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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

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Judgment Pronounced on: 23.03.2020.

+ **CS(COMM) 292/2017**

BAYERISCHE MOTOREN WERKE AG Plaintiff

Through Mr.Pritesh Kapur, Sr.Adv. with
Ms.Sujata Chaudhri, Mr.Urfee Roomi and
Mr.Vanshuj Mehta, Advs.

Versus

OM BALAJEE AUTOMOBILE (INDIA)
PRIVATE LIMITED

..... Defendant

Through Mr.Shiv Charan Garg,
Mr.Imran Khan and Mr.Yash Mittal, Advs.

CORAM:

HON'BLE MR. JUSTICE JAYANT NATH

JAYANT NATH, J. (JUDGMENT)

IA No.4800/2017

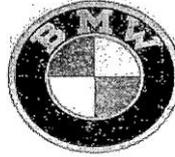
1. This application is filed by the plaintiff to restrain the defendants etc. from manufacturing, exporting or otherwise dealing with goods including but not limited to E-rickshaws, bearing the defendant's DMW marks or any other mark that is either identical or deceptively similar to the plaintiff's BMW Marks. Other connected reliefs are also sought.

2. The accompanying suit is filed by the plaintiff seeking a permanent injunction for the same relief as noted above. Other connected reliefs are also sought. It is the case of the plaintiff that that it was founded in Munich, Germany in 1916. It enjoys the distinction of being one of Germany's

largest industrial companies. It is stated to be one of the most reputed car and motorcycle manufacturers in the world. It is claimed that the plaintiff manufactures and sells automobiles under the plaintiff's BMW marks. The plaintiff has also been manufacturing motorcycles under the said marks since 1923 and motor cars under the mark BMW since the year 1928. It is stated that these automobiles set the highest standards in terms of aesthetics, dynamics, technology and quality. For numerous decades the part "Bayerische Motoren Werke" of the plaintiff's corporate name has been consistently shortened to "BMW" and the part "Aktiengesellschaft" of the plaintiff's corporate name (meaning "Joint Stock Company") has been shortened by the common abbreviation "AG". The plaintiff has been for many years and continues to be commonly referred to as BMW or BMW AG.

3. It is further claimed that the BMW Group's production network comprises a total of 31 production and assembly plants in 14 countries and has a global sales network in more than 140 countries. The plaintiff has a workforce of 1,24,729 employees. The plaintiff has used the plaintiff's BMW marks on cars, motorcycle, automobile, accessories, lifestyle including readymade clothing, other goods, in relation to services including financial services. The revenue figures for the period 2004-16 have been placed on record. It has been pleaded that in the year 2016 the plaintiff had a revenue of 94.163 million Euros and had sold a total of 20,03,359 vehicles with the plaintiff's BMW marks around the world. Details of the advertising and marketing expenditure have also been placed on record. It is pleaded that in 2016 a sum of Rs.6.030 million euros had been spent on advertising.

4. It is further stated that the plaintiff obtained the first trademark registration for the world famous BMW logo in 1917 in the classes 12,7,8,9 and 11. The logo is as follows:-



5. It is further pleaded that the plaintiff's BMW mark is a well-known trademark and has been so accepted in decisions of courts and other judicial bodies across the world and qualifies as a well-known trademarks under Article 6bis of the Paris Convention.

6. In India it is pleaded that the commercial ties of plaintiff began in 1987 when the automobiles bearing the plaintiff's BMW marks were first sold in India. A copy of the invoice dated 28.12.1987 has been placed on record. Plaintiff's Indian Affiliate has also in 2007 set up an assembly plant in Chennai whose primary function is to assemble automobiles and supply them to various markets. It is reiterated that the plaintiff's BMW marks are well-known due to extensive and continuous use in India and qualifies as a well-known trademarks as envisaged in section 2(1)(zg) and section 11(6) of The Trademarks Act, 1999. Within India the plaintiff owns numerous registrations of plaintiff's BMW marks covering a broad spectrum of goods and services including class 7,9,12,25, 28,36,37 and 39. The earliest Indian registration for the BMW mark dates back to 1956 and covers goods in Class 12. The details of the registrations of different BMW trademarks are spelt out in para 46 of the plaint.

