

The Timken Company vs Timken Services Private Ltd. on 30 May, 2013

Author: J.R. Midha

Bench: J.R. Midha

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*IN THE HIGH COURT OF DELHI AT NEW DELHI

+ CS(OS)No.3/2010 and I.A.No.21/2010

Date of Decision: May 30, 2013

THE TIMKEN COMPANY Plaintiff
Through	Mr. Sanjay Jain, Sr. Adv.
	with Ms. Archana Sahadeva
	and Ms. Charu Mehta, Adv.
versus	

TIMKEN SERVICES PRIVATE LTD. Defendant
Through	Mr. Manu T. Ramachandran,
	Adv.

CORAM:
HON'BLE MR. JUSTICE J.R. MIDHA

JUDGMENT

1. The plaintiff has filed the present suit for permanent injunction for restraining the defendant from infringing the plaintiff's registered trade mark „Timken“, copyright, passing off, rendition of accounts, delivery, etc. In IA No.21/2010, the plaintiff is seeking interim injunction against the defendant during the pendency of the suit.

2. Plaintiff's case 2.1. The plaintiff, a company incorporated in the USA, is the registered proprietor of the trade mark „Timken“ in classes 4, 6, 7, 9, 12, 16 and 37. The earliest registration(s) dates back to 1st June, 1942. The plaintiff's trade mark "Timken" is also registered in various other countries including Australia, Canada, Hong Kong, New Zealand, Singapore, U.K. and U.S.A. 2.2. The plaintiff adopted the trade mark „Timken“ more than 100 years ago in 1899. The trade mark „Timken“ is the surname of the plaintiff's founder Mr. Henry Timken. According to the plaintiff, no other business entity is found to be using „Timken“ in the capacity of trade mark/name in relation to goods/services or a corporate name anywhere in the world.

2.3. In 1929, the plaintiff conceived and adopted the artwork consisting of a combination of particular font and orange colour linked to depict the trade mark „Timken“. The font and orange colouring has been a constant part of plaintiff's representation of „Timken“, used uniformly all over the world to project the trade mark „Timken“ as a trade mark/trade name and corporate entity. 2.4.

The plaintiff is a global Fortune 500 company and manufactures wide, diversified range of products including ball bearings, power transmission products, hub assemblies and related kits such as grease and specialty kits, lubricants, seals, condition monitoring equipment, turbine engine components, motion control systems, high quality custom-made steel products as such alloy steel bars, tubes and precision components, and a range of repair and reliability services and plaintiff's products are availed of by diverse marked segments, including but not limited to aerospace, agriculture, automotive, coal, engineering, oil & gas, defence, construction, mining, railways, rolling mills and casting, power generation and wind energy.

2.5. The plaintiff's longstanding clientele/partnership includes Indian Railways, Ford, General Motors, Nissan, Mazda, John Deere, Bombardier, Toyota, Chrysler Corporation and Volkswagen. Plaintiff has the distinction of supplying products for NASA and Eiffel Tower, etc. Plaintiff's net sales have risen from USD 27.4 million in 1930 to USD 5.6637 billion in 2008, with the same crossing USD 1 billion as far back as in 1978. 2.6. The plaintiff's products have been available in India under the trade mark „Timken“ since 1922. The plaintiff's products have been widely advertised all over the world and in India. An advertisement published in the Railway Gazette on 1st February, 1963 records that the first electric locomotives built in India was equipped with „Timken bearings. In 1999, Indian Post Office issued a commemorative postmark bearing „Timken“. The plaintiff claims to be the first multinational company to receive such honour in India.

2.7. In 1987, the plaintiff set up a joint venture company in India under the name Tata Timken Limited in partnership with India's Tata Iron and Steel Company ("TISCO"). On 2nd July, 1999, the name of the company was changed from Tata Timken Limited to Timken India Limited pursuant to acquiring of entire shareholding of TISCO in Tata Timken Limited.

2.8. The plaintiff has incorporated two more subsidiaries, namely, Timken Engineering and Research-India Private Limited in 1998 and Timken India Manufacturing Private Limited in 2006.

2.9. The plaintiff actively promotes and offers its products and services to the users through a variety of online systems including its own website www.timken.com. The plaintiff is also the owner of at least 70 domain names having „Timken“ as an essential feature such as timken.com, timkengroup.com, timeknproducts.com, timken-aerospace.com, supplytimken.com, timken-rail.com, timkenbearings.com, timkenonline.com, timkenstore.com, timken.in and timken.co.in. 2.10. In April 2008, the plaintiff came to know of the use of „Timken“ by the defendant from an advertisement issued by the defendant in the newspaper whereupon the plaintiff made inquiries and found that the defendant company was incorporated on 23rd October, 1989 and the defendant had also obtained registration of domain name www.timkenservice.com on 15th July, 2006. The plaintiff seeks protection of its well-known trade mark „Timken“. 2.10.1. Infringement of registered trade mark 2.10.1.1. The use of trade mark „Timken“ by the defendant is violative of the plaintiff's trade mark. The plaintiff is the registered proprietor of trade mark „Timken“ in classes 4, 6, 7, 9, 12, 16 and 37 with the earlier registration dating back as early as on 1st June, 1942. The plaintiff also holds registration in numerous jurisdictions all over the world.

2.10.1.2. The defendant's „Timken“ is identical to the plaintiff's trade mark with identical font, style and orange colour.

2.10.1.3. The impugned mark is phonetically, visually, conceptually and structurally identical to plaintiff's registered trade mark.

2.10.1.4. The defendant has applied for registration of trade mark „Timken“ in classes 7, 9 and 37 on 5th January, 2010, i.e., after coming into force of the new Act, which constitutes a new act of infringement and absolves the plaintiff of limitation under Section 159 of the Act.

2.10.2. Passing off and unfair competition - The use of mark „Timken“ by the defendant also amounts to passing off as it is calculated to mislead and deceive its customers into believing that its products originate from plaintiff's and/or its extension/subsidiaries. The defendant is supplying goods in the field of power transmission in which plaintiff enjoys formidable presence and reputation. The goods involved are allied and cognate and the customer base is the same and, therefore, the likelihood to cause confusion on the part of the public is extremely high.

2.10.3. Dilution of goodwill, reputation and distinctive character of the trade mark „Timken“ - The illegal use of the mark „Timken“ by the defendant would dilute the goodwill, reputation and distinctive character of the plaintiff's registered trade mark „Timken“.

2.10.4. Infringement of copyright vesting in the artistic work depicting „Timken“ - The defendant has also copied the artwork, font and orange colouring and the use by the defendant to depict its trade mark, which amounts to infringement of plaintiff's copyright.

3. Defendant's case The defendant does not dispute the use of mark „Timken“ as trade name and trade mark in the same stylised format and colour as that of plaintiff as well as use of domain name www.timkenservice.com for its business. The defendant company was incorporated in 1989 when it adopted the mark „Timken“. The defendant is resisting the injunction sought by the plaintiff on the following grounds:-

3.1. Adoption of trade mark is not dishonest - the defendant adopted the trade mark „Timken“ after the name of the Cat „Timkey“ of the director of the company.

3.2. The defendant had no knowledge of the existence of the plaintiff's company or their trade mark.

3.3. The defendant adopted and continuously used the mark „Timken“ from 1989. The defendant has developed substantial independent reputation in India for the past 20 years. 3.4. The plaintiff had actual knowledge of the existence/incorporation of the defendant company in 1989 from the database of the Registrar of Companies as the plaintiff incorporated three subsidiary companies in India in 1996, 1998 and 2006. 3.5. The delay on the part of the plaintiff to approach this Court amounts to laches, acquiescence and waiver. The plaintiff claims to have knowledge of the alleged

infringement in October 2008, whereas the suit has been filed in January 2010. The defendant referred to and relied on Khoday Distilleries Limited v. Scotch Whisky Association, (2008) 10 SCC 723, Intel Corporation v. Anil Hada, 2006 (33) PTC 553 (Del), Procter and Gamble Co. v. Satish Patel, (1996) 64 DLT 646, Amritdhara Pharmacy v. Satya Deo Gupta, AIR 1963 SC 449, GTE Corp. v. Williams, 731 F.2nd 676 (10th Cir. 1984), Toyota Jidosha Kabushiki Kaisha v. Deepak Mangal, 2010 (43) PTC 161 (Del) and Cluett Peabody and Co. Inc. v. Arrow Apparels, 1998 PTC (18) (Bom.).

3.6. The plaintiff's and defendant's products are dissimilar and therefore there is no possibility of confusion. Defendant is engaged in the business of manufacturing/trade of diesel generating sets, electrical control panels and allied products whereas plaintiff is primarily engaged in the manufacture and sale of ball-bearings.

The customers of the defendant are well educated to understand the origin of the products manufactured and sold by the defendant. The defendant referred to and relied on Foodworld v. Foodworld Hospitality Pvt. Ltd., 2010 (42) PTC 108 (Del), Marc Enterprises Pvt. Ltd. v. Five Star Electricals India, ILR (2008) 2 Del 771, Sona Spices Pvt. Ltd. v. Soongachi Tea Industries (P) Ltd., 2007 (34) PTC 91 (Del.), First Computers v. A Guruprasad, 1996 PTC (16) 27 (Mad) (DB), Britannia Industries v. Cremica Agro Food Ltd., 2008 (38) PTC 89 (Del), Harrids Ltd. v. Harroddian School Ltd., 1996 RPC 697 (Court of Appeal) and Cannon Kabushiki Kaisha v. B. Mahajan, 2007 (35) PTC 265 (Del).

3.7. The defendant has been honestly and openly using the mark „Timken“ in India prior to plaintiff acquiring any reputation in relation to its goods and services. The defendant referred to and relied on Milment Oftho Industries v. Allergan, 2004 (28) PTC 585 (SC).

3.8. The plaintiff's mark is not a well-known mark in India. Assuming it has become a well-known mark, it became a well-known mark only after the defendant's first use of the mark in question. The sale figures given by the plaintiff are subsequent to the year 1990 and most of the advertisements/magazines relied upon by the plaintiff have no circulation in India. The plaintiff was not carrying on any substantial business in India due to non-liberalisation of the Indian industry prior to year 1990. 3.9. The font used in depicting the trade mark „Timken“ and the orange colour are common and anyone can use the same. 3.10. The plaintiff cannot claim monopoly over the entire description of goods covered under a class under the Trade Marks Act, 1999 and preclude others from using the same mark for other goods. The classification of goods and services, in various classes under the Trade Marks Act, 1999, itself, contemplates more than one proprietor of a mark for different goods. The defendant referred to and relied upon Vishnudas Trading v. Vazir Sultan Tobacco Co. Ltd., (1997) 4 SCC 201.

