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

% Date of Decision: 19th April, 2023

+ CS(COMM) 115/2022 & I.A. 5427/2022

**ALLIED BLENDERS AND
DISTILLERS PVT. LTD.**

..... Plaintiff

Through: Mr. Rajiv Nayar and Mr. Akhil Sibal, Senior Advocates with Mr. Shrawan Chopra, Mr. Vibhav Mithal, Mr. Achyut Tewari, Mr. Saurabh Seth, Mr. Sanjay Chhabra, Ms. Deboshree and Mr. Akhil Dehlan, Advocates.

versus

**SNJ DISTILLERS PRIVATE LIMITED
& ANR**

..... Defendants

Through: Mr. Sandeep Sethi and Mr. Chander M. Lall, Senior Advocates with Mr. Kartik Seth, Ms. Shriya Gilhotra, Ms. Garima Saxena, Mr. Sahil Nagpal and Mr. Akshit, Advocates for D-1 and 2.

**CORAM:
HON'BLE MS. JUSTICE JYOTI SINGH**

JUDGEMENT

JYOTI SINGH, J.


I.A. 2712/2022 (under Order XXXIX Rules 1 and 2 CPC, by Plaintiff)

I.A. 4044/2022 (under Order XXXIX Rule 4 read with Section 151 CPC, by Defendants)

1. This judgment will dispose of the application filed by the Plaintiff under Order 39 Rules 1 and 2, CPC, 1908 as well as an application filed under Order 39 Rule 4, CPC filed by the Defendants.

2. Present suit has been filed by the Plaintiff seeking permanent injunction restraining the Defendants and all others acting for or on their behalf from using, manufacturing, selling, offering for sale, exporting, importing, distributing, advertising directly or indirectly dealing in alcoholic beverages, especially, country spirits and Indian



Made Foreign Liquor (IMFL) under the impugned mark  or any identical/deceptively similar mark to that of Plaintiff's trademarks 'Officer's Choice', 'Officer's Choice Blue' and 'Choice' amounting to trademark infringement, passing off, dilution and tarnishment as well as for delivery up, damages and rendition of accounts of profits with costs.

3. On 17.02.2022, Court granted *ex-parte ad interim* injunction against the Defendants restraining them from using, manufacturing, selling, etc., alcoholic beverages, especially, country spirits and IMFL under the impugned trademark 'Green Choice' (label) (hereinafter referred to as "Green Choice") or any other mark, identical/deceptively similar mark to Plaintiff's trademarks 'Officer's Choice', 'Officer's Choice Blue' and 'Choice'. Subsequently, an application was filed on behalf of the Defendants under Order 39 Rule 4 CPC, seeking vacation of the *ex-parte* injunction order. Pleadings being complete in both the applications, they were taken up together for hearing.

4. The expose of facts, as set out in the plaint is that:-

- (a) Plaintiff is in the business of manufacturing and marketing alcoholic beverages including IMFL, sold under distinctive trademarks OFFICER'S CHOICE, OFFICER'S CHOICE BLUE, CLASS VODKA, STERLING RESERVE, etc. and



(b) The Officer's Choice trademark was coined and adopted in the year 1988 by predecessor in rights, title and interest of the Plaintiff and was assigned to the Plaintiff along with the goodwill of the business by way of Deed of Assignment dated 26.02.1991. By virtue of a demerger, transfer and vesting of the liquor business of M/s BDA Pvt. Ltd. with Allied Blenders and Distillers Pvt. Ltd. under a Composite Scheme of Arrangement approved by the Bombay High Court on 23.02.2007, Plaintiff became the proprietor of the trademark 'Officer's Choice' in several classes. In 2011, Plaintiff expanded into 'Officer's Choice Blue' and very recently into 'Officer's Choice Black'.

(c) Over the years, Officer's Choice is one of the largest selling whiskies in the world and the trademark has been declared as a well-known trademark in *M/s. Allied Blenders and Distillers Pvt. Ltd. vs. Surya Rao Trading as Leo Foods & Beverages*, CS(COMM) 1227/2016 vide order dated 16.01.2017 under Section 2(1)(zg) of the Trade Marks Act, 1999 (hereinafter referred to as the '1999 Act'). The products are sold under unique and distinctive labels and packaging. Trademark Officer's Choice has been used

continuously, extensively, consistently and exclusively by Plaintiff's predecessors from the year 1988 and subsequently by the Plaintiff. The goods bearing the aforesaid marks are sold across the country and have acquired an impeccable and formidable reputation and goodwill and by virtue of excellent quality, Plaintiff's whisky has become extremely popular among the trade and public.