7. Regarding the defendant it is stated that the same is manufacturing, marketing and selling E-Rickshaws, E-Cart Rickshaw, Electric Cargo and Electric Loader under the trademark DMW. It is pleaded that the plaintiff got knowledge of the said mark on 1.7.2016 when E-Rickshaws with trademark DMW was spotted plying on the road. A cease and desist notice was sent to defendant on 12.7.2016 to cease the use of the DMW mark in relation to e-vehicles or any other goods. The defendants in their reply dated 23.7.2016 refused to comply with the submissions put forth by the plaintiff and justified the use of the mark DMW and the domain name.

8. It is pleaded that the defendant's mark DMW is deceptively similar to the plaintiff's BMW marks. It is pleaded that this act of the defendant is in complete violation of the plaintiff's trademark rights in the plaintiff's BMW marks. Both BMW and DMW marks consist of three letters of which the second and the third letters being M and W are identical. All that the defendant has done is to replace the letter B with the letter D. It is further stated that the letters B and D are visually and phonetically similar. Therefore, there is no doubt that DMW is phonetically similar to BMW. Further, the defendant is using DMW mark in relation to goods such as E-Rickshaws which are goods somewhat similar to automobiles covered by the plaintiff's BMW mark. It is pleaded that defendant has committed an act of passing off. It is reiterated that the defendants' DMW marks are deceptively similar in appearance, sound and structure to the plaintiff's BMW mark. The adoption of the said mark by defendant is mala fide. Hence, the present suit and application.

9. The defendant has filed his written statement. In the written statement the following salient pleas are raised/taken on merits:-

(i) It is claimed that the suit is not maintainable as the product of the defendant is different from the product manufactured by the plaintiff. The nature of the product, class of buyers and trade channels of the product of the defendant is entirely different from the product of the plaintiff. Further, it is stated that the product of the defendant is neither identical nor vertically similar to the product of the plaintiff. There is a difference of colour, font and size of the trademark of the plaintiff. BMW and DMW Deshwar Motor Works are not deceptively similar.

(ii) It is stated that the suit is not maintainable as the plaintiff has admitted that they are manufacturers of automobiles, motorcycle, cars and not manufacturing E-Rickshaws etc. Defendant manufactures only E-Rickshaws.

(iii) It is pleaded that the other companies are selling automobiles like truck, busses, motorcycle etc. under the trademark AMW PMW etc. However, no steps have been taken by the plaintiff company against the said companies.

(iv) It is further stated that the suit is barred by limitation because the answering defendant is manufacturing said products since 2013. The defendant has given advertisement since 2013 in different States. The company was registered on 19.12.2005 under the Companies Act. It is to the knowledge of the plaintiff that the manufacturing of E-Rickshaws commenced in February 2013. The present suit is filed with delay and laches.

10. I have heard learned counsel for the parties. Learned senior counsel appearing for the plaintiff has stressed as follows:-

(i) It is stated that it is a matter of fact that the defendant's DMW mark is similar to the plaintiff's BMW mark in appearance, sound and structure. It is

pleaded that the only plausible reason for the defendant's adoption of the said DMW mark is to invoke the plaintiff's BMW mark in the mind of the consumers. Given the well-known nature of the plaintiff's well-known mark it is unfathomable that the defendant was unaware of the marks.

(ii) It is further pleaded that this is a clear case of dilution of the trademark of the plaintiff attracting section 29(4) of the Trademarks Act. It is pleaded that dilution may also occur when well-known trademark is used in respect of the goods or services of an inferior quality. In view of the fact that section 29(4) of the Trademarks Act is attracted the element of having to show the likelihood of confusion is absent.

(iii) It is further pleaded that the test is of an average consumer to see as to whether an average consumer of imperfect recollection would get confused by the use of the trademark by the defendant. In the present case it is pleaded that this is a clear case of likelihood of confusion in the mind of an average consumer.

