its extensive user, sales turnover etc. with respect to electric irons sold under the mark CROMPTON PEBBLE and be it noted that the user is claimed only from the year 2020. Additionally, Plaintiff has filed screenshots of Defendant's product as listed on an interactive website of the Defendant https://www.crompton.co.in, which reflects the usage of the mark of the word CROMPTON along with the word PEBBLE and it cannot be said that CROMPTON is a source identifier. Moreover, in view of the suspension of the registration of the Defendant's mark, this argument even otherwise does not hold water, as against a registered proprietor of the mark, in the absence of a claim of user prior to the registration/user of the Plaintiff etc. For ready reference, the screenshots are placed below:

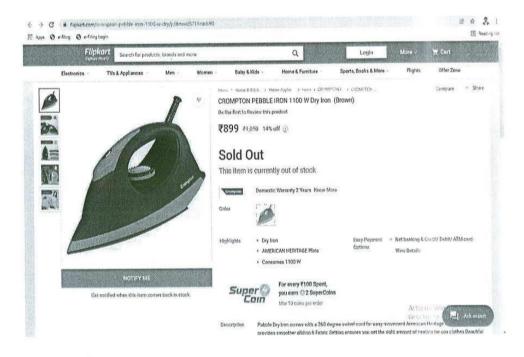


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<u>Defendant's product under the impugned mark listed on third party e-</u> commerce interactive websites







33. Relevant would it be in this regard to note that Defendant has, in its reply to the present application, itself relied on an image to depict the usage of the mark PEBBLE along with the word CROMPTON. Image from the reply of the Defendant to the present application is scanned and placed below for ready reference:



It is pertinent to mention that it is a common case of the parties that the Defendant is selling its electric irons on its interactive website as well as third party e-commerce platforms, such as Amazon, Flipkart, etc. The above image, as reflected on the Defendant's website, in fact, supports the case of the Plaintiff and makes a dent in the argument of the Defendant that the use of the house mark CROMPTON is a source indicator and associates the electric irons with the Defendant, when a customer accesses the website. Secondly, the use of the impugned mark PEBBLE by the Defendant amounts to sub-branding, in my *prima facie* view. It is a settled law that the Trade Marks Act does not recognize the concept of sub-branding. In this regard, I may usefully allude to a judgment of the Bombay High Court in *Hem Corporation Pvt. Ltd. v. ITC Limited, 2012 SCC OnLine Bom 551*, relevant paras of which are as follows:

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- "21. Mr. Chagla submitted that the defendant uses the word "MADHUR" not as a trademark, but only to describe its products. He submitted that the defendant's trade-mark is "MANGALDEEP".
- 22. The most prominent feature in the defendant's packaging/label is indeed the word "MANGALDEEP" written in a stylized manner within the device of a rectangle with red borders. To the right of the rectangle is the word "MADHUR 100" written in red letters within a horizontal oval device with a white background. The letters in the word "MADHUR" are smaller indeed muchthan the letters in the "MANGALDEEP". The word "MANGALDEEP" is more prominent than the mark "MADHUR 100". That, however, to my mind, makes no difference for the mark "MADHUR 100" appears as a part of a composite mark "MANGALDEEP Madhur 100" and not as merely a term descriptive of the products sold under the mark "MANGAL DEEP". The placement of the word "MADHUR 100" right next to the word "MANGALDEEP" enhances the possibility of the consumer considering the mark to be "MANGALDEEP Madhur 100" and not "MANGALDEEP" alone.
- *23*. The defendant contended that its agarbattis are sold under the mark and its various variants containing descriptive sub-brands such as "MOGRA", "JASMINE", "SANDALWOOD", "MADHUR" and "MADHUR 100"; that "MANGALDEEP" is the umbrella brand and that it uses this brand in conjunction with descriptors such as "MADHUR" and "MADHUR 100" and that the descriptors are used to signify the quality and characteristics of the products and are used conjunction umbrella brand only in with the "MANGALDEEP".
- 24. Even assuming that the defendant genuinely intended using the mark only to describe the aroma of the products, it would make no difference if the use of the mark is likely to be taken as being used as a trademark. Dr. Tulzapurkar's reliance upon section 29(1) and section (2)(zb)(ii) of the Trade Marks Act, 1999, is well founded. Sections 29(1) and 2(zb)(ii) read as under: -



"29. Infringement of registered trade marks.- (1) 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 is identical with, or deceptively similar to, the trade mark in relation to goods or services in respect of which the trade mark is registered and in such manner as to render the use of the mark likely to be taken as being used as a trade mark.