(d) New York based 'Impact International' and IWSR have rated Officer's Choice as the largest selling Indian Spirit Brand with a growth of 29.2% in 2012-13, as reported by IWSR. Whisky sold under Officer's Choice Blue trademark has crossed one million cases sales mark within a few years of its National launch.

(e) Plaintiff has registrations for the trademarks Officer's Choice in Classes 3, 32, 33 and 34; for Officer's Choice Blue in Classes 9, 16, 21, 30, 32, 33, 34 and for Choice in Class 32, the details whereof are furnished in para 7 of the plaint and the registrations are valid and subsisting. Some of the original registrations for Officer's Choice applied for in 1988 and 1990 for trademark Nos. 489582 and 538927 respectively had disclaimers on the word 'Choice', however, some of the subsequent registrations do not have the disclaimers as by that time Officer's Choice had been extensively used.

(f) By virtue of excellent quality and distinctive packaging, substantial reputation and goodwill has been acquired by Plaintiff's Officer's Choice trademarks, which is also evident from the sales of the products from the year 2008-09 to 2019-2020. The sales have steadily grown from 9.55

million (cases containing 9 litres) in 2008-09 to 30.10 million (cases containing 9 litres). Plaintiff has exported its products under Officer's Choice to many countries and has spent large sums of money to promote the sales of IMFL under Officer's Choice label besides popularizing its products through sponsorship of various sporting events. The expenses incurred on sales promotions for the years 1994-2020 reflect an increase from Rs. 14.90 crores to Rs. 52.72 crores.

(g) Plaintiff has been diligent in protecting its rights in its trademarks and has enforced and protected them against third parties. Favourable orders have been given by the Courts in various suits filed by the Plaintiff from time to time as mentioned in the plaint and extracted hereunder, for ready reference:-

| S. No. | Impugned Mark | Suit No. | Party's Name | Stage of Injunction |
|--------|-----------------------------------|--------------------------|--|--------------------------------|
| 1. | OFFICER'S SPECIAL | CS (OS) No. 247 of 2009 | Sentini Bio Products | Final Injunction |
| 2. | DOLLAR 500 PREMIUM WHISKY (Label) | CS (OS) No. 1437 of 2011 | Vishnu Laxmi Co-Op Grape Distillery | Ex-Parte Ad Interim Injunction |
| 3. | COLLECTOR'S CHOICE | CS (OS) No. 2589 of 2013 | M/s. Shree Nath Heritage Liquor Pvt. Ltd. | Final Injunction |
| 4. | EMPEROR'S CHOICE | CS (OS) No. 140 of 2014 | Master Blenders Pvt. Ltd. | Ad-Interim Injunction |
| 5. | OFFICER'S CHOICE | CS (OS) No. 1779 of 2014 | Suresh Kumar Trading As: Sant Shree Jayram Das Rice Mill | Ex-Parte Ad-Interim Injunction |
| 6. | OUR CHOICE | CS (OS) No. 1769 of 2014 | Sri Venkateshwara Distilleries | Ex-Parte Ad-Interim Injunction |
| 7. | SAILOR'S CHOICE | CS (OS) No. 964 of 2013 | Saraya Industries Ltd. | Ex-Parte Ad-Interim Injunction |
| 8. | CLUB'S CHOICE | CS (OS) No. 1934 of 2014 | M/s. Gemini Distilleries Pvt. Ltd. | Ad-Interim Injunction |
| 9. | SPINNER'S CHOICE | CS (OS) No. 439 of 2014 | Rhizome Distilleries Pvt. Ltd. | Ad-Interim Injunction |