3.11. Section 29(4) which introduced the concept of well-known marks and dilution by treating the use of a mark even on dissimilar class of goods/services as an infringement, came into force w.e.f.

15th September, 2003. Section 29(4) is prospective in nature and cannot prohibit acts which were perfectly legal prior to the introduction of Section 29(4) in view of Section 159(2) and (5) of the Trade Marks Act, 1999.

4. Plaintiff's rejoinder 4.1. The defendant's adoption/use of the plaintiff's registered trade mark „Timken“ is clearly mala fide and dishonest because the plaintiff's trade mark was well-known and had reputation all over the world including India in 1989 when the defendant adopted the same. The defendant was aware of the plaintiff's trade mark, goodwill and reputation at that time. The dishonest intention of the defendant is also clear from the fact that the defendant adopted the artwork, font and orange colour of the trade mark of the plaintiff. The defendant's justification is that the trade mark is based on the name of the cat of the director, „Timkey“, is clearly an afterthought and has no merit.

4.2. The defence of delay, laches and acquiescence put up by defendant has no merit as the plaintiff undertook extensive search and conducted various due-diligence activities to find out the activities of the defendant before instituting the suit in January 2010. The plaintiff referred to and relied on *Power Control Appliances v. Sumeet Machines Private Limited*, (1994) 2 SCC 448 followed in *Beiersdorf A. G. v. Ajay Sukhwani*, 2009 (39) PTC 38; *Atlas Cycles (Haryana) Limited v. Atlas Products Private Limited*, 2008 (36) PTC 269 and *Jolen Inc. v. Doctor & Company*, 2002 (25) PTC 29.

4.3. Without prejudice, the delay cannot be a bar to permanent injunction as held by this Court in *Hindustan Pencils Private Limited v. India Stationery Products Co.*, AIR 1990 Del 19 followed in *Kirloskar Diesel Recon Pvt. Ltd. v. Kirloskar Proprietary Limited*, AIR 1996 Bombay 149; *Revlon Inc. v. Sarita Manufacturing Co.*, 1997 (17) PTC 394; *Aktiebolaget Volvo of Sweden v. Volvo Steels Ltd. of Gujarat (India)*, 1998 (18) PTC 156; *Ansul Tobacco Industries v. Shiva Tobacco Company*, 2007 (34) PTC 392; and *Hamdard National Foundation v. Abdul Jalil*, 2008 (38) PTC 109. The plaintiff also referred to *Midas Hygiene Industries (P) Limited v. Sudhir Bhatia*, 2004 (28) PTC 121 (SC) followed in *KSB Aktiengesellschaft v. KSB Global Limited*, 2011 (45) PTC 103; and *Bihar Tubes Limited v. Garg Ispat Limited*, 2009 (41) PTC 741.

4.4. The plaintiff's and defendant's goods/services are similar inasmuch as the plaintiff offers its goods and services pertaining to heavy diesel engine as well as power transmission whereas defendant's products also relate to power transmission and generation. The plaintiff referred to and relied upon *Corn Products Refining Co. v. Shangrila Food Products Ltd.*, AIR 1960 SC 142 followed in *Punjab Tractors Ltd. v. Pramod Kumar Garg*, 85 (2000) DLT 567.

4.5. The remedy of passing off protects goodwill and reputation to a trade mark and it is not necessary to be in the same field or in the direct competition with each other. The plaintiff referred to and relied upon *Honda Motors Co. Ltd. v. Mr. Charanjit Singh*, 2003 (26) PTC 1 (Del).

4.6. Each act of infringement gives rise to a separate cause of action independent of continuing cause of action. The infringement of trade mark after 15th September, 2003 would constitute a new cause of action independent of continuing cause of action and therefore, would not be hit by Section

159 of the Trade Marks Act, 1999.

4.7. The defendant applied for registration of trade mark „Timken“ on 5th January, 2010, i.e., three days after the institution of the suit in classes 7, 9 and 37 in respect of which the plaintiff's trade mark is already registered. The conflict between the marks is further indicated by the official examination report issued by the Registrar of Trade Marks on 13th October, 2010 which has cited the plaintiff's trade mark „Timken“ in classes 7, 9 and 37 and raised an objection to the registration of the defendant's mark on the ground that it is deceptively similar to the plaintiff's trade mark registered in respect of same/similar goods/services. The filing of the above application by the defendant on 5th January, 2010 constitutes a new act of infringement and takes the case out of the purview of Section 159 of the Trade Marks Act, 1999.

4.8. The plaintiff is also seeking the injunction on the ground of passing off which is not affected or limited by Section 159(5) of the Trade Marks Act, 1999. Learned counsel referred to and relied upon the *N.R. Dongre v. Whirlpool Corporation*, AIR 1995 Delhi 300 in support of his submission reinforced by the Supreme Court in (1996) 5 SCC 714.

4.9. The learned senior counsel for the plaintiff has submitted that the judgments cited by the defendant do not apply to the present case for the reasons given hereunder:-

4.9.1. *Khoday distilleries v. Scotch Whiskey Association*, 2008 (37) PTC 413(SC) dealt with rectification/cancellation of the registered trade mark of the appellant; the trade mark was held not to be deceptively similar; respondents admitted knowledge of the appellant's mark since 1974 and notice also issued; however rectification/cancellation proceedings were filed only in 1986 (delay of 12 years from date of actual knowledge); opposition/legal actions filed by respondent against each and every party all over the world but not against appellant which was singularly left out;

respondent did not file opposition within the prescribed period against the mark in question in spite of knowledge and filing opposition actions against other marks of the appellant; and therefore acquiescence and/or waiver held.

4.9.2. In *Intel Corporation v. Anil Hada*, MANU/DE/9767/2006, the explanation given by defendants were held to be good; no prima facie evidence was given to show dishonesty of adoption; and there were other entities using Intel as a part of their corporate name and the plaintiff opened its formal office in India in 1988 whereas defendants were incorporated in 1986.

4.9.3. In *Proctor & Gamble Co. v. Satish Patel*, (1996) PTC (16) (Del.), there was no registration in favour of the claimant for the trade mark „Safeguard“ in India; claimant was yet to enter the Indian market (neither registered nor used the trade mark in India); the defendant was using „Safeguard“ for ayurvedic creams since 1983; the trade mark had no acquired distinctiveness since mark was not used in India and the claimant failed to establish the requisite goodwill globally or in India to sustain an action for passing off.

4.9.4. In *Cluett Peabody & Co. Inc. v. Arrow Apparels*, 1998 PTC (18) (Bom.), the defendants acquired rights on account of user vis-à-vis rights acquired by the plaintiff on account of registration only, the plaintiff's trade mark „Arrow“ registered in India since 1955-1960 but not used in India for a period of more than 35 years whereas defendants' adoption of the trade mark „Arrow“ in 1985 prior in India; the defendants filed proceedings for rectification / removal of registered trade mark of the plaintiff on grounds of non-use and the interim injunction was not denied due to delay per se but due to non-use of the plaintiff's mark for over 30 years and prior use of the mark by the defendants in India.

4.9.5. In *Micolube India Ltd. v. Maggon Auto Centre*, 2008 (36) PTC 231 (Del.), the plaintiff was found guilty of concealment and suppression of the defendant's registration, the parties were arrayed in an improper manner, the defendant has registration for the mark „MICO“, which is an acronym of the defendant's corporate name "Motor Industries Company Limited" since 1953 in several classes and is the prior adopter/user thereof in respect of allied/cognate goods in the automotive industry which is not disputed by the plaintiff (the plaintiff having adopted the mark only in 1960 and its claim limited to lubricants), the defendant's mark is used worldwide and well-known in India and abroad and its adoption is prima facie not dishonest; the plaintiff failed to establish rights under a passing off action inasmuch as there is no indication of extent of Plaintiff's presence; and the defendant's mark used for automotive products is well-known worldwide and in India. 4.9.6. *Amritdhara Pharmacy v. Satyadeo Gupta*, AIR 1963 SC 449 dealt with an appeal arising from opposition proceedings; acquiescence was held since both the marks were advertised in the same newspapers and publications; the opponent was well-aware of the advertisements by the respondent; however stood by and allowed the respondent to develop its business until respondent's mark was advertised in the Trade Marks Journal; thus respondent's mark was allowed to proceed to registration under Section 12(3) of the Trade Marks Act which provides for registration of two identical marks inter alia on grounds of "honest concurrent" use with the limitation that registration would only extend to Uttar Pradesh where respondent's goods had actually been sold since 1923 and the Court did not find dishonest or fraudulent use on part of the respondent.

4.9.7. In *Veerumal Praveen Kumar v. Needle Industries (India) Ltd.*, 2001 PTC 889 (Del.) (DB), the plaintiff's mark was not used in India for a period of over 40 years (except in a short intervening period of about 1-1.5 years from 1977-79) before the filing of the suit; injunction was denied on ground of non-use of mark by the plaintiff holding that "...if there is non-user for a long period of time then by mere registration of the mark continuing the respondents would not be entitled to any injunction..."; no documentary evidence was filed by the plaintiff to substantiate its claim of reputation of the mark in India or even transborder/global reputation; the mark in question was a composite mark/label and it was held that there are sufficient dissimilarities. 4.9.8. In *Foodworld v. Foodworld Hospitality Pvt. Ltd.*, MANU/DE/3139/2009, the trade mark involved was not inherently distinctive and was essentially descriptive; the suit was only for passing off; there was no registration of trade mark in favour of the plaintiff as the application was pending and opposed by the defendant; on the other hand the defendant had registrations for the trade mark since 2001 without any opposition from the plaintiff; the defendant also obtained a copyright registration for the label in 2003; the mark was being used by the defendant only as corporate name and on its

invoices and not as the name of its restaurants; the suit was held not barred by laches or delay since the plaintiff learnt of the defendant's use of the trade mark/name only in 2004 (though the mark was claimed to be used by the defendant since 1998) and injunction was granted in favour of the plaintiff restraining the defendant from entering the plaintiff's area of business/services. 4.9.9. In *Marc Enterprises Pvt. Ltd. v. Five Star Electricals India*, MANU/DE/0377/2008, the defendant had registration for the trade mark in question, viz, „Marc“ having different and distinct artistic representation, the mark was not invented or coined but a misspelt variation of the word "Mark"; it was in common use by numerous manufacturers in the field of concern, viz., electrical and electronic appliances/goods and the plaintiff cannot claim to be the sole proprietor thereof; the search of records of the Registrar of Companies revealed 54 companies having the trade mark as the foremost feature of their corporate name(s) and the trade mark used by the defendant was different in writing style, colour, get-up etc. and visual representation of both the marks were different. 4.9.10. In *Canon Kabushiki Kaisha v. B. Mahajan*, 2007 (35) PTC 265 (Del.), the defendant had registration for the trade mark in question; the plaintiff's registration specifically excluded locks, nuts and bolts while the defendant was dealing in locks, nuts and bolts only; and the plaintiff's mark was a dictionary word and used by other entities as well.