...

2. Definitions and interpretation.-(1)

...

(zb) "trade mark" means a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others and may include shape of goods, their packaging and combination of colours; and

- (ii) in relation to other provisions of this Act, a mark used or proposed to be used in relation to goods or services for the purpose of indicating or so to indicate a connection in the course of trade between the goods or services, as the case may be, and some person having the right, either as proprietor or by way of permitted user, to use the mark whether with or without any indication of the identity of that person, and includes a certification trade mark or collective mark;" [emphasis supplied]
- 25. The intention to use a mark as a trademark is not the only factor that constitutes infringement. A registered trademark is infringed by a person if he uses it in such a manner as to render the use of the mark likely to be taken as a trademark. In other words the use of a registered trademark would constitute an infringement if it indicates a connection in the course of trade between the person and his goods or services irrespective of his intention. This is clear from the phrase in section 2(1)(zb)(ii) "for the purpose of indicating or so to indicate".

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- 26. I have already come to the conclusion that the use of the mark by the defendant is as a trademark and not merely as descriptive of the product.
- 27. I also find well founded Dr. Tulzapurkar's submission that the defendant, in fact, intended using the word "MADHUR" as a trademark and not merely to describe its products. Dr. Tulzapurkar rightly prefaced his reference to the various factors with the comment that although each of these factors taken by themselves may not support his submission, taken together they do.

XXX XXX XXX XXX

38. The test is not whether a person terms the use of a mark as a brand name or a sub-brand. If the use of a mark is to distinguish or is capable of distinguishing the goods or services of a person, it is a trademark amenable to the provisions of the Act. That, it is a sub-brand makes no difference. A view to the contrary would virtually erode, not merely the value of trademarks, but their very existence by the simple expedient of an infringer adding to his "main brand" any embellishment constituting it then as a "sub-brand". The Act knows no such thing as a sub-brand."

(emphasis supplied)

- 34. The next issue that needs to consideration is the identity/similarity between the Plaintiff's goods, i.e. 'water heaters' and the goods of the Defendant, i.e. 'electric irons'. While the contention of the Plaintiff is that the goods sold by the respective parties are similar, the contention of the Defendant *per contra* is that the goods are dissimilar.
- 35. Having given a careful thought to the rival contention, in my *prima* facie view, learned counsel for the Plaintiff is not correct in his submission. In the present case, it cannot be disputed that the competing goods are not identical and at the highest, the argument of the Plaintiff can be that the goods are similar. In order to assess the similarity of goods in question, I may refer to the judgment in *Assam Roofing Ltd. v. JSB Cement LLP*, 2015

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SCC OnLine Cal 6581, wherein the Calcutta High Court observed that the test of similarity of goods is to be looked at from a business and commercial point of view. The nature and composition of the goods, respective uses of the articles and the trade channels through which they are bought and sold all go into consideration in this context. Relevant would it be in this context, to refer to a passage from Kerly's Law which is as under:

"As para.23 of the decision in Canon v. MQM (1999) R.P.C. 117 makes clear, all factors relating to the goods or services themselves must be taken into account. These include, inter alia, their nature, their intended purpose, their method of use and whether they are in competition with each other or are complementary. It is clear that goods in different classes may nevertheless be considered similar, and likewise that goods or services within the same class may be found to not be similar."

- 36. In *British Sugar Plc v. James Robertson & Sons Ltd.*, [1996] R.P.C. 281, relied upon in *Balkrishna Hatcheries v. Nandos International Ltd.*, 2007 SCC OnLine Bom 449, the Court laid down the factors to assess similarity in the description of goods, which are as under:-
 - "(a) The respective uses of the respective goods or services:
 - (b) The respective users of the respective goods or services;
 - (c) The physical nature of the goods or acts of service;
 - (d) The respective trade channels through which the goods or services reach the market;
 - (e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and in particular whether they are or are likely to be, found on the same or different shelves;
 - (f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors."