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|-----|---|----------------------------|--|---------------------------|
| 10. | OFFICER'S CHOICE & OFFICERE'S | CS (COMM) No. 1227 of 2016 | Surya Rao Trading As Leo Foods & Beverages | Final Injunction |
| 11. | BANKER'S CHOICE, CORPORATE CHOICE & ODISHA'S CHOICE | CS (OS) No. 894 of 2017 | Pincon Spirit Ltd. | Ad-Interim Injunction |
| 12. | OASIS CLASSIC | CS (COMM) No. 238 of 2017 | Gauravh Malhotra | Ad-Interim Injunction |
| 13. | CHETAK WHIKSY (Label) | CS (COMM) No. 166 of 2020 | Agribiotech Industries Ltd. | Ad-Interim Injunction |
| 14. | MASTER'S CHOICE | CS (COMM) No. 573 of 2020 | Cosmos Beverages Private Limited | Ad-Interim Injunction |
| 15. | KI OFFICER VOICE BLUE | CS (COMM) No. 507 of 2021 | Sanjay Khurana & Ors. | Ex-parte Final Injunction |
| 16. | OFFICER'S CHOICE | CS (COMM) No. 103 of 2022 | Ashok Kumar | Final Injunction |

5. Plaintiff states that it learnt of Defendants' intentions to infringe the trademarks of the Plaintiff in August 2019 when Defendant



No. 1's TM Application No. 4211097 for the mark/label was advertised in Trademark's Journal No. 1914-0, using the mark 'Green Choice' on 'Proposed to be Used' basis. Plaintiff filed Opposition No. 1019826 dated 12.12.2019 before the Trade Marks Registry and is pending. Plaintiff also learnt in April, 2020 that Defendant No. 1 had launched its Whisky bearing the impugned label in July, 2019 in the State of Andhra Pradesh, though the sales were insignificant.

6. In June, 2021, Plaintiff entered into an Agreement with Defendant No. 2 for manufacturing and bottling of Plaintiff's different

brands, which Agreement Plaintiff was in the process of terminating. Defendant No. 2 being the licensee, is under an obligation to secure approval of the label of the Plaintiff from the Excise Authority before commencement of production, packaging and sale. Moreover, dishonesty of Defendant No.2 is writ large from the fact that Defendant No.2 has been Plaintiff's bottler since 2001 and had clear knowledge of the statutory and common law rights of the Plaintiff in Trademark Officer's Choice and its formative marks as well as the sales turnover and goodwill and reputation build over decades.

7. In October, 2021, Defendant No. 2 instead of taking action for securing approval of Plaintiff's label, applied for approval of the



impugned label , before the Excise Commissioner, Bengaluru, for manufacturing and marketing their whisky under the impugned mark 'Green Choice'. Plaintiff, without any delay filed objections to the same on 29.10.2021 and also requested for a hearing vide letter dated 01.12.2021. However, vide order dated 29.01.2022, the Excise Commissioner granted approval of the impugned label and dismissed the objections. As a result, Defendant No. 2 continued to sell its product under the impugned trademark/label, compelling the Plaintiff to file the present suit besides challenging the order of the Excise Commissioner in a writ petition bearing No.8464 of 2022, before the High Court of Karnataka.

CONTENTIONS RAISED ON BEHALF OF THE PLAINTIFF

8. Plaintiff adopted the trademark 'Officer's Choice' in the year 1988 and has been using the same since then to sell its IMFL products viz. whisky, both within and outside India. The trademark is distinctive and 'arbitrary' for whisky and this has been held by the

Division Bench in *Shree Nath Heritage Liquor Pvt. Ltd. v. M/s. Allied Blender & Distillers Pvt. Ltd., 2015 SCC OnLine Del 10164*. It is well-settled in trademark law jurisprudence that an “arbitrary mark” deserves the highest degree of protection. Relevant para of the judgment is as follows:-

“Nature of the mark:

14. *The respondent has registrations for its ‘Officer’s Choice’ composite word mark and ‘Officer’s Choice’ label dating back to the year 1988 and 1990 respectively. The respondent has been using the trademark ‘Officer’s Choice’ since 1988 and is an arbitrary mark for whisky. Therefore, the respondent has vast reputation and goodwill in the said mark. The appellant is using a composite word mark ‘Collector’s Choice’ and a label.”*


(Emphasis supplied)