(iv) It is further stated that dishonest adoption has now been recognised as an independent head under passing off. Where the goods in issue have a well-known mark having worldwide reputation and a subsequent entrant adopts a mark that comes close to or approximate to the original mark, the adoption of the mark itself is dishonest and an injunction must follow. Reliance is placed on the judgment of the Supreme Court in the case of ***Midas Hygiene Industries (P) Ltd. vs. Sudhir Bhatia and Others, (2004) 3 SCC 90.***

11. Learned counsel appearing for the defendant pleads as follows:-

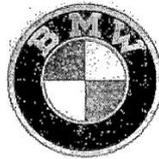
(i) It is pleaded that the mark of the defendant DMW is entirely different, visually, structurally and phonetically from the mark of the plaintiff

company. It is admitted fact that the defendant has filed an application to register the mark DESHWAR Motor Works DMW which itself shows on the plate which is tagged on the E-Rickshaw.

(ii) It is pleaded that the nature of the business, class of buyers and product of parties are totally different. The defendant is not using any logo. The defendant has also applied for registration of an inverter which is not manufactured by the plaintiff.

(iii) The total value of the product of the defendant is about Rs.50,000/- and that of the plaintiff company is a minimum of Rs.35 lacs. Reliance is placed on judgment of the Supreme Court in *Nandhini Deluxe vs. Karnataka Cooperative Milk Producers Federation Ltd., (2018) 9 SCC 183* to plead that no confusion is caused.

12. I may first have a look at the nature of the mark being used by the parties. The plaintiff uses the mark BMW. It also uses the following logo :-



On the other hand the defendant has on 4.3.2017 filed an application to register the mark **DMW** under the class 12.

DESHWAR MOTOR WORKS.

The defendant also uses the mark **DMW**. The stress of the defendant is on the mark DMW.

13. Principles governing the resolution of disputes relating to identical and deceptive similarity of the trademark have been succinctly stated by the

judgment of the High Court of Jammu & Kashmir in *J.K.Oil Industries v. Ganpati Food Products & Ors.*, MANU/JK/0453/2017, as follows:

“12. Principles governing the resolution of disputes relating to identity and deceptive similarity of trade marks have been laid down by the Supreme Court from time to time. In *Corn Products Refining Company v Shangrila Food Products Limited*: AIR 1960SC 142, the registered trade mark "Gluco vita" of therein appellant was pitted against therein respondents' mark "Glu vita", which they had applied for its registration. Dealing with the question as to whether there was likelihood of confusion between the two marks, which was the view taken by Desai, J. of the Bombay High Court in that case, the Supreme Court observed as follows:

"19. We think that the view taken by Desai, J., is right. It is well known that the question whether the two marks are likely to give rise to confusion or not is a question of first impression. It is for the court to decide that question. English cases proceeding on the English way of pronouncing an English word by Englishmen, which it may be stated is not always the same, may not be of much assistance in our country in deciding questions of phonetic similarity. It cannot be overlooked that the word is an English word which to the mass of the Indian people is a foreign word. It is well recognised that in deciding a question of similarity between two marks, the marks have to be considered as a whole. So considered, we are inclined to agree with Desai, J., that the marks with which this case is concerned are similar. Apart from the syllable 'co' in the appellant's mark, the two marks are identical. That syllable is not in our opinion such as would enable the

buyers in our country to distinguish the one mark from the other."

13. In *AmritDhara Pharmacy v Satya Deo*: AIR 1963 SC 449, the respondents therein had applied for registration of trade name "Lakshmandhara" in respect of a medicinal preparations for the alleviation of various ailments. This was opposed by therein appellant whose earlier registered trade name was "AmritDhara" in respect of a similar medicinal preparation. The question, which arose was whether the name "Lakshmandhara" was likely to deceive the public or cause confusion to the trade. Supreme Court in this has observed:

"It will be noticed that the words used in the sections and relevant for our purpose are "likely to deceive or cause confusion." The Act does not lay down any criteria for determining what is likely to deceive or cause confusion. Therefore, every case must depend on its own particular facts, and the value of authorities lies not so much in the actual decision as in the tests applied for determining what is likely to deceive or cause confusion. On an application to register, the Registrar or an opponent may object that the trade mark is not registrable by reason of cl. (a) of s. 8, or sub-s. (1) of s. 10, as in this case. In such a case the onus is on the applicant to satisfy the Registrar that the trade mark applied for is not likely to deceive or cause Confusion. In cases in which the tribunal considers that there is doubt as to whether deception is likely, the application should be refused. A trade mark is likely to deceive or cause confusion by the resemblance to another already on the Register if it is likely to do so in the course of its legitimate use in a market where the two marks are

assumed to be in use by traders in that market. In considering the matter, all the circumstances of the case must be considered. As was observed by Parker, J. in Pianotist Co. s Application (1), 'which was also a case of the comparison of two words-

"You must take the two words. You must Judge them, both by their look and by their sound. You must consider the goods to which they are to be applied. You must consider the nature and kind of customer who would be likely to buy those goods. In fact you must consider all the surrounding circumstances and you must further consider what is likely to happen if each of those trade marks is used in a normal way as a trade mark for the goods of the respective owners of the marks (1) (1906) 23 R. P. C. 774,777.

For deceptive resemblance two important questions are: (1) who are the persons whom the resemblance must be likely to deceive or confuse, and (2) what rules of comparison are to be adopted in judging whether such resemblance exists. As to confusion, it is perhaps an appropriate description of the state of mind of a customer who, on seeing a mark thinks, that it differs from the mark on goods which' he has previously bought, but is doubtful whether that impression is not due to imperfect recollection. (See Kerly on Trade Marks, 8th edition, p. 400.)"

14. In *Durga Dutt v Navaratna Laboratories*: AIR 1965 SC 980, Supreme Court has pointed out:

"In an action for infringement, the plaintiff must, no doubt, make out that the use of the defendant's mark is likely to deceive, but where the similarity between the

plaintiff's and the defendant's mark is so close either visually, phonetically or otherwise and the court reaches the conclusion that there is an imitation, no further evidence is required to establish that the plaintiff's rights are violated. Expressed in another way, if the essential features of the trade mark of the plaintiff have been adopted by the defendant, the fact that the get-up, packing and other writing or marks on the goods or on the packets in which he offers his goods for sale show marked differences, or indicate clearly a trade origin different from that of the registered proprietor of the mark would be immaterial; whereas in the case of passing off, the defendant may escape liability if he can show that the added matter is sufficient to distinguish his goods from those of the plaintiff."

16. Supreme Court in Durga Dutt's case has held also that 'where the two marks are identical no further questions arise; for then the infringement is made out. When the two marks are not identical, the plaintiff would have to establish that the mark used by the defendant so nearly resembles the plaintiff's registered trade mark as is likely to deceive or cause confusion in relation to goods in respect of which it is registered. "The persons who would be deceived are, of course, the purchasers of the goods and it is the likelihood of their being deceived that is the subject of consideration. The resemblance may be phonetic, visual or in the basic idea represented by the plaintiff's mark. The purpose of the comparison is for determining whether the essential features of the plaintiff's trade mark are to be found in that used by the defendant. The identification of the essential features of the mark is in essence a question of

fact and depends on the judgment of the Court based on the evidence led before it as regards the usage of the trade.

In view of the stated legal position, the issue centers around as to whether the trademark being used by the defendant is deceptively similar or nearly resembles the mark of the plaintiff or is likely to deceive or cause confusion.

15. A perusal of the aforesaid two trademarks of the parties shows that the defendant has adopted the essential features of the trademark of the plaintiff. There is clearly a visual and phonetic resemblance in the marks. The essential features of the plaintiffs marks are copied in the defendants' mark and the same are likely to deceive and cause confusion.

16. Learned counsel for the defendant has, however, strongly urged that the products being manufactured by the defendant are entirely different i.e. E-Rickshaws. The plaintiff does not manufacture such a product. Further, the cost of E-Rickshaw being under Rs.1 lac the consumers who deal with the E-Rickshaws would not have any connect with the plaintiff whose entry level vehicles itself cost about Rs.35 lacs. Reliance was placed on judgment of the Supreme Court in *Nandhini Deluxe vs. Karnataka Cooperative Milk Producers Federation Ltd., (supra)*.