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- 37. Another factor which has been considered by various Courts in the context of similarity of goods is the trade connection between the goods of the Plaintiff and that of the infringer. To avoid prolixity, I may only refer to the relevant passage from the judgment in *Corn Products Refining Co. v.*Shangrila Food Products Ltd., (1960) 1 SCR 968 as follows:
 - "20. It was then said that the goods were not of the same description and that therefore in spite of the similarity of the two marks there would be no risk of confusion or deception. We are unable to accept this contention. It is true that we have to proceed on the basis that the goods are not of the same description for the purposes of Section 10(1) of the Act. But there is evidence that glucose is used in the manufacture of biscuits. That would establish a trade connection between the two commodities, namely, glucose manufactured by the appellant and the biscuits produced by the respondent. An average purchaser would therefore be likely to think that the respondent's 'Gluvita biscuits' were made with the appellant's 'Glucovita' glucose. This was the kind of trade connection between different goods which in the "Black Magic" case (In re: an application by Edward Hack [58 RPC 91]) was taken into consideration in arriving at the conclusion that there was likelihood of confusion or deception. The goods in this case were chocolates and laxatives and it was proved that laxatives were often made with chocolate coatings. We may also refer to the "Panda" re: an application by Ladislas case (In Jellinek [63 RPC 59]). The goods there concerned were shoes and shoe polishes. It was observed that shoe polishes being used for shoes, there was trade connection between them and that this might lead to confusion or deception though the goods were different. The application for registration was however refused under that section of the English Act which corresponds to Section 8 of our Act on the ground that the opponents, the manufacturers of shoes, had not established a reputation for their trademark among the public.
 - 21. It is true that in both the abovementioned cases the two competing trade marks were absolutely identical which is not

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the case here. But that in our opinion makes no difference. The absolute identity of the two competing marks or their close resemblance is only one of the tests for determining the question of likelihood of deception or confusion. Trade connection between different goods is another such test. Ex hypothesi, this latter test applies only when the goods are different. These tests are independent tests. There is no reason why the test of trade connection between different goods should not apply where the competing marks closely resemble each other just as much as it applies, as held in the "Black Magic" and "Panda" cases, where the competing marks were identical. Whether by applying these tests in a particular case the conclusion that there is likelihood of deception or confusion should be arrived at would depend on all the facts of the case.

22. It is then said that biscuits containing glucose are manufactured with liquid glucose whereas the appellant's mark only concerns powder glucose. We will assume that only liquid glucose is used in the manufacture of biscuits with glucose. But there is nothing to show that an average buyer knows with what kind of glucose, biscuits containing glucose are or can be made. That there is trade connection between glucose and biscuits and a likelihood of confusion or deception arising therefrom would appear from the fact stated by the appellant that it received from a tradesman an enquiry for biscuits manufactured by it under its mark 'Glucovita'. The tradesman making the enquiry apparently thought that the manufacturer of 'Glucovita' glucose was likely to manufacture biscuits with glucose; he did not worry whether biscuits were made with powder or liquid glucose. Then again it is stated in one of the affidavits filed by the appellant that the respondent's director told the appellant's manager that the respondent had adopted the name 'Gluvita' to indicate that in the manufacture of its biscuits glucose was used. Those statements on behalf of the appellant are not denied by the respondent. So, a trade connection between glucose and biscuits would appear to be established. We are therefore of opinion that the commodities concerned in the present case are so connected as to make confusion or deception likely in view of the similarity of the two trade marks. We think that the decision of Desai, J., was right."

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- 38. Analysed on the touchstone of the principles enunciated in various judicial precedents, as aforementioned, in my prima facie view, the goods of the Plaintiff and the Defendant cannot be held to be similar. Water heaters and electric irons are dissimilar in their physical nature, their intended purpose and their method of use. The two products also fail the tests of being competing products, of being complementary to each other or of having a trade connection with each other. With respect to trade channels, the case set out in the plaint is that the electric irons are sold by the Defendant on its interactive website as well as on third party e-commerce platforms and in my *prima* facie view, Plaintiff has been unable to establish that the trade channels of the two products are common. The argument in support of similarity, that the competing goods are meant for domestic use and convert electric energy into heat energy, cannot be an apt criteria. If this argument is to be accepted, then goods as dissimilar as electric room heaters and electric kettles, would also be similar goods, which would be overstretching the criteria laid down to determine the similarity of goods.
- 39. Having examined the issue of similarity of the goods of the Plaintiff and the Defendant, the next question that needs deliberation is if the Plaintiff has made out a case of infringement against the Defendant. Plain reading of Section 29(2) of the Act shows that the recurring theme in each of the sub-clauses (a), (b) and (c) is similarity/identity in goods/services. In absence of the condition of similarity of goods being satisfied, Plaintiff's claim of infringement under the provisions of Section 29(2) of the Act cannot pass muster and must therefore fail.
- 40. Section 29(4) of the Act, however, does not envision the test of similarity of goods and posits identity and similarity of the trademark *albeit* in relation to dissimilar goods. In this context, I may now examine the