9. The trademark Officer’s Choice has been declared as a well-known mark by a judgment dated 16.01.2017 of this Court in *Surya Rao (supra)*, wherein after the evidence was led, Court tested the trademark on the parameters indicated in Section 11(6) and (7) of the 1999 Act. It is trite law that when a mark is declared as a well-known mark, it is entitled to be protected across all classes, even for dissimilar goods and services, including classes for which it holds no registration or for goods and services it has yet to enter into. Being a well-known trademark, it is entitled to a high degree of protection under the Trademarks law. Apart from the said declaration, a Single Judge of this Court, way back on 01.07.2014 in *M/s. Allied Blenders & Distillers Pvt. Ltd. vs. Shree Nath Heritage Liquor Pvt. Ltd., 2014 SCC OnLine Del 3412* (hereinafter referred to as ‘*2014 M/s. Allied Blenders*’), had recognised the huge goodwill and reputation of the mark based on facts and sales brought before the Court and the judgment has been affirmed by the Division Bench in *Shree Nath Heritage Liquor Pvt. Ltd. (supra)*.

10. Plaintiff is the registered proprietor of the trademarks Officer's Choice, Officer's Choice Blue, Officer's Choice Black and Choice. Certificates of Registrations have been placed on record and the registrations are valid and subsisting. The earliest registration for the wordmark Officer's Choice dates back to 1988 and for the composite mark to 1990 in Class 33. By virtue of the registrations, Plaintiff has acquired a statutory right under Section 28(1) of the 1999 Act for protection of the trademark as well as its enforcement against third parties.

11. In a composite mark, it is possible for both parts to be



dominant. In Plaintiff's composite trademarks,  as an illustration, words 'Officer' and 'Choice' are both dominant. The additional factors which are pointers to the fact that 'Choice' is a dominant part of the composite marks are that: (a) restraint orders have been passed by the Courts against several third parties from using the marks which contain the word 'Choice', without the word 'Officer' such as 'Master's Choice', 'Collector's Choice', 'Our Choice', 'Sailor's Choice', 'Club's Choice', 'Spinner's Choice', 'Banker's Choice', 'Corporate Choice', etc.; (b) third parties copy the mark Choice as part of their trademark; (c) Plaintiff holds separate registrations for the mark 'Choice' in Class 32; and (d) 'Choice' is not descriptive of the goods but is arbitrary in nature.

12. The Division Bench of this Court in *Sentini Bio Products Pvt. Ltd. v. M/s. Allied Blender & Distillers Pvt. Ltd.*, 2015 SCC OnLine Del 10164, held that the word 'Choice' was synonymous to the word 'Special' and that the meaning conveyed by Defendant's marks therein, i.e., 'Officer's Special' and 'Officer's Choice' was the same.

If the mark 'Choice' was not an essential feature of Plaintiff's mark and was common to trade, the entire discussion with respect to the synonymous relationship was unnecessary.

13. Defendants with a *mala fide* intent and to deceive the general public and members of the trade have launched a product bearing the impugned labels with 'Green Choice', knowing fully well that it is identical/deceptively similar to Plaintiff's trademarks Officer's Choice, Officer's Choice Blue and Choice. The impugned mark is used by the Defendants with respect to identical goods i.e. IMFL and the consumer base being the same, there is every likelihood of confusion and thus, Defendants are guilty of infringing Plaintiff's registered trademarks under Section 29(2) of the 1999 Act.

14. Adoption of the impugned marks by the Defendants is with a view to encash upon the immense goodwill and reputation of Plaintiff's well-known trademarks and is wilful and dishonest so as to misrepresent and mislead the public that there is affiliation/association of Defendants' goods with the Plaintiff, resulting in passing off. Bottling Agreement was executed on 15.06.2021 between Defendant No.2 and the Plaintiff and former had prior knowledge of the goodwill and reputation generated by sale of whisky under the trademark 'Officer's Choice', including the sales figures and brand value. Under the Bottling Agreement, it was an obligation of Defendant No. 2 to report to the Plaintiff in writing if there was any infringement/misappropriation/misuse of the trademarks of the Plaintiff including labels and contrary thereto, it is a party to the infringing acts with Defendant No.1.

15. Defendants have given no justification or plausible explanation whatsoever for adopting the trademark Green Choice, save and except, for arguing that it is laudatory for alcohol and the Plaintiff can claim

no monopoly over the word 'Choice' and that the expression connotes an eco-friendly whisky and no more. This is not to state that the argument that Choice is laudatory, is neither taken by the Defendants in the pleadings in this suit nor before the Registrar of Trade Marks. To the contrary, Defendant No. 1 has claimed proprietary rights over the trademark 'Green Choice' before the Trade Marks Registry and it is a settled law that when a party applies for registration of a trademark, it is estopped from arguing that the proposed trademark is laudatory, generic, common to trade or has a dictionary meaning. Reliance is placed on the judgments of this Court in *Bata India Limited v. Chawla Boot House & Another, 2019 SCC OnLine Del 8147, Automatic Electric Limited v. R.K. Dhawan & Anr., 1999 SCC OnLine Del 27* and *2014 M/s. Allied Blenders (supra)*.