17. The plaintiffs have in response urged that the principle of dilution of a well-known would apply to the facts of this case inasmuch as section 29(4) of the Trademarks Act is attracted. Reliance is placed on judgment of a coordinate Bench of this Court in *ITC Limited vs. Philip Morris Products SA and Ors, ILR (2010) 2 DELHI 455* and *Tata Sons Ltd. vs. Manoj Dodia and Ors., 2011 SCC Online Del 1520*.

18. I may first look at the judgments relied upon by learned counsel for defendant i.e. *Nandhini Deluxe vs. Karnataka Cooperative Milk Producers Federation Ltd., (supra)*. In that case the issue pertained to trademark NANDINI in respect of the products, namely, milk and milk products which were being used by the respondent since 1985 as against the appellant who was in the business of running restaurants and who had adopted the mark NANDHINI for restaurants since 1989. In those facts the Supreme Court held as follows:-

“28. We are of further opinion that the earlier order dated 20-4-2010 of IPAB approached the subject-matter in the correct perspective. The test laid down in *Polaroid Corpn. v. Polarad Electronics Corpn.* [*Polaroid Corpn. v. Polarad Electronics Corpn.*, 182 F Supp 350 (1960)] is as follows:

“The problem of determining how far a valid trade mark shall be protected with respect to goods other than those to which its owner has applied it, has long been vexing and does not become easier of solution with the years. Neither of our recent decisions so heavily relied upon by the parties, *Harold F. Ritchie Inc. v. Chesebrough-Pond's Inc.* [*Harold F. Ritchie Inc. v. Chesebrough-Pond's Inc.*, 281 F 2d 755 (2d Cir 1960)] , by the plaintiff, and *Avon Shoe Co. Inc. v. David Crystal Inc.* [*Avon Shoe Co. Inc. v. David Crystal Inc.*, 279 F 2d 607 (2d Cir 1960)] by the defendant, affords much assistance, since in *Ritchie case* [*Harold F. Ritchie Inc. v. Chesebrough-Pond's Inc.*, 281 F 2d 755 (2d Cir 1960)] there was confusion as to the identical product and the defendant in *Avon case* [*Avon Shoe Co. Inc. v. David Crystal Inc.*, 279 F 2d 607 (2d Cir 1960)] had adopted its mark “without knowledge of the plaintiffs' prior use”. Where the products are different, the prior owner's chance of success is a function of many variables: the strength of his mark, the degree of similarity between the two marks, the proximity of the products, the likelihood that the prior owner will bridge the gap, actual confusion, and the reciprocal of the defendant's good faith in adopting its own mark, the

quality of the defendant's product, and the sophistication of the buyers. Even this extensive catalogue does not exhaust the possibilities — the court may have to take still other variables into account. American Law Institute, Restatement of Torts, §§ 729, 730, 731. Here the plaintiff's mark is a strong one and the similarity between the two names is great, but the evidence of actual confusion, when analysed, is not impressive. The filter seems to be the only case where the defendant has sold, but not manufactured, a product serving a function similar to any of the plaintiff's, and the plaintiff's sales of this item have been highly irregular, varying e.g. from \$2,300 in 1953 to \$303,000 in 1955, and \$48,000 in 1956.”

29. This Court in *National Sewing Thread Co. Ltd. v. James Chadwick and Bros. Ltd.* [*National Sewing Thread Co. Ltd. v. James Chadwick and Bros. Ltd.*, AIR 1953 SC 357] accepted the following principles which are to be applied in such cases: (AIR p. 363, para 22)

“22. The principles of law applicable to such cases are well settled. The burden of proving that the trade mark which a person seeks to register is not likely to deceive or to cause confusion is upon the applicant. It is for him to satisfy the Registrar that his trade mark does not fall within the prohibition of Section 8 and therefore it should be registered. Moreover, in deciding whether a particular trade mark is likely to deceive or cause confusion that duty is not discharged by arriving at the result by merely comparing it with the trade mark which is already registered and whose proprietor is offering opposition to the registration of the mark. The real question to decide in such cases is to see as to how a purchaser, who must be looked upon as an average man of ordinary intelligence, would react to a particular trade mark, what association he would form by looking at the trade mark, and in what respect he would connect the trade mark with the goods which he would be purchasing.”