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alternative contention of the Plaintiff that assuming the goods are dissimilar, infringement is made out under Section 29(4) of the Act. To address this issue, provisions of Section 29(4) need to be examined and the same are extracted hereunder for ready reference:

- "29. Infringement of registered trade marks.-
- (4) 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—
 (a) is identical with or similar to the registered trade mark; and (b) is used in relation to goods or services which are not similar to those for which the trade mark is registered; and (c) the registered trade mark has a reputation in India and the use of the mark without due cause takes unfair advantage of or is detrimental to, the distinctive character or repute of the registered trade mark."
- 41. A bare reading of the aforesaid provision shows that the ingredients necessary for constituting infringement are viz. (a) the impugned mark is identical with or similar to the registered trademark; (b) it is used in relation to goods or services different from those in respect of which the trademark is registered; (c) mark is used in the course of trade; (d) the registered trademark has a reputation in India; and (e) use of the mark is without due cause and in a manner which amounts to taking unfair advantage of, or is detrimental to, the distinctive character or the repute of the registered trademark. Be it noted that all the above parameters have to be satisfied to make out a case of infringement, since the conditions are conjunctive, as evident from the use of the word 'and' by the Legislature.
- 42. Insofar as first ingredient (a) is concerned, this Court has already rendered *prima facie* finding in the earlier part of the judgment that the word 'PEBBLE' in the Defendant's mark is phonetically, visually and structurally

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identical to the word 'PEBBLE', which is an essential and dominant part of the Plaintiff's registered mark/label . Thus, the first ingredient of the Section 29(4) stands satisfied.

- 43. The next requirement of Section 29(4) of the Act is that the impugned mark PEBBLE must be used in relation to goods and services which are not similar to those for which the trademark is registered. The impugned mark PEBBLE is admittedly used by the Defendant in respect of electric irons, whereas the registered trademark of the Plaintiff is used for water heaters, classified under Class 11. Having examined the extensive arguments of the respective parties, this Court has rendered *prima facie* finding in the earlier part of the judgment that electric irons and water heaters are not similar goods and in view thereof, the second requirement envisaged in Section 29(4) of the Act stands satisfied. However, this is not sufficient to constitute infringement as the other conditions, which are conjunctive, are also required to be met.
- 44. It needs to be penned down at this stage that Section 29(4) is distinct and different from Section 29(1) to (3) of the Act, inasmuch as the element or the requirement to establish the likelihood of confusion is absent. As held by a Co-ordinate Bench of this Court in *Dharampal Satyapal Limited v.* Suneel Kumar Rajput & Anr., 2013 (56) PTC 116 [Del], in order to balance this element, Legislature has mandated the necessity of showing that the mark, which is sought to be infringed, has a reputation in India and a distinctive character such that its use by the infringer is without due cause. The legislative intent is to afford stronger protection to a mark with reputation without the registered proprietor of such a mark having to demonstrate the likelihood of confusion from the use of the similar mark in

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relation to dissimilar goods and services. Para 13 of the judgment is extracted hereunder for ready reference:

"13. Section 29(4) is also distinct from Section 29(1) to (3) of the TM Act in another important aspect. The element of having to demonstrate the likelihood of confusion is absent. Perhaps to balance out this element, the legislature has mandated the necessity of showing that (a) the mark has a reputation in India (b) that the mark has a distinctive character (c) the use by the infringer is without due cause. In other words, the legislative intent is to afford a stronger protection to a mark that has a reputation without the registered proprietor of such mark having to demonstrate the likelihood of confusion arising from the use of a similar mark in relation to dissimilar goods and services. The words 'unfair advantage' and 'detriment' in the context of the 'distinctive character' and 'reputation' of the mark bring in the concept of 'dilution'. In the context of 'repute' they are also relatable to the concept of 'tarnishment'. The disjunctive 'or' between the words 'distinctive character' and 'repute' is designedly inserted to cater to a situation where a mark may not have a distinctive character and yet may have a reputation. It may not always be necessary for the proprietor of a registered mark to show that it is a 'well-known trademark' as defined in Section 2 (zg) although if in fact it is, it makes it easier to satisfy the 'reputation' requirement of Section 29(4) of the TM Act. The presumption of distinctiveness attached to a registered mark is a rebuttable one. At the interim stage, either of these elements showed be shown prima facie to exist. Whether in fact these elements are satisfied would depend on the evidence led by the parties at trial."