4.9.11. In *Vishnudas trading as Vishnudas Kishandas v. Vazir Sultan Tobacco Co. Ltd.*, AIR 1996 SC 2275, the appeal arose out of partial rectification/cancellation proceedings against registered trade mark on account of the non-use thereof.

4.9.12. In *GTE Corp. v. Williams*, 731 F.2nd 676 (10th Cir. 1984), the plaintiff's goods were not available in the defendant's territory; the plaintiff had knowledge of the defendant's use of mark; and the plaintiff initiated action after 3 years of actual knowledge.

4.9.13. In *Milment Oftho Industries v. Allergan Inc.*, 2004 (28) PTC 585 (SC), the defendant selectively placed reliance on the obiter dictum that "Multinational corporations, who have no intention of coming to India or introducing their product in India should not be allowed to throttle an Indian Company by not permitting it to sell a product in India, if the Indian Company has genuinely adopted the mark and developed the product and is first in the market. Thus the ultimate test should be who is first in the market." In fact, this case protects the rights of the first adopter/user in the world market (even if its goods have not been introduced in India and the defendant has started making prior use of the mark in India). This case recognizes and endorses the principles of transborder and worldwide reputation. The case categorically holds that "... The mere fact that the Respondents have not been using the mark in India would be irrelevant if they were first in the world market."

4.9.14. In *Toyota Jidosha Kabushiki Kaisha v. Deepak Mangal*, 2010 (43) PTC 161 (Del.), the plaintiff's trade mark was not registered in India and the case was only for passing off whereas the defendant had a registration for the trade mark since 2002 which was not opposed by the plaintiff, the plaintiff concealed the defendant's registration dating back to 2002 at the time of filing of the suit; the mark was a latin word found in the dictionary, thus the plaintiff could not claim monopoly; there was no use of the mark in India by the plaintiff, the explanation of the defendant for adoption of the mark was held fair and plausible and use was held to be honest; there was a delay of 6 years

from the date of knowledge to the date of filing the Suit; both the parties were advertising products in the same magazine and the Court held that plaintiff's averment of learning about the defendant only in 2009 to be patently false.

5. Offer made during the course of hearing 5.1. During the course of hearing, the learned counsel for the defendant offered to change the style, font and colour of the mark „Timken“, which was not acceptable to the plaintiff. According to the plaintiff, the defendant has no right to use the plaintiff's trade mark „Timken“ in any style, font or colour.

6. Relevant provisions 6.1. Section 2(1)(zg) of the Trade Marks Act, 1999 Well-known trade mark is defined in Section 2(1)(zg) of the Trade Marks Act which is reproduced hereunder:

"Section 2. Definitions and interpretation.- (1) In this Act, unless the context otherwise requires,-

(zg) "well - known trade mark", in relation to any goods or services, means a mark which has become so to the substantial segment of the public which uses such goods or receives such services that the use of such mark in relation to other goods or service would be likely to be taken as indicating a connection in the course of trade or rendering of services between those goods or services and a person using the mark in relation to the first-

mentioned goods or services."

6.2. Section 28 of the Trade Marks Act, 1999 The rights conferred by registration of a trade mark are stated in Section 28 of the Trade Marks Act. By virtue of registration under Section 28, the registered proprietor of the trade mark gets the exclusive right to use the trade mark in relation to the goods in which the said trade mark is registered and to obtain relief in respect of infringements of the trade mark. Section 28 is reproduced hereunder:

"Section 28. Rights conferred by registration.- (1) Subject to the other provisions of this Act, the registration of a trade mark shall, if valid, give to the registered proprietor of the trade mark the exclusive right to the use of the trade mark in relation to the goods or services in respect of which the trade mark is registered and to obtain relief in respect of infringement of the trade mark in the manner provided by this Act.

(2) The exclusive right to the use of a trade mark given under sub- section (1) shall be subject to any conditions and limitations to which the registration is subject. (3) Where two or more persons are registered proprietors of trade marks, which are identical with or nearly resemble each other, the exclusive right to the use of any of those trade marks shall not (except so far as their respective rights are subject to any conditions or limitations entered on the register) be deemed to have been acquired by any one of those persons as against any other of those persons merely by registration

of the trade marks but each of those persons has otherwise the same rights as against other persons (not being registered users using by way of permitted use) as he would have if he were the sole registered proprietor."

6.3. Section 29 of the Trade Marks Act, 1999 Section 29 mandates that a registered trade mark is infringed by a person who not being the registered proprietor uses in the course of a trade, a mark which is identical with, or deceptively similar to the trade mark, in relation to any goods 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. Section 29 is reproduced hereunder:

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

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

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

(c) its identity with the registered trade mark and the identity of the goods or services covered by such registered trade mark, is likely to cause confusion on the part of the public, or which is likely to have an association with the registered trade mark. (3) In any case falling under clause (c) of sub- section (2), the court shall presume that it is likely to cause confusion on the part of the public.

(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.

(5) A registered trade mark is infringed by a person if he uses such registered trade mark, as his trade name or part of his trade name, or name of his business concern or part of the name, of his business concern dealing in goods or services in respect of which the trade mark is registered.

(6) For the purposes of this section, a person uses a registered mark, if, in particular, he-

(a) affixes it to goods or the packaging thereof;

(b) offers or exposes goods for sale, puts them on the market, or stocks them for those purposes under the registered trade mark, or offers or supplies services under the registered trade mark;

(c) imports or exports goods under the mark; or

(d) uses the registered trade mark on business papers or in advertising.

(7) A registered trade mark is infringed by a person who applies such registered trade mark to a material intended to be used for labeling or packaging goods, as a business paper, or for advertising goods or services, provided such person, when he applied the mark, knew or had reason to believe that the application of the mark was not duly authorised by the proprietor or a licensee.

(8) A registered trade mark is infringed by any advertising of that trade mark if such advertising-

(a) takes unfair advantage of and is contrary to honest practices in industrial or commercial matters; or

(b) is detrimental to its distinctive character; or

(c) is against the reputation of the trade mark. (9) Where the distinctive elements of a registered trade mark consist of or include words, the trade mark may be infringed by the spoken use of those words as well as by their visual representation and reference in this section to the use of a mark shall be construed accordingly."

6.4. Section 31(1) of the Trade Marks Act, 1999 Under Section 31(1), in all legal proceedings, the registration of the trade mark is prima facie evidence of its validity. Section 31(1) is reproduced hereunder:

"Section 31. Registration to be prima facie evidence of validity.- (1) In all legal proceedings relating to a trade mark registered under this Act (including applications under section

57), the original registration of the trade mark and of all subsequent assignments and transmissions of the trade mark shall be prima facie evidence of the validity thereof;"

6.5. Section 22 of the Limitation Act, 1963 Section 22 lays down that in cases of continuing tort, a fresh period of limitation begins to run at every moment of the time during which the breach of tort continues. Section 22 is reproduced hereunder:-

"Section 22. Continuing breaches and torts. - In the case of a continuing breach of contract or in the case of a continuing tort, a fresh period of limitation begins to run at every moment of the time during which the breach or the tort, as the case may be, continues."

7. Relevant judgments 7.1. The law with respect to the infringement of trade mark, copyright and passing off is well settled. The relevant judgments in this regard are as under:

Infringement - trade mark and copyright 7.1.1. In Kavi Raj Pandit Durga Dutt Sharma v. Navaratna Pharmaceutical Laboratories, AIR 1965 SC 980, the Supreme Court held that on registration of a trade mark, the registered proprietor gets, under Section 28, the exclusive right to the use of such trade marks in relation to the goods in respect of which the trade mark is registered and to obtain relief in respect of any infringement of such trade mark. 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.

7.1.2. In National Bell Co. v. Metal Goods Mfg. Co., AIR 1971 SC 898, the Supreme Court again held that on registration of a trade mark the registered proprietor gets under Section 28, the exclusive right to the use of such trade marks in relation to the goods in respect of which the trade mark is registered and to obtain relief in respect of any infringement of such trade mark. 7.1.3. In American Home Products v. Mac Laboratories, AIR 1986 SC 137, the Supreme Court held that when a person gets his trade mark registered, he acquires valuable rights by reason of such registration. The registration of the trade mark gives 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 the trade mark, one can protect the trade mark by an action for infringement in which an injunction can be obtained.

7.1.4. In Laximkant V. Patel v. Chetanbhai Shah, (2002) 3 SCC 65, the Supreme Court held that an injunction has to be granted where there is probability of confusion even though the defendant adopted the name innocently. 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.

7.1.5. In *Mahendra & Mahendra Paper Mills Ltd. v. Mahindra & Mahindra Ltd.*, (2002) 2 SCC 147, the Supreme Court held that the plaintiff has been using the word „Mahindra and „Mahindra & Mahindra in its companies/business concerns for a long span of time extending over five decades. The name has acquired distinctiveness and a secondary meaning in the business or trade circles. People have come to associate the name „Mahindra with a certain standard of goods and services. Any attempt by another person to use the name in business and trade circles is likely to and in probability will create an impression of a connection with the plaintiffs' group of companies. Such user may also affect the plaintiff prejudicially in its business and trading activities. 7.1.6. In *Midas Hygiene Industries Pvt. Ltd. v. Sudhir Bhatia*, 2004 (28) PTC 121 (SC), the Supreme Court held 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 Court further held that grant of injunction also becomes necessary if it prima facie appears that the adoption of the Mark was itself dishonest.