30. Applying the aforesaid principles to the instant case, when we find that not only visual appearance of the two marks is different, they even relate to different products. Further, the manner in which

they are traded by the appellant and the respondent respectively, highlighted above, it is difficult to imagine that an average man of ordinary intelligence would associate the goods of the appellant as that of the respondent.”

19. Hence the court held that where the products are different, prior owner's chance of success is a function of many variables; the strength of his mark, the degree of similarities between the two marks, the proximity of the products, the likelihood that the prior owner will bridge the gap, actual confusion , etc. etc. All variables have to be taken into account. Based on the above the court on the facts of that case concluded that visual appearance of the two marks is different and they relate to different products. Further, the manner in which they are treated by the appellant and the respondent respectively the court concluded that it was difficult to imagine that an average man of ordinary intelligence would associate the goods of the appellant as that of the respondent. Clearly, in the facts of that case the court came to a conclusion that an average man of ordinary intelligence would not associate the goods of the appellant as that of the respondent. In my opinion, the facts of the present case are materially different. The strength of the trademark of the plaintiff cannot be disputed. The plaintiff is manufacturing motorcycles under the mark BMW since 1923 and motor cars since 1928, under the said mark. It has assembly plants in 14 countries and a global sales network in more than 140 countries. The plaintiff and affiliated companies have a work force nearly of 1,25,000. In 2016, it had a revenue of 94.163 million Euros. In 2016, 23,67,600 vehicles were sold worldwide by the plaintiff of which two million vehicles were cars with the brand BMW mark. In these circumstances, the use of the mark DMW by the defendant prima

facie appears to be a dishonest act with an intention of trying to take advantage of the reputation and goodwill of the brand of the plaintiff. It is likely to mislead an average man of ordinary intelligence.

20. Regarding the principle of Dilution as urged by learned senior counsel for the plaintiff in this context reference may be had to Section 29 (4) of The Trade Marks Act, 1999 which reads as follows:

“29. Infringement of registered trade marks.—

.....

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

(a) is identical with or similar to the registered trade mark; and

(b) is used in relation to goods or services which are not similar to those for which the trade mark is registered; and

(c) the registered trade mark has a reputation in India and the use of the mark without due cause takes unfair advantage of or is detrimental to, the distinctive character or repute of the registered trade mark.”

21. In the aforesaid context reference may be had to the judgment of a co-ordinate Bench of this court in *ITC Limited vs. Philip Morris Products SA and Ors, I (supra)* where the court held as follows:

“48. It is an established principle, in India, that in any trademark infringement action, the question of similarity (of the rival marks) is to be addressed first. Here, the test — evolved over 40 years ago — of course in the context of similar goods and applied consistently by the court, was summarized by the following quote, (from an old English decision) by the Supreme Court, in *Amritdhara Pharmacy v. Satya Deo Gupta*, AIR 1963 SC 449 onwards:

“You must take the two words. You must judge them, both by their look and by their sound. You must consider the goods to which they are to be applied. You must consider the nature and kind of customer who would be likely to buy those goods. In fact you must consider all the surrounding circumstances; and you must further consider what is likely to happen if each of those trade-marks is used in a normal way as a trade mark for the goods of the respective owners of the marks.”

This court is of opinion that the test here (for dilution) is not exactly the same. For one, Parliament has consciously eschewed the “deceptively” similar standard—which is defined by Section 2, in relation to infringement claims under Section 29(4). This would mean that the identity or similarity standard is a notch higher — the claimant has to prove or establish that the two marks are identical with or similar to each other. The question of deception does not arise here. There must be a near identification of the two marks or they must have the closest similarity. The second aspect is that the other elements necessary to establish dilution dissimilarity of goods, the claimant mark having a reputation in India; the use of the mark without due cause, resulting in detriment to it, or the defendant taking undue advantage, have to be established. *These ingredients are all to be established, as the conjunctive “and” is used, in Section 29(4).”*