45. In *Bloomberg Finance LLP* (*supra*), this Court as well as the Madras High Court in *Blue Hills Logistics Pvt. Ltd. v. Ashok Leyland*, *2011* (*48*) *PTC 564* (*Mad*) have held that Section 29(4)(c) does not expect the registered trademark of the Plaintiff to have become a 'well-known' trademark within the meaning of Section 2(1)(zg) of the Act, for seeking protection against infringement of the mark and establishing 'reputation'

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would suffice, *albeit* in case the Plaintiff establishes the status of the mark as a well-known trademark, it would be easier to discharge the burden of establishing reputation. It was also held that the presumption of distinctiveness attached to a registered mark is a rebuttable one. Reference may be made to the observations of the Court in *Bloomberg Finance LLP* (*supra*) as under:

"39. It may not be necessary for the proprietor of a registered mark to show that it is a 'well-known trademark' as defined in Section 2(zg) although if in fact it is, it makes it easier to satisfy the 'reputation' requirement of Section 29(4) of the TM Act. The presumption of distinctiveness attached to a registered mark is a rebuttable one. At the interim stage, either of these elements should be shown prima facie to exist. Whether in fact these elements are satisfied would depend on the evidence led by the parties at trial."

46. In the present case, it is the pleaded case of the Plaintiff that it has

been selling water heaters under the trademark 2013 and the tabular presentation of sales turnover brought out in the plaint reflects robust sales over the years. As observed in *Bloomberg(supra)*, at the interim stage, 'reputation' is required to be shown *prima facie* to exist and whether in fact it exists, would depend upon the evidence led by the parties at the trial. Sales figures, amounts expended on promotion, advertisement and publicity of the goods by the Plaintiff bearing the aforesaid mark, its continuous and extensive use, number of outlets/dealers for sale of the products, as brought forth in the plaint, reflect that the Plaintiff has built a strong reputation and the trademark of the Plaintiff has become a house-hold name across India *qua* its product, i.e. water heaters. Thus, the Plaintiff has established a *prima facie* case of existence of its reputation in India.

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- 47. Insofar as the other ingredients of Section 29(4) of the Act are concerned, I may allude to a judgment of this Court in *Brahmos Aerospace Pvt. Ltd. v. FIITJEE Limited and Ors.*, 2014(58) *PTC 90 (Del)*, wherein an expansive interpretation has been rendered and the relevant passage is as follows:
 - "37. Section 29(4) is also distinct from Section 29(1) to (3) of the TM Act in another important aspect. The element of having to demonstrate the likelihood of confusion is absent. Perhaps to balance out this element, the legislature has mandated the necessity of showing that (a) the mark has a reputation in India (b) that the mark has a distinctive character (c) the use by the infringer is without due cause. In other words, the legislative intent is to afford a stronger protection to a mark that has a reputation without the registered proprietor of such mark having to demonstrate the likelihood of confusion arising from the use of an identical or similar mark in relation to dissimilar goods and services. The words 'detriment' in the context of the 'distinctive character' of the mark brings in the concept of 'dilution' and 'blurring'. In the context of 'repute' they are also relatable to the concept of 'garnishment' and 'degradation'. The words "takes 'unfair advantage" refers to 'free-riding' on the goodwill attached to mark which enjoys a reputation. The disjunctive 'or' between the words 'distinctive character' and 'repute' is designedly inserted to cater to a situation where a mark may not have a distinctive character and yet may have a reputation."
- 48. Examining the facts of the present case on the anvil of the provisions of Section 29(4) as well as the aforesaid judgment, in my *prima facie* view, Defendant has used the impugned mark PEBBLE without 'due cause' and has no tenable explanation for it. Defendant has at this stage not filed a written statement and has only filed a reply to the present application. A careful reading of the reply indicates that Defendant has given no explanation, whatsoever, for using the mark PEBBLE with respect to