7.1.7. In *Milment Oftho Industries v. Allegran Inc*, 2004 (28) PTC 585 (SC), the Supreme Court held that even if there is no sale of goods in India, the plaintiff is entitled to injunction as long as the plaintiff is the prior user in the world and transborder reputation is established. The ultimate test is who is first in the market. 7.1.8. In *Ramdev Food Products (P) Ltd. v. Arvindbhai Rambhai Patel*, (2006) 8 SCC 726, the Supreme Court held that if an infringement of trade mark is established, the onus would be on the defendant to show that he is entitled thereto either by reason of acquiescence on the part of the owner of the registered trade mark or he himself has acquired a right thereto.

7.1.9. In *B.K. Engineering Co. v. Ubhi Enterprises (Registered)*, 27 (1985) DLT 120, this Court held that a fair and honest trader will not give a misleading name to his product to the continuing detriment of the plaintiff who has built up his goodwill in the business after years of hard work. It is this intangible right to property which the law seeks to protect.

7.1.10. In *Daimler Benz Aktiegesellschaft v. Hybo Hindustan*, AIR 1994 Del 239, this Court held that the trade mark law is not intended to protect a person who deliberately sets out to take the benefit of somebody else's reputation with reference to goods, especially so when the reputation extends worldwide. 7.1.11. In *Aktiebolaget SKF v. Rajesh Engineering Corporation*, 1996 (16) PTC 160 (Del.), this Court held that the different explanations of the respondent for using the impugned trade mark does not strengthen its case but detracts from the truthfulness of the explanation. The use of the trade mark by the respondent, therefore, is not bona fide, and is a colourable imitation of the

appellant's trade mark. Since the adoption of the mark was dishonest, the alleged use of the same will be of no consequence. 7.1.12. In *Baker Hughes Ltd. v. Hiroo Kushalani*, 74 (1998) DLT 715, this Court held there can be an informed class of purchasers who have a degree of knowledge and a sense of discrimination more substantial than that of an ordinary purchaser, but the mere fact that the customers are sophisticated, knowledgeable and discriminating does not rule out the element of confusion if the trade marks/trade names/corporate names of two companies are identical or if the similarity between them is profound. In several cases it has been held that initial confusion is likely to arise even amongst sophisticated and knowledgeable purchasers under a mistaken belief that the two companies using the same corporate name, trading name or style are inter-related. It is this class of buyers who are likely to think that there is some sort of association between the products of two different companies when they come across common or similar trade names or corporate names or trading styles used by them. The sophistication of a buyer is no guarantee against likely confusion. The Court further held that in some cases, however, it is also possible that such a purchaser after having been misled into an initial interest in a product manufactured by an imitator discovers his folly, but this initial interest being based on confusion and deception can give rise to a cause of action for the tort of passing off as the purchaser has been made to think that there is some connection or nexus between the products and business of two disparate companies. 7.1.13. In *M/s. Lupin Laboratories v. M/s. Jain Products*, AIR 1998 Bom 312, the Bombay High Court held that mere concurrent user is not sufficient in law. It must be honest. The presumption available in law in favour of the registered trade mark must necessarily flow from the facts of the case. To establish honesty, the efforts made by the defendant, who says that the mark is honestly used, must be such which will satisfy the conscience of the Court that the user was honest. Such a defendant carries a higher degree of obligation of being more diligent in establishing the case of honesty, especially when such user is put against the mark which is the registered trade mark.

7.1.14. In *Alfred Dunhill Limited v. Kartar Singh Makkar*, 1999 (19) PTC 294 (Del.), the defendant had imitated the trade mark of Alfred on different kinds of goods. This Court held that in the suit of instant nature, the real test is whether defendants have any right to represent their business as the business of plaintiff. It ultimately leads to the question as to why defendants were using the trade name „Dunhill“ to their products. The defendants have not offered any explanation whatsoever as to why the mark „Dunhill“ was being used by them. The name „Dunhill“ is neither parental name of defendants nor in any way connected with them. The mark „Dunhill“ is attributable to the surname of Alfred „Dunhill“. All of the goods marketed by plaintiff company are sold under the trade mark and trade name „Dunhill“. The trade mark and trade name „Dunhill“ has become distinctive of the plaintiff's goods as a result of substantially exclusive and continuous use in commerce since 1893. Thus, the use of the trade name „Dunhill“ by defendants is indicative of their intent. The defendants' desire to market their goods under the name of mark „Dunhill“ is to trade upon and encash on the name, fame, reputation, image and goodwill acquired by the plaintiff company.

7.1.15. In *Punjab Tractors Ltd. v. Pramod Kumar Garg*, 85 (2000) DLT 567, this Court held that the criteria for determining what is likely to deceive or cause confusion is whether the trade mark by its resemblance to another trade mark already on the register is likely to deceive in the normal course of its legitimate use in the trade and that the goods are such that by virtue of some similarity, affinity or other circumstance the purchasing public will consider them as coming from the same source if

marketed under similar trade marks. The approach has to be from a business and commercial point of view and the test of sameness and description should be a business and practical test. In judging the nature and composition of the goods, their respective usages and functions and the trade channels through which they are bought and sold are to be taken notice of.

7.1.16. In *Jolen Inc. v. Doctor & Company*, 98 (2002) DLT 76, this Court held that when a party after copying a trade mark comes out with an explanation as to its invention which is unbelievable or may be plausible, its attempt to synchronize combination of words is a mere after-thought and an act of searching excuses and explanation. It is natural for the parties who have copied trade mark to try and explain its conduct and to look out for means to explain derivation of words so adopted. If trade mark having element of prior continuance and use has been copied, no amount of explanation even if it is plausible is capable of defending infringement of copyright of such prior user. The Court further held that there is an uncanny degree of similarity between the plaintiff and defendant's trade mark, colour scheme, get up, lay out of the container and the carton etc. which could only mean that one of the parties has copied from the other and it has never been the case of the defendant that the plaintiff has copied from them. The defendants have quagmired themselves to invent explanation. The Court further held that the explanation of the defendant in choosing the impugned trade name is highly implausible, farfetched and wholly unconvincing, and the dishonesty in choosing the name and the ill design to trade and cash upon the reputation and goodwill of the plaintiff is pronounced and prominent. The Court held that passing off involves elements of misrepresentation and deceit. The object of adopting the trade name or deceptively similar name of another person is to trade upon and derive the financial benefit from the reputation and goodwill of that person. As a consequence the business or the goodwill of the other person suffers damage in financial as well as in terms of reputation. That is why the remedy against passing off action is independent of the infringement action arising from the violation of the statutory right to a trade mark.

7.1.17. In *Hamdard National Foundation v. Abdul Jalil*, 2008 (38) PTC 109 (Del.), this Court held that the balance of convenience lies in favour of the plaintiff and ad interim injunction is granted. The defendant took a calculated risk in using the „Hamdard“ word and eye mark; indeed its use of the eye mark points to an attempt to "free ride" on the plaintiff's reputation. The Court further held that unless enjoined, the plaintiff would continue to suffer commercially.

7.1.18. In *Beiersdorf A.G. v. Ajay Sukhwani*, 156 (2009) DLT 83, this Court held that misrepresentation cannot exist in vacuum and is co-relatable to the extent, value and nature of goodwill of the plaintiff. Greater the goodwill, greater is the need to protect and wider is the cover and the field of protection. The Court further held that looking at the similarity of the two marks, fraudulent adoption of the said mark by the defendants, the nature and extent of the goodwill of the plaintiff, nature and difference of trade by itself is not sufficient to defeat the suit for passing off. Damage/loss can be presumed as a natural consequence of misrepresentation.

7.1.19. In *Rolex SA v. Alex Jewellery Pvt. Ltd.*, 2009 (6) R.A.J. 489 (Del.), the plaintiff was the proprietor of a well-known registered trade mark „Rolex“ in respect of watches and the defendant started using the mark in respect of artificial jewellery. This Court held that the „Rolex“ was a well-known trade mark and has also reputation in India and therefore, the defendant was restrained

under Section 29(4)(c) of the Trade Marks Act from using the trade mark „Rolex .

7.1.20. In *Sony Kabushiki Kaisha v. Mahaluxmi Textile Mills*, 2009 (41) PTC 184 (Cal.), the Calcutta High Court held that if a person is the holder of a trade mark which has acquired a wide reputation transcending international barriers even though in respect of a specified class or category of goods, that trade mark cannot be allowed to be violated by another person in respect of different category of goods because that other person will be deliberately using the trade mark of the former with an intent to get some undue advantage because of its reputation and goodwill. 7.1.21. In *Vardhman Properties Ltd. v. Vardhman Developers and Infrastructures*, 166 (2010) DLT 782, the plaintiff, a real estate developer, was registered proprietor of the trade mark of „Vardhman and the defendant adopted the same for business of booking flats and real estate consultancy. This Court held that acquiescence prima facie does not arise in such situation where there is nothing showing the plaintiff's action, overt or otherwise encouraging defendant to continue using the mark. The Court held that once a prima facie case in infringement actions is established, the Courts ordinarily should not withhold relief. The Court restrained the defendant from using the plaintiff's trade mark.

7.1.22. In *Ozone SPA Private Limited v. Ozone Club*, 2010 (42) PTC 469 (Del.), the registered proprietor of the trade mark „Ozone was running a spa whereas the defendant adopted the same trade mark for running fitness centre, health club and gymnastics. This Court held that the plaintiff's trade mark was a well-known trade mark within the meaning of Section 2(1)(zg) and had acquired goodwill and reputation and, therefore, the case was covered under Section 29(4) of the Trade Marks Act for protection of the mark in respect of dissimilar goods as well. 7.1.23. In *Marvel Tea Estate India Ltd. v. P.M. Batra (Prop) M/s Gurukripa Traders*, 2012 (49) PTC 82 (Del.), this Court held that in order to prove the case for infringement of trade mark, the plaintiff has to show that the essential features of the registered trade mark which has been adopted by the defendant, has been taken out from the plaintiff's registration. Only the marks are to be compared by the Court and in case the registration is granted in favour of the plaintiff, he acquires valuable right by reason of the said registration.