22. Similarly, reference may be had to the judgment of another coordinate Bench of this Court in *Tata Sons Ltd. vs. Manoj Dodia*, (*supra*) where the court was dealing with the trademark of the plaintiff i.e. TATA. The defendant was selling weighing scales and spring balances under the trade mark A-One TATA where the court held as follows:

“20. Since the trademark TATA is a well known trademark, use of the aforesaid mark by the defendant on the products being sold by him also constitutes infringement within the meaning of Section 29(4) of the Trademarks Act, 1999 since by using the trademark TATA, he obviously has tried to take an unfair advantage by encashing upon the brand quality and goodwill, which the mark TATA enjoys in the market. Since the defendant has not come forward to contest the suit, the presumption is that use of the mark A-ONE TATA by him is not bona fide, but is deliberate, intended to encash the popularity and reputation, which TATA brand enjoys. Such use by the defendant is likely to be detrimental to the reputation and distinctive character of the registered trademark TATA of the plaintiff company because if this mark is allowed to be used on the products, which do not originate from TATA group of companies, that may diminish the ability of the trademark TATA to identify the source of the goods in respect of which this trademark is used, besides lowering its reputation in case the quality of the goods is not of expected standard.”

23. It is manifest from the facts narrated above that the brand of the defendant is visually and phonetically similar to the mark of the plaintiff. Further, the plaintiff's mark is a well known trademark and use of the aforesaid mark by the defendant on its product constitutes infringement within the meaning of Section 29(4) of the Trademarks Act. The defendant is obviously seeking to encash upon the brand quality and goodwill which the mark BMW enjoys in the market. Such use by the defendant is detrimental to the reputation of the registered mark BMW of the plaintiff company. The defendant is prima facie guilty of infringement of the trade mark of the petitioner.

24. The last plea raised by learned counsel for defendant was that the defendant has been manufacturing the said E-Rickshaws using the said brand

DMW since 2013. It is claimed that the plaintiff was aware of this. Hence, the present suit is barred by delay, laches and limitation.

25. Factually, the said contention of learned counsel for defendant is erroneous as in the plaint, the plaintiff states that the defendant got knowledge of the use of the trademark by the defendant on or around 01.07.2016. Immediately, thereafter, on 12.07.2016 a Cease and Desist notice was sent to the defendant. The suit has been filed in 2017 itself.

26. In this context, reference may be had to the judgment of the Supreme Court in *Midas Hygiene Industries (P) Ltd. vs. Sudhir Bhatia and Others* (2004) 3 SCC 90 where the Supreme Court held as follows:

“5. The law on the subject is well settled. In cases of infringement either of trade mark or of copyright, normally an injunction must follow. Mere delay in bringing action is not sufficient to defeat grant of injunction in such cases. The grant of injunction also becomes necessary if it prima facie appears that the adoption of the mark was itself dishonest.”

Hence, even if there was delay on the part of the plaintiff in filing of the present suit as has been claimed by the defendant, the same delay would not be sufficient to deter grant of injunction in favor of plaintiff.

27. The plaintiffs have made out a prima facie case. Balance of convenience is in favour of the plaintiff and against the defendant. An ad interim injunction is passed restraining the defendants, its officers, agents etc. from manufacturing, exporting, importing or offering for sale, advertising or in any manner dealing with goods not limited to E-Rickshaws

bearing the mark DMW or any other mark which are identical or deceptively similar to the plaintiff's BMW marks.

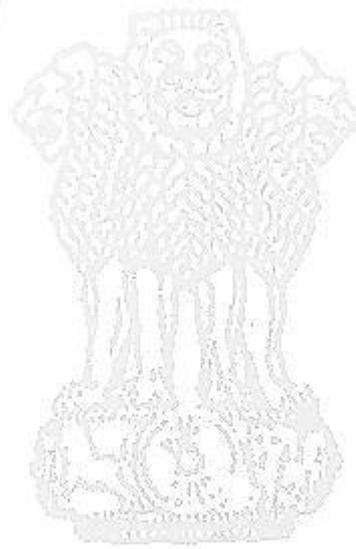
28. Application stands disposed of.

JAYANT NATH, J

MARCH 23, 2020

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HIGH COURT OF DELHI



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