16. Defendant No. 1's dishonesty in adopting the trademark Green Choice is evident from the chronology of dates and events, inasmuch as the First Expression of Interest in Defendant No. 2's Corporate Insolvency Resolution Process ('CIRP') was released on 15.01.2019 and Defendant No. 1 conducted its due diligence and submitted its Resolution Plan for Defendant No. 2, which was considered in the meeting of the Committee of Creditors on 12.04.2019. Pertinently, Defendant No. 1 filed the trademark application for the impugned trademark Green Choice only on 19.06.2019, after it acquired knowledge of the confidential details of Plaintiff's business, which Defendant No. 2 was privy to, including sales turnover of whisky sold under 'Officer's Choice'.

17. It is undeniable that Defendants had knowledge that colour variants are not unusual in liquor business and that Plaintiff had launched colour variants such as Officer's Choice Blue and Officer's Choice Black. Yet, Defendants chose to use 'Green' and juxtaposed it

with 'Choice' taken from the trademark Officer's Choice and this would prejudicially impact future business expansion of the Plaintiff, contrary to law laid down by the Supreme Court in *Laxmikant V. Patel v. Chetanbhai Shah and Another*, (2002) 3 SCC 65.

18. Defendants have taken contradictory stands and self-destructive pleas in the various pleadings which itself is a pointer to their dishonest and false positions before this Court. Prior to the Plaintiff filing I.A. No. 6021/2022 under Order 39 Rule 2A CPC, stand of the Defendants was that the sales in Andhra Pradesh were their sales since 2019 and heavy reliance was placed on the sales figures to assert that they were suffering financial loss on account of the interim injunction granted by the Court. Even during the course of arguments, Defendants emphasized on the huge sales, purportedly over Rs.336 crores, seeking vacation of injunction. Since the excise approval was granted only in January, 2022 and the interim injunction was granted by this Court on 17.02.2022, the sales of Defendant No. 2 in Karnataka could only be very minimal and were perhaps to the tune of Rs.63 lakhs. In I.A. No. 2712/2022, Plaintiff averred that Defendant No. 1 launched its product in Andhra Pradesh in 2019 and was selling through its affiliate. Far from denying this position, Defendants admitted the same and also admitted that the 'Green Choice' (label) in Andhra Pradesh is Defendants' label. Having so pleaded, in order to escape the consequences of wilful default, Defendant No. 1 took a somersault and pleaded in reply to the application under Order 39 Rule 2A CPC that: (a) sales in Andhra Pradesh were not its sales; (b) label 'Green Choice' in Andhra Pradesh is not its label and the whisky bottles sold there were not its product; and (c) sale in Andhra Pradesh is by independent non-party to the suit i.e. M/s SNJ Sugars and Products Ltd., not covered by interim injunction order and not

selling for and on behalf Defendant No.1. If the stand now taken is correct Defendant No. 1 has not manufactured or sold any stock of 'Green Choice' whisky in Andhra Pradesh. As for Karnataka, the excise approval was granted only in January, 2022 and soon thereafter the Court injuncted the sales, save and except, sale of existing stock and therefore the sales are minimal, if any. Dishonesty of the Defendants is further underscored by the fact that Defendants No. 1 and 2 have common ownership inasmuch as Mr. Jayamurugan, Smt. Geetha and Defendant No. 1 together own 98.93% of Defendant No. 2's shareholding.

CONTENTIONS RAISED ON BEHALF OF THE DEFENDANTS

19. Defendant No. 1, SNJ Distillers Private Limited is a company incorporated under the Companies Act, 1956 and is engaged in the business of manufacturing all kinds of industrial and potable spirits, IMFL, beer, etc., soft drinks and allied products. Defendant No. 2, Empee Distilleries Limited is also a company incorporated under the Companies Act, 1956 engaged in manufacture of alcoholic beverages and IMFL and has been acquired by Defendant No. 1 vide order dated 20.01.2020 passed by National Company Law Tribunal ('NCLT'). Defendants No. 1 and 2 are both entities within the SNJ Group of Companies, an old and established business house.