7.1.24. In *LT Foods Limited v. Sulson Overseas Pvt. Ltd.*, (192) 2012 DLT 373, this Court held that the foundation of the law of infringement of the trade mark, copyright and of passing off is honesty. No one shall be permitted to enrich himself on the goodwill and reputation built up or earned by anyone else. 7.1.25. In *Himalaya Drug Company v. S.B.L. Limited*, 2013 (53) PTC 1 (Del.) (DB), the Division Bench of this Court laid down the test of infringement. This Court held that the rival marks are to be compared as a whole. Where two marks are identical, it is not necessary for the plaintiff to prove further that the use of defendant's mark is likely to deceive or cause confusion as the registration shows the title of the registered proprietor and the things speaks for themselves. If the Court finds that the defendant's mark is closely, visually and phonetically similar then no further proof is necessary. It is not necessary for the plaintiff to adduce evidence of actual deception in order to prove the case of infringement.

Passing off 7.1.26. In *Wander Ltd. v. Antox India (P) Ltd.*, 1990 Supp SCC 727, the Supreme Court held that passing-off is said to be a species of unfair trade competition or of actionable unfair trading by which one person, through deception, attempts to obtain an economic benefit of the

reputation which another has established for himself in a particular trade or business.

7.1.27. In *Bengal Waterproof Ltd. v. Bombay Waterproof Manufacturing Co.*, (1997) 1 SCC 99, the Supreme Court held that an action for passing off is a common law remedy being an action in substance of deceit under the Law of Torts. Wherever and whenever fresh deceitful act is committed, the person deceived would naturally have a fresh cause of action in his favour. Thus every time when a person passes off his goods as those of another he commits the act of such deceit. Similarly, whenever and wherever a person commits breach of a registered trade mark of another he commits a recurring act of breach or infringement of such trade mark giving a recurring and fresh cause of action at each time of such infringement to the party aggrieved. The Supreme Court further held that in cases of continuous causes of action or recurring causes of action, bar of Order 2 Rule 2 sub-rule (3) cannot be invoked. Section 22 of the Limitation Act, 1963 lays down that, „in the case of a continuing breach of contract or in the case of a continuing tort, a fresh period of limitation begins to run at every moment of the time during which the breach or tort, as the case may be, continues .

7.1.28. In *Laximkant V. Patel v. Chetanbhai Shah* (supra), the Supreme Court held that where there is probability of confusion in business, an injunction has to be granted even though the defendants adopted the name innocently, passing-off cases are often cases of deliberate and intentional misrepresentation, but it is well settled that fraud is not a necessary element of the right of action, and the absence of an intention to deceive is not a defence, though proof of fraudulent intention may materially assist a plaintiff in establishing probability of deception. The Supreme Court further held that the plaintiff does not have to prove actual damage in order to succeed in an action for passing-off. Likelihood of damage is sufficient. The defendant's state of mind is wholly irrelevant to the existence of the cause of action for passing-off. 7.1.29. In *Bata India Ltd. v. Pyare Lal & Co.*, AIR 1985 All 242, wherein the Allahabad High Court considering the plea of passing off or enabling others to pass off mattresses, sofa cushions and other articles associating them with the name of "Bata" in any manner or form held that the name "Bata" was well-known in the market and the user of such a name is likely to cause not only deception in the mind of an ordinary customer but may also cause injury to the plaintiff Company. The fact that the plaintiff was not producing foam was not enough to hold that there could be no passing-off action in respect of the user of the name "Bata" to the products marketed by the defendants. The use of the name or mark "Bata" by the defendants is indicative of their intent. 7.1.30. In *N.R. Dongre v. Whirlpool Corp.* 1996 (16) PTC 476 (Del.), the Division Bench of this Court recognised the distinctiveness and uniqueness of the word „Whirlpool which was subsequently upheld by the Supreme Court in its decision 1996 (16) PTC 583 (SC). „Whirlpool is otherwise a dictionary word and was not registered in India as a trade mark. The Court considering the entire gamut of the case held that the reputation of the trade mark „Whirlpool in respect of washing machines has travelled transborder to India and, therefore, although the respondents are not the registered proprietor of the trade mark „Whirlpool in India in respect of washing machines can maintain action of passing off against the appellants in respect of the use of the same which has been registered in their favour in respect of the same goods. The Court also held that registration of a trade mark under the Act would be irrelevant in an action of passing off. 7.1.31. In *Montari Overseas Ltd. v. Montari Industries Ltd.*, 1996 (16) PTC 142 (Del.), this Court held that no company is entitled to carry on business in a manner so as to generate a belief that it is connected with the business of another company, firm or individual. The same

principle of law which applies to an action for passing off of a trade mark will apply more strongly to the passing off of a trade or corporate name of one for the others. 7.1.32. In *Aktiebolaget Volvo of Sweden v. Volvo Steels Ltd. of Gujarat (India)*, MANU/MH/0076/1997, the Bombay High Court held that the crux of passing off lies in actual or probable deception or misrepresentation. Misrepresentation may be of several kinds and one of them may be suggesting that the defendants have some association or trade connection with the plaintiffs.

7.1.33. In *Marks & Spencer v. One-in-a-Million*, 1998 FSR 265, it was held that any person who deliberately registers a domain name on account of its similarity to the name, brand name or trade mark of an unconnected commercial organisation must expect to find himself on the receiving end of an injunction to restrain the threat of passing off, and the injunction will be in terms which will make the name commercially useless to the dealer. It was held that the name „marks and spencer could not have been chosen for any other reason than that it was associated with the well-known retailing group. Where the value of a name consists solely on its resemblance to the name or trade mark of another enterprise, the Court will normally assume that the public is likely to be deceived, for why else would the defendants choose it? It was also said that someone seeking or coming upon a website called <http://marks and spencer.co.uk> would naturally assume that it was that of the plaintiffs. It is seen that although the word „services may not find place in the expression used in Sections 27 and 29 of the Trade and Merchandise Marks Act, services rendered have come to be recognised for an action of passing off. The law of passing off is an action under the common law which also is given a statutory recognition in the Trade Marks Act. In the context and light of the development in the concept of the law of passing off, it is too late in the day to submit that passing off action cannot be maintained as against services as it could be maintained for goods. 7.1.34. In *Yahoo!, Inc. v. Akash Arora*, 78 (1999) DLT 285, this Court held that the law relating to passing off is fairly well settled. The principle underlying the action is that no man is entitled to carry on his business in such a way as to lead to the belief that he is carrying on the business of another man or to lead to believe that he is carrying on or has any connection with the business carried on by another man. It is also well established that passing off action is a common law remedy. There are a plethora of cases wherein it has been held that the principles of common law govern actions of passing off and have been recognised by Section 27(2) and Section 106 of the Trade and Merchandise Marks Act, 1958. The services of the plaintiff under the trade mark/domain name „Yahoo! have been widely publicised and written about globally. In an internet service, a particular internet site could be reached by anyone anywhere in the world who proposes to visit the said internet site. With the advancement and progress in technology, services rendered in the internet has also come to be recognised and accepted and are being given protection so as to protect such provider of service from passing off the services rendered by others as that of the plaintiff. In a matter where services are rendered through the domain name in the internet, a very alert vigil is necessary and a strict view is to be taken for its easy access and reach by anyone from any corner of the globe. There can be no two opinions that the two marks/domain names „Yahoo! of the plaintiff and „Yahooindia of the defendant are almost similar except for use of the suffix „India in the latter. The degree of the similarity of the marks usually is vitally important and significant in an action for passing off for in such a case there is every possibility and likelihood of confusion and deception being caused. When both the domain names are considered, it is crystal clear that the two names being almost identical or similar in nature, there is every possibility of an internet user being

confused and deceived in believing that both the domain names belong to one common source and connection, although the two belong to two different concerns.

7.1.35. In *Honda Motors v. Charanjit Singh*, 101 (2002) DLT 359, this Court held that the concept of passing off is a tort and with the passage of time and the developing case law it has changed and now the two traders need not necessarily operate in the same field so as to suffer injury on account of the goods of one trader being passed off as those of the other. The Court further held that the plaintiff's trade mark which is of global repute, is used by the defendants for a product like pressure cooker, to acquire the benefit of its goodwill and reputation so as to create deception for the public who are likely to buy defendant's product believing the same as coming from the house of „Honda or associated with the plaintiff in some manner. By doing so, it would dilute the goodwill and reputation of the plaintiff and the wrong committed by the defendants would certainly be an actionable wrong and the plaintiff is within its rights to ask for restraint against the defendants from using its mark „Honda for their products.

7.1.36. In *The Dunlop Pneumatic Tyre Co. Ltd. v. The Dunlop Lubricant Co.*, 1899 Vol. 16 RPC 12, *Lego System Aktieselskab v. Lego M. Lemeistrich Ltd.*, Fleet Street Reports (1983) 154, *Banga Watch Company v. N.V. Philipps*, AIR 1983 P&H 418, *Bata India Ltd. v. Pyare Lal & Co.*, AIR 1985 All. 242, *Daimler Benz A.G. v. Hybo Hindustan (Mercedes Benz)*, AIR 1994 Delhi 329, *Ciba Geigy Limited v. Surinder Singh*, 1998 (18) PTC 545 (Del.) and *Essel Packaging Ltd. v. Essel Tea Exports Ltd.*, 1999 (19) PTC 521 (Bom.), the Courts have held the action for passing off to be maintainable even in respect of the goods which were not even seemingly of the allied category. It is not even necessary to prove actual damages to sustain an action for passing off. Common field of activity is not conclusive for deciding whether there could be passing off action. With the passage of time, the law of requirement of common filed activity in a passing off action has undergone a radical change because the real question in such cases is whether there is, as a result of misrepresentation, a real likelihood of confusion or deception of the public and consequent damage is likely to be caused and if that be the test then focus is shifted from the external objective test of making comparison of activities of the parties to the state of mind of public in deciding whether the public would be confused. Delay and acquiescence 7.1.37. In *M/s. Power Control Appliances v. Sumeet Machines Pvt. Ltd.*, (1994) 2 SCC 448, the Supreme Court held that acquiescence is sitting by, when another is invading the rights and spending money on it. It implies positive acts; not merely silence or inaction such as is involved in laches. Therefore, acquiescence is one facet of delay. If the plaintiff stood by knowingly and let the defendants build up an important trade until it had become necessary to crush it, then the plaintiffs would be stopped by their acquiescence.

7.1.38. In *Ramdev Food Products (P) Ltd. v. Arvindbhai Rambhai Patel* (supra), the Supreme Court held acquiescence is a facet of delay. The principle of acquiescence would apply where:

- (i) sitting by or allowing another to invade the rights and spending money on it; (ii) it is a course of conduct inconsistent with the claim for exclusive rights for trade mark, trade name, etc. The defence of acquiescence, thus, would be satisfied when the plaintiff assents to or lays by in relation to the acts of another person and in view of that assent or laying by and consequent acts, it would be unjust in all the

circumstances to grant the specific relief.