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electric irons. The consistent stand of the Defendant in its reply is that Defendant has always prefixed the mark PEBBLE with its house mark "CROMPTON" which acts as a source identifier of its products. Plaintiff has been using the registered mark/label with the dominant part being the word PEBBLE since 2013 and there have been advertisements and promotions by the Plaintiff, both online and offline. Defendant cannot feign ignorance of the mark of the Plaintiff. It is significant to note that there is no plausible explanation disclosed in the reply filed by the Defendant as to why the word PEBBLE has been adopted by the Defendant albeit with a prefix CROMPTON, save and except stating that the word PEBBLE has a dictionary meaning and although not descriptive, fits appropriately with the product, 'electric iron' that the Defendant sells and hence, the use of the mark by the Defendant is bona fide. It needs no gainsaying that the word PEBBLE is not descriptive of electric irons and is an arbitrary word used by the Plaintiff for water heaters, entitling it to a high degree of protection. In the absence of any explanation or justification for using the word PEBBLE, the prima facie inference that can be drawn is that Defendant adopted its mark to gain unfair advantage of the reputation and goodwill of the Plaintiff and the adoption is without due cause. Learned counsel for the Plaintiff is prima facie right in his submission that the use of the essential part of the trademark of the Plaintiff by the Defendant, is without due cause and is resultantly having a detrimental impact on the distinctive character of the registered trademark of the Plaintiff.

49. It bears repetition to state that Plaintiff is the registered proprietor of

the trademark and thus, the holder of statutory rights of its exclusive use and protection from use by third parties and the rights extend

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to the essential and dominant part of the mark, i.e. the word PEBBLE. Plaintiff has *prima facie* established the ingredients of Section 29(4) of the Act and thus, for the aforementioned reasons, this Court is of the view that *prima facie* case of infringement has been made out against the Defendant.

- 50. Next plank of the argument of the learned counsel for the Plaintiff was that the actions of the Defendant amount to passing off the goods of the Plaintiff. It is a settled position in law that while infringement is a statutory remedy, passing off is a common law remedy, which grants a right of protection of goodwill in the business against misrepresentation caused by the Defendant in the course of trade and prevention of consequent loss on account of misrepresentation. The entire basis or edifice of passing off is that no one has a right to represent his goods or services as those of someone else and the Courts would come to the aid and restrain the misrepresentation, even though it may not be fraudulent. The essential characteristics/elements of the action of passing off have been brought out by Lord Diplock in *Erven Warnink BV v. J. Townend & Sons (Hull) Ltd.*, [1979] 2 All ER 927 and it would be apposite to refer to them:
 - "(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 quiatimet action will probably do so"
- 51. Learned Senior Counsel appearing on behalf of the Defendant had eloquently and strenuously contended that the product of the Defendant is an electric iron, which is wholly dissimilar to the water heater sold by the Plaintiff and therefore neither infringement nor passing off can be claimed

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by the Plaintiff. Insofar as infringement is concerned, a *prima facie* view has been rendered above and needs no reiteration.

- 52. In so far as passing off is concerned, I may refer to a judgment of the Allahabad High Court in *Bata India Ltd. v. Pyare Lal and Co. Meerut City AIR 1985 ALL 242*, where the Court was dealing with a case where the Plaintiff was manufacturing shoes while the Defendant was producing goods like foam and similar products. Rejecting the argument that there was no possibility of any deception on purchase of foam in the market, the Court observed:
 - "36. Great emphasis was laid by the learned counsel for the respondents on the underlined portion to say that there should be some similarity or correlationship between the two products. This argument is supplemented by another argument that the plaintiff was not producing any goods like foam or analogous product. Consequently, there was no question of any deception being practised on the purchaser of foam materials in the market. This argument loses sight of an important feature viz., how would a lay customer know in the first place that the plaintiff was not producing foam or foam material? How would the customers know that Bata were not producing foam? It is well known that the name represented makers of shoes and analogous products, but a question would also arise in the mind of the lay customers whether Bata were also producing foam. Who is going to answer this question? Does an ordinary customer ask the seller as to whose product it is? The answer generally is in the negative. He buys a thing on the basis of his own impression.
 - 40. With great respect, I regret my inability to subscribe to the view taken by the Calcutta High Court. Merely because the plaintiff in the present case is not producing foam is not enough to hold that there can be no passing off action in respect of the user of the name 'Bata' to the products marketed by the defendants. The user of the name or mark 'Bata' by the defendants is indicative of their intent. It appears that they

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desire to market their foam with a view to gain some advantage in a competitive market. As seen earlier, there is no plausible explanation as to why the name 'Bata' was being used by them. A passing off action would lie even if the defendants were not manufacturing or producing any goods similar to that of the plaintiff. A passing off action would lie where a misrepresentation is likely to be caused or a wrong impression created, as if the product was of someone else."