20. There is delay on the part of the Plaintiff in filing the present suit. Paras 24 and 32 of the plaint evidence that Plaintiff was well-aware of the use of the trademark by the Defendants as far back as in August, 2019. Despite such knowledge, Plaintiff chose to sit back and not approach the Court of Law to protect its rights and it was only when the product was launched in Karnataka as an expansion of Defendant No. 2 that the Plaintiff filed the present suit in 2022, i.e., after nearly two and a half years from the date of knowledge. Even

then, use by SNJ Sugars in Andhra Pradesh was not challenged and SNJ Sugars is not even made a party to the suit. Excise approval of SNJ Sugars has not been challenged till date. Reliance was placed on the judgment in *Khoday Distilleries Limited v. Scotch Whisky Association and Others, (2008) 10 SCC 723*.

21. Plaintiff acquiesced in the use of the trademark by the Defendants as no action was taken from the time it admittedly gained knowledge of the user, i.e., from August, 2019. Further, despite such knowledge, Plaintiff entered into a Manufacturing, Blending and Bottling Agreement (hereinafter referred to as the 'Bottling Agreement'), in respect of the very same products and the trademark impugned in the suit. Plaintiff's conduct is *ex-facie* contrary to its pleadings and business sense, as no prudent trademark owner would entrust the manufacturing of its products to a person suspected of trademark infringement. While acquiescence is fatal to the suit itself, at the very least, it would disentitle the Plaintiff to an interim relief seeking restraint against the Defendants from selling their products under the impugned trademark.

22. Plaintiff has suppressed the material fact that it had conducted an elaborate due diligence exercise prior to the Bottling Agreement dated 15.06.2021 and there was a lengthy exchange of e-mails and communications, which reflect Plaintiff's awareness of the sales by SNJ Sugars under the impugned trademark. The due diligence report was extensive and contained all details of Defendants' businesses, financials and manufacturing and selling. Yet, the Plaintiff consciously allowed the Defendants to expand their business over a period of time to such an extent that Defendants have sold over 1,50,000 cases per month and created a niche market for themselves. Plaintiff thus acquiesced to the use of the impugned trademark so as to

let it grow in the market and Green Choice has now become the highest selling whisky in the State of Andhra Pradesh. Acquiescence is confirmed by the fact that Plaintiff has in the Bottling Agreement specifically incorporated Clause 2 to the effect that Defendant No. 2 shall not enter into any formal or informal agreement or understanding to bottle any brands/products of John Distillers Ltd. (manufacturers of 'Original Choice'). However, such a prohibitory clause is conspicuously absent qua the impugned mark. Reliance was placed on the judgments of the Supreme Court in *Amritdhara Pharmacy v. Satya Deo Gupta, (1963) 2 SCR 484; M/s Power Control Appliances and Others v. Sumeet Machines Pvt. Ltd., (1994) 2 SCC 448* and *Ramdev Food Products (P) Ltd. v. Arvindbhai Rambhai Patel and Others, (2006) 8 SCC 726*.

23. There is no visual, phonetic, structural or even semantic similarity between the words 'Green' and 'Officer' and both have different meanings. The word 'Green' connotes 'environment friendly' and merely characterises the product as an eco-friendly product. It is settled in various judgments that rival marks have to be seen as a whole and it is overall impression that is gained by looking at the two marks which is the test. Plaintiff has applied for several marks and all of which have either 'officer's badge'/ 'badge of a person in uniform' or the 'wings of officer's'/ 'wings of a person in uniform', which conveys that the product is the choice of a person in authority or power in uniform, whereas no such idea is conveyed by the impugned mark. It is for this reason that 'Original Choice', belonging to John Distillers was permitted to be sold in the market and the long litigation between the Plaintiff and Paul P. John in this Court and the Supreme Court finally ended in the IPAB in *Allied Blenders & Distilleries Pvt. Ltd. v. M/s. John Distillers Limited and Anr.,*