7.1.39. In *Swaran Singh Trading v. Usha Industries (India)*, New Delhi, AIR 1986 Delhi 343, the Division Bench of this Court held that a statutory right under Section 28 of the Trade Marks Act to the holder of a registered trade mark cannot be lost by delay.

The registered trade mark cannot be reduced to nullity. It is duty of the Court to protect a registered mark even if there is some delay. That is the whole concept of registration. To refuse the injunction would tantamount to permit a fraud being practiced on unwary customers. This is a matter of principle on which the Court cannot refuse the injunction.

7.1.40. In *Hindustan Pencils (P) Ltd. v. India Stationery Products Co.*, AIR 1990 Delhi 19, this Court held that judicial opinion has been consistent in holding that if the defendant acts fraudulently with the knowledge that he is violating the plaintiffs rights then in that case, even if there is an inordinate delay on the part of the plaintiff in taking action against the defendant, the relief of injunction cannot be denied. The Court further held that the defendant must have known that it was adopting a mark which belongs to someone else. Any infringer who uses or adopts someone else's mark must be aware of the consequences which may follow. The defendants ran the risk in using a mark which belonged to someone else. It continued its business un- interruptedly for a number of years before any action was taken by the plaintiff against it. If the defendant continued to do business by using the impugned mark it did so at its own peril. 7.1.41. In *Revlon Inc. v. Sarita Manufacturing Co.*, 67 (1997) DLT 399, this Court held that it cannot be a mere co- incidence that the defendants had adopted the same mark for their products which was registered in the name of the plaintiffs and which have a worldwide market. The Court further held that the adoption of marks registered in the name of the plaintiffs by the defendants for their products cannot be considered honest and in such a case, even the plea of delay and laches would be of no avail to the defendants. In case, the defendants had chosen to continue to use the trade marks registered in the name of the plaintiffs, inspite of plaintiffs' objection, they had been doing so at their own risk and they cannot derive any advantage from such use.

7.1.42. In *Ansul Industries v. Shiva Tobacco Company*, 2007 (34) PTC 392 (Del.), this Court held that mere delay is not sufficient to defeat grant of injunction in cases of infringement of trade mark and delay cannot be a bar to enforce and claim a legal right. This Court further held that where initial adoption by the defendant itself is vitiated by fraud and/or is dishonest, delay is not a valid ground to allow misuse. If user at the inception is tainted by fraud and dishonesty, continuous use does not bestow legality.

8. Findings On careful consideration of rival contentions of the parties, the prima facie findings of this Court are as under:-

Infringement of registered trade mark 8.1. The plaintiff is the registered proprietor of trade mark „Timken“ in classes 4, 6, 7, 9, 12, 16 and 37 with the earliest registration dating back as early as on 1st June, 1942. The plaintiff has a website namely www.timken.com. The plaintiff is the owner of more than seventy domain names

having „Timken . The plaintiff adopted the trade mark „Timken as back as more than 100 years in 1899 based on the surname of its founder Mr. Henry Timken. The plaintiff's products have been available in India under the trade mark „Timken since 1922. The plaintiff set up a joint venture company in India under the name Tata Timken Limited in 1987 which was changed to Timken India Ltd. on 2nd July 1989. The plaintiff's products were available and advertised in India. The advertisement published in the Railway Gazette of 1st February, 1963 relating to the first electric locomotives built in India was equipped with „Timken bearings, is on record. The plaintiff is a global fortune of 500 companies. In 1999, Indian Post Office issued a commemorative postmark bearing „Timken . 8.2. The defendant is using the plaintiff's trade mark „Timken as trade name and trade mark in similar style, format and colour as that of the plaintiff as well as use of domain name www.timkenservice.com. The impugned mark is phonetically, visually, conceptually and structurally similar to the plaintiff's registered trade mark. The scanned copy of the trade marks of both the parties are reproduced hereunder:-

8.3. The plaintiff being the proprietor of the registered trade mark „Timken , has the exclusive right to the use of the trade mark under Section 28 of the Trade Marks Act, 1999 and to seek protection of their trade mark.

8.4. In order to prove the case for infringement of trade mark, only the marks are to be compared by the Court. Where two marks are identical, it is not necessary for the plaintiff to prove further that the use of defendant's mark is likely to deceive or cause confusion as the registration shows the title of the registered proprietor and the things speaks for themselves. No further proof is necessary, if the defendant's mark is closely, visually and phonetically similar. It is not necessary for the plaintiff to adduce evidence of actual deception in order to prove the case of infringement.

8.5. There is a rebuttable presumption in favour of the plaintiff under Section 114 of the Indian Evidence Act that the defendant was aware of the plaintiff's trade mark at the time of adoption in 1989. The defence set up by the defendant that the defendant was not even aware about the plaintiff's name, trade mark and registration in 1989, when the defendant adopted the plaintiff's trade mark „Timken is unbelievable. The plaintiff has placed sufficient material on record to show that the plaintiff was a well-

known mark as back as in 1989 when the defendant adopted the same. The defendant's knowledge of the plaintiff's trade mark and copyright can be inferred from the fact that the defendant not only adopted the same name but also adopted similar art work, font and colour as that of the plaintiff, which could not have been possible unless the defendant had knowledge and it chose deliberately to infringe the plaintiff's right. If the defendant was aware of the plaintiff's trade mark and copyright in 1989, and the defendant wilfully chose to infringe the plaintiff's right, the defendant is liable to be restrained from using the plaintiff's trade mark and copyright. The whole object of the Trade Marks Act and the Copyright Act is to stop the infringement of the trade mark and copyright.

8.6. If the defendant is not restrained from using the plaintiff's trade mark and copyright, it would amount to rewarding the defendant who has dishonestly adopted the plaintiff's trade mark and copyright and it would encourage the defendant to do such violation as well as also encourage other similarly situated dishonest persons. The defendant's contention that the defendant was not aware of the plaintiff's trade mark and copyright in 1989 when it adopted the same is false on the face of it because if the defendant was not aware of plaintiff's trade mark and the defendant innocently adopted the same then how could the defendant adopt a similar art work, font and colour as that of the plaintiff. By adopting the plaintiff's art work, font and colour leads to only one inference that the defendant was fully aware of the plaintiff's trade mark, copyright and reputation. If that is so, such a dishonest person cannot be rewarded for the wrong doing. 8.7. There is an uncanny degree of similarity between the plaintiff and defendant's trade mark, colour scheme, get up, font and artwork. This would only mean that one of the parties has copied from the other and it has never been the case of the defendant that the plaintiff has copied from them. Plaintiff's trade mark has been in continuous and prior use. In the present case, defendants have quagmired themselves to invent explanation. 8.8. The adoption of the plaintiff's trade mark „Timken and plaintiff's copyright in the style, font and orange colour in depicting its trade mark by the defendant in 1989 is not honest because the plaintiff's trade mark was well-known in 1989. The defendant must be aware of the plaintiff's trade mark, goodwill and reputation in 1989 when it chose to adopt the plaintiff's trade mark as no other business entity was using „Timken in the capacity of trade mark/name in relation to its goods or services or as a corporate name anywhere in the world at that time. 8.9. The defendant's justification that trade mark „Timken is based on the name „Timkey of the cat of the director of the defendant company does not appear to be true. First of all, „Timkey and „Timken are different names. Secondly, if such a justification is accepted, anybody would first name his cat or dog on the basis of a reputed trade mark and then adopt the same. The cat was not born with a name or a tag and the defendant's director must have adopted the name with the dishonest intention of adopting the same.

8.10. The defendant's explanation for adopting the word 'Timken' appears to be farfetched and unacceptable on the face of it. It appears that the defendant has chosen the word „Timken only to trade on the plaintiff's reputation and goodwill. 8.11. Explanation of the defendant for using the plaintiff's trade mark does not strengthen its case but detracts from the truthfulness of the explanation. The use of the trade mark „Timken by the defendant is not bona fide, and is a colourable imitation of the plaintiff's trade mark. Since the adoption of the mark „Timken was dishonest, the alleged use of the same from 1989 onwards will be of no consequence.

8.12. The defendant has not offered any plausible explanation for adopting the mark „Timken. The name „Timken is neither parental name of defendant nor in any way connected with them. The word „Timken does not appear in the dictionary. It cannot be a mere co-incidence that the defendant had adopted the same mark for their products which was registered in the name of the plaintiff and which have a worldwide market. As noticed earlier, the mark „Timken is attributable to the surname of plaintiff's founder, Henry Timken. The trade mark and trade name „Timken has become distinctive of the plaintiff's goods as a result of substantially exclusive and continuous use in commerce since 1899. It appears that defendant's desire to market their goods under the name of mark „Timken is to trade upon and encash on the name, fame, reputation, image and goodwill

acquired by the plaintiff.

8.13. The defendant's explanation for adopting the trade mark „Timken“ appears to be an after-thought. It is natural for the parties who have copied trade mark to try and explain its conduct and to look out for means to explain derivation of words so adopted. If the trade mark having element of prior continuance and use, has been copied, no amount of explanation, even if it is plausible, is capable of defending infringement of trade mark of such prior user. 8.14. The plaintiff has been using the word „Timken“ in its companies/business concerns for a long span of time extending over a century. The name has acquired distinctiveness and a secondary meaning in the business or trade circles. Any attempt by another person to use the name in business and trade circles is likely to and in probability will create an impression of a connection with the plaintiff. Such user may also affect the plaintiff prejudicially in its business and trading activities. 8.15. A fair and honest trader will not give a misleading name to its product to the continuing detriment of the plaintiff who has built up their goodwill in the business after years of hard work. It is this intangible right to property which the law seeks to protect. 8.16. Mere concurrent user is not sufficient in law. It must be honest. The mark is said to be in use as against the mark which is admittedly registered. The presumption available in law in favour of the registered trade mark must necessarily flow from the facts of the case. To establish honesty, the efforts made by the defendant, who says that the mark is honestly used, must be such, which will satisfy the conscience of the Court that the user was honest. Such defendant carries a higher degree of obligation of being more diligent in establishing the case of honesty, especially when such user is put against the mark which is the registered trade mark. 8.17. There is no undue delay in the filing of the suit, laches or acquiescence on the part of the plaintiff who undertook extensive search and conducted various due diligence to find out the activities of the defendant before instituting this suit in January 2010. Even otherwise, the delay cannot be a bar to the injunction in view of *Hindustan Pencils Private Limited v. India Stationery Products Co.* (supra) followed in *Kirloskar Diesel Recon Pvt. Ltd. v. Kirloskar Proprietary Limited* (supra); *Revlon Inc. v. Sarita Manufacturing Co.* (supra); *Aktiebolaget Volvo of Sweden v. Volvo Steels Ltd. of Gujarat (India)* (supra); *Ansul Tobacco Industries v. Shiva Tobacco Company* (supra); *Hamdard National Foundation v. Abdul Jalil* (supra) and a catena of other judgments of different High Courts.