- 53. In *Kirloskar Diesel Recon Pvt. Ltd. v. Kirloskar Proprietary Ltd.*, *AIR 1996 Bom 149*, the Bombay High Court while dealing with a similar contention held as follows:
 - "13. The expression 'common field of activity' was coined by Wynne-Parry J. in McCulloch v. Levis May (Product A. Distributors) Ltd. popularly known as 'Uncle Mac' case reported in 65 RPC 58 in which he held that its presence or absence was conclusive in determining whether or not there was passing off. However, the requirement that a 'common field of activity' is conclusive in determining whether there can be passing off has been extensively criticised by Manning J. in the case of Henderson v. Radio Corp. Pty. reported in (1969) RPC 218 holding that it would be unsafe to adopt the view expressed in McCulloch v. Mary that what has been called a common field of activity must be established in every case to entitle the plaintiff to succeed. He further held that it is going too far to say that the absence of this so-called common field of activity necessarily bars a plaintiff from relief. With the passage of time, law on requirement of common field of activity in a passing off action has radically changed. There is no requirement for a common field of activity to found a claim in passing off. In Marage Studies v. Counter Feat Clothing Co. Ltd. reported in (1991) FSR 145, Browne Wilkison V-C said that the so-called requirement of the law that there should be a common field of activity is now discredited. The real question in each case is whether there is as a result of misrepresentation a real likelihood of confusion or deception of the public and consequent damage to the plaintiff. The focus is shifted from the external objective test of making comparison of activities of

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parties to the state of mind of public in deciding whether it will be confused.

- 14. In the case of trading name which has become almost a household word and under which trading name a variety of activities are undertaken, a passing off can successfully lie if the defendant has adopted identical or similar trading name and even when the defendant does not carry on similar activity. Even if the defendant's activities in such circumstances, are remote, the same are likely to be presumed a possible extension of plaintiff's business or activities."
- 54. The law on passing off, as can be seen from the aforesaid judgments including several other judicial precedents, does not envision that the goods in question should be similar. Where the Defendant uses the mark deceptively similar to that of the Plaintiff and there is misrepresentation, passing off may arise, even though the goods may not be the same or similar. An important ingredient or element in an action for passing off is 'misrepresentation'. Therefore, if the Plaintiff establishes a *prima facie* case of misrepresentation by the Defendant, in the course of its trade, which is likely to injure the goodwill of the Plaintiff and has a detrimental effect on its business, an interim injunction should follow. In case the Defendant is permitted to continue selling its goods, misrepresenting them to be those of the Plaintiff, not only would it be unfair to the Plaintiff but it shall also adversely impact the consumers who are being deceived on account of misrepresentation by the Defendant.
- 55. In the context of passing off, once again a crucial question arises as to why and with what intent the Defendant adopted the word PEBBLE as a part of its mark and the answer in my *prima facie* view could only be to confuse an unwary purchaser and create an impression that the purchaser is buying the goods of the Plaintiff. Learned counsel for the Plaintiff rightly contended

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that in the absence of any plausible reason for the Defendant to adopt the word PEBBLE, the only inference that can be drawn is that the intent was to pass off its goods as those of the Plaintiff. Defendant, as claimed in the reply, has an enviable and formidable reputation and does not need to ride over the goodwill of the Plaintiff. If that be so, it intrigues the Court as to why the Defendant adopted the word PEBBLE in addition to its house mark CROMPTON. In this context, I may refer to a few lines from the passage in the case of *Thomas Bear and Sons (India) Ltd. v. Prayag Narain, (1941)* 58 RPC 25, wherein Lord Langdale observed:

"A man is not to sell his own goods under the pretence that they are the goods of another man; he cannot be permitted to practise such a deception nor to use the means which contribute to that end. He cannot, therefore, be allowed to use names, marks, letters or other indicia, by which he may induce purchasers to believe that the goods which he is selling are the manufacture of another person."

56. The word PEBBLE, which is an essential part of the Plaintiff's trademark/label, is phonetically and visually identical to the word PEBBLE in the Defendant's mark. A customer may not know about all the products manufactured and sold by the Plaintiff and the use of the word PEBBLE would be sufficient to cause confusion resulting in the goods of the Defendant being passed off as that of the Plaintiff. In *Laxmikant V. Patel v. Chetanbhat Shah*, (2002) 3 SCC 65, the Supreme Court held as follows:

"10. 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 his 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

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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."