8.18. The defendant, a fraudulent infringer who has knowingly and deliberately violated the rights of the plaintiff, cannot complain and hide behind the defence of delay, laches or acquiescence as the infringement at the very initial stage itself was fraudulent. The delay and laches by itself would not bestow fraud with character of legality.

8.19. Inordinate delay would not defeat an action for the grant of a temporary injunction especially where the use by the defendant of the mark was fraudulent. In any case, the delay in the present case cannot be regarded as inordinate. The defendant must have known that it was adopting a mark which belongs to someone else. Any infringer who uses or adopts someone else's mark must be aware of the consequences which may follow. The defendant ran the risk in using a mark which belonged to someone else. It continued its business un-interruptedly for a number of years before any action was taken by the plaintiff against it. If the defendant continued to do business by using the impugned mark it did so at its own peril. The continued user cannot be set up as a defence under

these circumstances.

8.20. Once the Court comes to the conclusion that it is a fit case of infringement of trade mark by the defendant then the question of some delay is immaterial on account of statutory rights granted under Section 28 of the Trade Marks Act in favour of the plaintiff. 8.21. Once there is a dishonest intention to adopt the mark, a mere delay in bringing action cannot be defeated because in case of continuing tort, fresh period of limitation begins to run every moment of time during which the breach continues. 8.22. If an infringement of trade mark is established, the onus would be on the defendant to show that they are entitled thereto either by reason of acquiescence on the part of the owner of the registered trade mark or they themselves have acquired a right thereto.

8.23. Acquiescence is a facet of delay. The principle of acquiescence would apply where: (i) sitting by or allowing another to invade the rights and spending money on it; (ii) it is a course of conduct inconsistent with the claim for exclusive rights for trade mark, trade name, etc. In the present case, the plaintiff has not assented to the acts of the defendant and therefore, it does not amount to acquiescence.

8.24. The plaintiff is entitled to injunction as the plaintiff is the prior user in the world and transborder reputation is established. The ultimate test is who is first in the market.

8.25. The mark of the defendant being similar as that of the registered mark of the plaintiff is likely to cause confusion or deception in the mind of the consumers.

8.26. The plaintiff's and defendant's goods/services are similar inasmuch as the plaintiff offers its goods and services pertaining to heavy diesel engine as well as power transmission whereas defendant's products also relate to power transmission and generation and, therefore, likelihood of confusion is extremely high. Even otherwise, the remedy of passing off protects goodwill and reputation to a trade mark and name and it is not necessary to be in the same field or in the direct competition with each other. 8.27. The question at this stage is only of a temporary injunction. For that purpose, the misrepresentation complained of is certainly of such a nature as to give rise to a strong probability of confusion in the minds of the purchasing public. The misrepresentation being prima facie established, being in its nature calculated to deceive, the plaintiff is entitled to a temporary injunction. 8.28. The dishonest intention of the defendant is clear from the fact that the defendant applied for registration of trade mark „Timken“ in classes 7, 9, and 37 on 5th January, 2010 three days after the institution of the suit in respect of which the plaintiff's trade mark is already registered. The conflict between the marks is further indicated by the official examination report issued by the Registrar of Trade Marks on 13th October, 2010 which has cited the plaintiff's trade mark „Timken“ in classes 7, 9 and 37 and raised an objection to the registration of the defendant's mark on the ground that it is deceptively similar to the plaintiff's trade mark registered in respect of same/similar goods/services.

8.29. Each act of infringement gives rise to a separate cause of action independent of continuing cause of action. The defendant has applied for registration of trade mark „Timken“ in classes 7, 9 and 37 on 5th January, 2010, i.e., after coming into force of the new Act, which constitutes a new

cause of action independent of continuing cause of action and absolves the plaintiff of limitation under Section 159 of the Act. Even otherwise, the plaintiff's claim of passing off and violation of copyright are not affected by Section 159 of the Trade Marks Act, 1999.

8.30. The plaintiff has placed sufficient material on record to show that it has acquired distinctiveness and goodwill in the mark „Timken . The mark „Timken connotes distinctiveness, reputation, quality and goodwill acquired by the plaintiff over a number of years and is understood by the consumers as associated with the plaintiff. The defendant started using the mark „Timken to derive benefit from the reputation and goodwill enjoyed by the plaintiff and their products under the said mark, thereby perpetrating fraud and deception on the unwary customers by passing off their goods as those of the plaintiff. The defendant has adopted the mark „Timken deliberately with an intention of creating a subtle association between their activities and that of the plaintiff. The use of the trade mark „Timken by the defendant cannot be said to be an honest and concurrent use, as claimed by them. The trade mark „Timken being of global reputation, its use by the defendant is likely to cause not only deception in the minds of ordinary customers but may also cause injury to the plaintiff. In this view of the matter, it will be necessary to restrain the defendant from using the trade mark „Timken for their products till the matter is decided on merits.

8.31. The Trade Mark law is not intended to protect a person who deliberately sets out to take the benefit of somebody else's reputation with reference to goods, especially so when the reputation extends worldwide. The plaintiff has placed on record material to show that „Timken has acquired very large reputation and goodwill throughout the world including presence in India. 8.32. On the basis of the material placed on record by the plaintiff, it is abundantly clear that the trade mark of the plaintiff „Timken has acquired unique goodwill and reputation and has become a well-known trade mark within the meaning of Section 2(1)(zg) of the Trade Marks Act, 1999.

8.33. The plaintiff's and defendant's goods/services are similar inasmuch as the plaintiff offers its goods and services pertaining to heavy diesel engine as well as power transmission whereas defendant's products also relate to power transmission and generation and therefore, the plaintiff is entitled to protection under Section 29(2) and (3) of the Trade Marks Act. However, even if the goods and services of the plaintiff and defendant are taken to be not similar as contended by the defendant, the plaintiff is entitled to protection under Section 29(4) of the Trade Marks Act as the plaintiff has reputation in India; use of the infringing trade mark by the defendant is without any justification; the defendant has taken unfair advantage and is detrimental to the distinctive character as well as repute of the plaintiff's registered trade mark. 8.34. In the present case, the injunction has to follow because the plaintiff has established the infringement of the trade mark by the defendant and the defendant has not been able to discharge the burden as regards, the defence taken by it.

Passing off and unfair competition 8.35. The plaintiff has also made out a case of passing off as the use of the trade mark „Timken in similar art work, font and colour as that of the plaintiff is likely to create confusion in the minds of the users as if the products/services for the defendant have belonged to the plaintiff. The use of mark „Timken by the defendant is calculated to mislead and deceive its customers into believing that its products originate from the plaintiff. 8.36. This is a clear

case of passing off. It involves elements of misrepresentation and deceit. The object of adopting the trade name or deceptively similar name of another person is to trade upon and derive the financial benefit from the reputation and goodwill of that person. As a consequence the business or the goodwill of the other person suffers damage in terms of financial as well as reputation. That is why the remedy against passing off action is independent of the infringement action arising from the violation of the statutory right to a trade mark. 8.37. The present case is one of fraudulent adoption of the mark „Timken by the defendant and not of un-intentional infringement. Fraudulent adoption is not accepted even when there is difference between the fields of activities of the parties. To succeed in a suit for passing off, it is not necessary that both parties should be in the same line of business. Absence of common business is not fatal but one of the relevant facts which should be taken into consideration. The test is not whether the parties are in the same line of business or in connected line of business but whether there is likelihood of confusion or the defendant has tried to mislead. In cases of coined words, the plaintiff, with passage of time and goodwill, has got exclusively identified by the said mark. The mark/word „Timken is associated with the plaintiff. The defendant is trying to take advantage and benefit of the said goodwill by adopting the mark „Timken . Looking at the similarity of the two marks, fraudulent adoption of the said mark by the defendants, the nature and extent of the goodwill of the plaintiff, nature and difference of trade by itself, is not sufficient to defeat the suit for passing off. 8.38. The word „Timken is common to both the plaintiff and the defendant. The use of the word „Services by the defendant with the word „Timken does not in any manner distinguish the defendant from the plaintiff. The usage of the word „Timken amounts to a representation that the defendant is or may be associated or connected with the plaintiff, an international company having presence all over the world. The fact that „Timken products are available internationally all over the world causes confusion about connection between the defendant and the plaintiff.

8.39. The scope of passing-off action is wider than in an infringement of trade mark or copyright action. Therefore, in an action of passing off, an injunction can be granted even against a registered trade mark holder.

8.40. An action for passing off is a common law remedy being an action in substance of deceit under the Law of Torts. Wherever and whenever fresh deceitful act is committed, the person deceived would naturally have a fresh cause of action in his favour. Thus, every time when a person passes off his goods as those of another he commits the act of such deceit. Similarly, whenever and wherever a person commits breach of a registered trade mark of another he commits a recurring act of breach or infringement of such trade mark giving a recurring and fresh cause of action at each time of such infringement to the party aggrieved. In cases of continuous causes of action or recurring causes of action, bar of Order 2 Rule 2 sub-rule (3) cannot be invoked. Section 22 of the Limitation Act, 1963 lays down that in cases of continuing tort, a fresh period of limitation begins to run at every moment of the time during which the breach of tort continues.

8.41. Common field of activity is not conclusive for deciding whether there could be passing off action. With the passage of time, the law of requirement of common field activity in a passing off action has undergone a radical change because the real question in such cases is whether there is, as a result of misrepresentation, a real likelihood of confusion or deception of the public and

consequent damage is likely to be caused and if that be the test then focus is shifted from the external objective test of making comparison of activities of the parties to the state of mind of public in deciding whether the public would be confused. 8.42. In an internet service, a particular internet site could be reached by anyone anywhere in the world who proposes to visit the said internet site. With the advancement and progress in technology, services rendered in the internet has also come to be recognised and accepted and are being given protection so as to protect such provider of service from passing off the services rendered by others as that of the plaintiff. In a matter where services rendered through the domain name in the internet, a very alert vigil is necessary and a strict view is to be taken for its easy access and reach by anyone from any corner of the world. There can be no two opinions that the two marks/domain names „Timken of the plaintiff and „Timken Services of the defendant are almost similar except for use of the suffix „Services in the latter. The degree of the similarity of the marks usually is vitally important and significant in an action for passing off for in such a case there is every possibility and likelihood of confusion and deception being caused. When both the domain names are considered, it is crystal clear that the two names being almost identical or similar in nature, there is every possibility of an internet user being confused and deceived in believing that both the domain names belong to one common source and connection, although the two belong to two different concerns.

8.43. Where there is probability of confusion in business, an injunction has to be granted even though the defendants adopted the name innocently passing off cases are often cases of deliberate and intentional misrepresentation, but it is well settled that fraud is not a necessary element of the right of action, and the absence of an intention to deceive is not a defence, though proof of fraudulent intention may materially assist the plaintiff in establishing probability of deception. The plaintiff does not have to prove actual damage in order to succeed in an action for passing off. Likelihood of damage is sufficient. The defendant's state of mind is wholly irrelevant to the existence of the cause of action for passing off. Dilution of goodwill, reputation and distinctive character of the trade mark 'Timken' 8.44. Erosion of distinctiveness of a brand name has been recognised as a form of damage to the goodwill of a business with which the name is connected in a number of cases.

8.45. The use of the mark „Timken by the defendant would dilute the goodwill, reputation and distinctive character of the plaintiff's registered trade mark „Timken .

8.46. It can be readily inferred that when a purchaser of the products comes to know that the name „Timken is no longer the sole preserve of the plaintiff and can be used even by a company which is not associated with the plaintiff, his confidence in the products of the plaintiff is likely to receive a setback. A buyer who was being attracted to the products of the plaintiff for the exclusivity of the name „Timken may turn away from them. The value and the strength of the goodwill attached to the word „Timken which hitherto was the exclusive and the sole preserve of the plaintiff is likely to depreciate. That apart the use of the word „Timken as part of the corporate name of the defendant will put the reputation of the plaintiff in the hands of the defendant over whom they have no control, being immune from their direction and command. The dilution of the trade mark or corporate name of the plaintiff by the use of the word „Timken by the defendant after the plaintiff has ceased to have any association or relationship with the defendant, will adversely affect the business interests of the plaintiff.

Infringement of copyright vesting in the artistic work depicting 'Timken' 8.47. The defendant has also copied the plaintiff's art work, font and orange colour which prima facie amounts to infringement of plaintiff's copyright.

8.48. There is an uncanny degree of similarity between the plaintiff and defendant's copyright, colour scheme, get up, font and artwork. This would only mean that one of the parties has copied from the other and it has never been the case of the defendant that the plaintiff has copied from them. The plaintiff's copyright has been in continuous and prior use.

Prima facie case 8.49. The plaintiff has been able to make out a strong prima facie case for infringement of trade mark as:-

8.49.1. The plaintiff's mark „Timken“ has acquired reputation and goodwill. The plaintiff's products and services are correlated, identified and associated with the word „Timken“.

„Timken“ literally means the products or services provided by the plaintiff. In this background, the defendant cannot be referred or termed as an honest concurrent user of the mark „Timken“;

8.49.2. The adoption of the word „Timken“ is ex facie fraudulent and mala fide from the very inception. By adopting the mark „Timken“, the defendant clearly wanted to ride on the reputation and goodwill of the plaintiff;

8.49.3. Permitting the defendant to carry on his business with the mark „Timken“ would in fact be putting a seal of approval of the Court on the dishonest, illegal and clandestine conduct of the defendant;

8.49.4. Permitting the defendant to sell his product with the mark „Timken“ would definitely create confusion in the minds of the consumers because the defendant is in the business of manufacturing/trade of diesel generating sets, electrical control panels and allied products marked „Timken“ as to be designed or calculated to lead purchasers to believe that its product are in fact the products of the plaintiff. In other words, the defendant wants to ride on the reputation and goodwill of the plaintiff. In such a situation, it is the bounden duty and obligation of the Court not only to protect the goodwill and reputation of the plaintiff but also to protect the interest of the consumers;

8.49.5. Permitting the defendant to sell its product with the mark „Timken“ would amount to encouraging the defendant to practice fraud on the consumers;

8.49.6. Permitting the defendant to carry on his business in the name of „Timken“ would lead to eroding the reputation and goodwill acquired by the plaintiff over a passage of time; 8.49.7. The defendant's deliberate misrepresentation has the potentiality of creating serious confusion and deception for the public at large and the consumers have to be saved from such fraudulent and deceitful conduct of the defendant; 8.49.8. Permitting the defendant to sell its products with the mark „Timken“ would be encroaching on the reputation and goodwill of the plaintiff and this would constitute invasion of proprietary rights vested in the plaintiff; and 8.49.9. Honesty and fair play

ought to be the basis of the policies in the world of trade and business.

8.50. The plaintiff is likely to ultimately succeed in the suit and in that view of the matter, it is in the interest of justice that the relief of temporary injunction should be given at this stage because the onus and burden is on the defendant to show that the user and adoption at the initial stage was honest. Honesty of adoption at the initial stage has to be established by the defendant which appears to be a very heavy burden to discharge. Since the adoption of the mark itself is dishonest and fraudulent, mere delay in bringing action for infringement of trade mark cannot be ground to deny the injunction to the plaintiff.

Balance of convenience 8.51. The balance of convenience lies in favour of the plaintiff and against the defendant because the plaintiff is the registered owner of the trade mark 'Timken' as well as copyright owner of its art work, font and colour and would suffer irreparably and the defendant's use of the plaintiff's trade mark would dilute the plaintiff's trade mark. On the other hand, the defendant has dishonestly adopted the plaintiff's trade mark and copyright. 8.52. Since the initial adoption itself was fraudulent, the subsequent use or even prejudice does not tilt the balance of convenience in favour of the defendant and therefore, injunction must follow.

8.53. The plaintiff has made out a strong case for protection against dilution of their brand name 'Timken'. Even if the defendant is required to change their name at this juncture, they are not likely to suffer much as they had commenced business only in 1989 and even if they suffer some inconvenience in the event of the failure of the plaintiff in the suit, defendant can be adequately compensated in terms of money. Same thing cannot be said in respect of the damage which is likely to be suffered by the plaintiff by way of dilution or debasement of their brand name 'Timken' and as such, in my opinion, the balance of convenience is in favour of the plaintiff.

Irreparable loss and injury 8.54. The plaintiff would suffer irreparable loss and injury in case the defendant is not restrained from using the plaintiff's registered trade mark. If the defendant is not restrained from using the plaintiff's registered trade mark „Timken , it would also dilute the plaintiff's trade mark and would also cause confusion to the public, who would associate the defendant with the plaintiff. 8.55. If the defendant is permitted to continue the infringement of trade mark and copyright pending trial, the loss to the plaintiff cannot be compensated in terms of money as the plaintiff's trade mark and copyright would get diluted by the said use and would also cause confusion to the public, who would associate the defendant with the plaintiff. The use of the trade mark „Timken in similar style, font and colour by the defendant is likely to cause confusion to the public that the defendant has an association with the plaintiff and, therefore, the plaintiff is entitled to protection. On the other hand, the defendant would not suffer any irreparable loss because the defendant has deliberately and wilfully chosen to infringe the plaintiff's trade mark and copyright. As stated above, the inference at this stage can be drawn against the defendant under Section 114 of the Indian Evidence Act that the defendant knew well in 1989 about the plaintiff's trade mark and copyright. The onus on the defendant to prove during trial that he did not know of plaintiff's trade mark and copyright in 1989 is very heavy but till the time the defendant discharges the same, the defendant cannot be permitted to continue the infringement.

8.56. This case is squarely covered by the principles laid down in the judgments mentioned in para 7 above. With respect to the judgments cited by the defendant, this Court accepts the submissions of the plaintiff recorded in para 4.9 above.

9. Conclusion 9.1. In the facts and circumstances of this case, the application is allowed and the defendant, its directors, promoters, shareholders, managers, assignees, successors-in-interest, licensees, franchisees, companies, representatives, servants, distributors, agents, employees, etc. are restrained from:-

9.1.1. Using the plaintiff's registered trade mark 'Timken' or any other mark identical with or deceptively similar thereto singularly or in conjunction with any other words or monogram/logo to the plaintiff's trade mark 'Timken' as a trade mark, service mark, trade name, corporate name, trading style, email address, domain name, website address or in any other manner; on or in relation to or any goods and/or services, advertising, business paper etc.;

9.1.2. Passing off its goods/services/business as and for the goods/services/business of the plaintiff;

9.1.3. Infringing the plaintiff's copyright in the above-

depicted artistic work/representation/ logo employed by the plaintiff; and 9.1.4. Using the domain name/website address www.timkenservices.com or any other website with the name „Timken“, till the disposal of the suit.

9.2. In the interest of justice, equity and fair play, the defendant is granted two months' time to change its name in terms of this judgment subject to the defendant filing an undertaking to this effect within four weeks.

9.3. The plaintiff is entitled to the costs from the defendant. However, the order as to quantum of costs is deferred till the final decision of this suit. The plaintiff has submitted the actual cost of Rs.43,60,250/- incurred by them in this matter. Considering the high cost of litigation incurred by both the parties, this Court is concerned about the future cost of litigation. Both the parties are, therefore, directed to submit their estimate of future cost before the commencement of trial so that the parties shall have notice of actual cost that the other side estimate would be incurring in the course of litigation and the parties have an opportunity to take appropriate decision as to manner in which to conduct the litigation. Greater transparency about cost will promote access to justice. This process shall also keep the cost in check and potentially eliminate the need for a detailed assessment at the end as well as dispute as to the amount of the actual cost. This Court shall consider all these matters and shall pass appropriate order covering the entire gamut of the issue relating to costs at the stage of final arguments.

9.4. The observation made hereinabove are prima facie and shall not constitute any expression of final opinion on the issues involved and shall have no bearing on the merits of this case.

10. List before regular Bench as per roster on 4th July, 2013.

J.R. MIDHA, J May 30, 2013 Dev/dk