- 57. Applying the aforestated principles to the facts of the present case, the use of the mark by the Defendant in respect of the impugned product, though dissimilar, is likely to cause confusion in the minds of consumers that the products of the Defendant are those of the Plaintiff. Plaintiff has a reputation in respect of its goods and if the goods of the Defendant are passed off as that of the Plaintiff, the damage caused would be irreparable.
- 58. Learned Senior Counsel for the Defendant relied on the judgment in *Nandhini Deluxe (supra)*. The judgment, in my view, does not apply to the present case. The Supreme Court recapitulated the undisputed facts viz.: (a) Nandini/Nandhini is a generic name; (b) it represents the name of Goddess, worshipped in India in Hindu Mythology; (c) it is not an inventive or coined word of the Respondent; and (d) is descriptive for milk, which was the product of the Respondent. In the present case, the word PEBBLE is distinctive and arbitrary for the water heaters sold by the Plaintiff and Plaintiff is admittedly prior user of the trademark/label, with the word PEBBLE being its essential and dominant part. It is not descriptive of the products of the Plaintiff and therefore unlike in the cited case, there is *prima facie* no justification by the Defendant for use of the word PEBBLE in its mark.
- 59. In *SK Sachdeva* (*supra*), the *ex parte ad interim* injunction order granted by the learned Single Judge was vacated by the learned Division Bench on the ground that the impugned mark was common to trade and there were over 100 schools which were using the said mark. In the present

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case, Defendant has not even pleaded that there is any other party which is using the mark PEBBLE for electric goods or that it is common to the trade. The judgment, therefore, does not help the Defendant.

- 60. In *Vardhman Buildtech Pvt. Ltd.* (*supra*), the Respondent was the proprietor of the label/mark 'VARDHMAN PLAZAS' and was claiming exclusivity in respect of the word 'VARDHMAN', which is quite different from the present case where the label/mark of the Plaintiff being
- comprises of the word PEBBLE as its essential and dominant part. Moreover, the word VARDHMAN was found to be not only common to the trade in question but also to several other businesses, which is not the case here. In *Max Healthcare* (*supra*), the test for infringement of a label/mark is a test of prominent word of the mark.
- 61. In *Kaviraj Pandit Durga Dutt Sharma* (*Supra*), the Appellant had applied for registration of the words 'NAVARATNA KALPA' for his medicinal preparations. Respondent Firm therein, had opposed the application for registration on the ground that the word 'NAVARATNA' was descriptive and could not be registered as it had no distinctiveness. The objection prevailed and the registration was refused. The Supreme Court held that for an action of infringement, Plaintiff must no doubt establish that the use of the Defendant's mark is likely to deceive, but in situations wherein the similarity between Plaintiff's and Defendant's mark is so close that the court reaches a conclusion that there is an imitation, no further evidence is required to ascertain that the Plaintiff's rights are violated. This Court has returned *prima facie* finding in earlier part of the judgment that the impugned mark is identical to the Plaintiff's mark PEBBLE and

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therefore, in my view, the judgment is in favour of the Plaintiff and against the arguments put forth by the Defendant.

- 62. For all the aforesaid reasons, this Court is of the view that the Plaintiff has made out a *prima facie* case of infringement as well as passing off. The balance of convenience also lies in favour of the Plaintiff and against the Defendant and in case the Defendant is allowed to use the impugned mark PEBBLE, Plaintiff would suffer irreparable injury in its business with respect to its trademark, goodwill and reputation. Another ground which tilts the balance of convenience in favour of the Plaintiff is that the products of the Defendant under its mark have been launched only in the year 2020 which is reflected from the user claim in the application for registration filed before the Trade Marks Registry, and the sales are far and few.
- 63. The application is accordingly allowed and the Defendant, its Directors, assignees in business, licensees, franchisee, distributors and dealers, are restrained from manufacturing, selling, offering for sale, advertising, directly or indirectly dealing in electric irons under the impugned mark PEBBLE or any other trade mark/trade name/domain name

as may be deceptively similar to the Plaintiff's trade mark amounting to infringement and passing off, during the pendency of the present suit.

64. The application is disposed of.

I.A. 3006/2022(under Order 7 Rule 11 CPC, by Defendant)

65. List before the learned Joint Registrar on 26.07.2022, the date already fixed.

JYOTI SINGH, J

MAY 12th, 2022/st/rk/yg

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