2013 SCC OnLine IPAB 34 (hereinafter referred to as '**John Distillers**'), wherein it was held that when the marks are taken as a whole, 'Original Choice' and 'Officer's Choice' are in no way identical and there is no likelihood of confusion. Reliance was placed on the judgment in **PhonePe Private Limited v. EZY Services and Another, 2021 SCC OnLine Del 2635**, wherein the Court held that barring the common 'Pe' suffix, it cannot be said that the trademarks PhonePe and BharatPe are confusingly similar. In **Amritdhara Pharmacy (supra)**, the Supreme Court held that the trademark is the whole thing – the whole word has to be considered and it is the overall similarity of the composite words which needs to be seen. It is settled that when a proprietor has registration for a device or a label mark with words as a part of the mark, no monopoly can be claimed over the word mark unless it is separately registered. Reliance was also placed for this proposition on the judgments of the Bombay High Court in **Ultratech Cement Limited v. Dalmia Cement Bharat Limited, 2016 SCC OnLine Bom 3574** and **People Interactive (India) Private Limited v. Vivek Pahwa and Others, 2016 SCC OnLine Bom 7351** as well as the judgment of this Court in **Rich Products Corporation and Ors. v. Indo-Nippon Foods Limited, 2010 (44) PTC 515 Del (DB)**.

24. Further, the two products bear an altogether distinct packaging and label. Product of the Plaintiff bears red and white coloured label and other segments of the products have a colour combination of black and golden or blue and golden, while the product of the Defendants has a colour combination of green and yellow. Additionally, logos of the rival products have a distinct physical appearance. While Plaintiff's products logo has two horses on each side of a circle in which abbreviation of product name is written, on the other hand,

Defendants' logo has wings on each side of the circle containing the product's name's abbreviation. No reasonable or prudent person with imperfect memory will confuse between the two products or relate the impugned trademark with the Plaintiff and there is no possibility of confusion.

25. Plaintiff cannot claim any monopoly over the word 'choice' as the same is a generic English word and laudatory, used in liquor industry to describe the choice of liquor of a person. Additionally, Plaintiff holds no monopoly over the word 'choice' in respect of goods in Class 33 as is evident from its trademark registrations and applications. While the Plaintiff has filed a series of applications which date back to several years, not a single application till date has been filed for 'Choice' in Class 33 and the registration for the mark 'Choice' is in class 32 for 'mineral water'. Pertinently, Plaintiff has filed a trademark Application No. 2872847 in 2014 for the word

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in Hindi language in Class 33 as well as for the word 'choice' in English, in respect of alcoholic beverages, however, the same have been opposed and the matters are pending before the Trade Marks Registry. Reluctance of the Plaintiff to pursue its applications is for an obvious reason that there are several registrations for the mark 'Choice' and many applications are pending, which is evident from the trademark search in Class 33, revealing 104 registrations and 289 pending applications with respect to the word 'Choice'.

26. Various other companies and distilleries are using, manufacturing and selling their products with the trade name 'choice' such as 'Longmorn Single Malt Scotch Whisky the Distillers Choice', 'Our Choice' and 'Yours choice' etc.

27. Plaintiff's case does not pass the trinity test of *prima facie* case, balance of convenience and irreparable injury and therefore, injunction order deserves to be vacated. There is no similarity in the trademarks 'Officer's Choice' and 'Green Choice' and the only commonality is the word 'Choice' for which the Plaintiff has no registration in respect of whisky, which is the subject matter of the present suit. There is no similarity in the packaging or any other indicia for any likelihood of confusion and by acquiescence to the use of Green Choice by SNJ Sugars, Plaintiff has, in fact, acknowledged its dissimilarity to Officer's Choice and thus no *prima facie* case is made out. With sales of over Rs.336 crores, clearly it is the Defendants and its affiliates who are suffering irreparable injury by operation of the *ex-parte* order. Green Choice is the highest selling brand in Andhra Pradesh with a minimum sale of 1,00,000 cases per month and not a single case of confusion has been shown by the Plaintiff over the past many years ever since the product has been launched in the market. Applying the principle in *Wander Ltd. and Another v. Antox India P. Ltd., (1990) SUPP SCC 727*, the balance of convenience also tilts in the favour of the Defendants. The Supreme Court has clearly held in the said judgment that the interlocutory remedy is intended to preserve the status quo and the Court in restraining a Defendant puts into scales, as a relevant consideration, whether he has already been doing so what is sought to be restrained and the considerations would be different when the Defendant is yet to commence his enterprise.

28. Reliance was placed on the judgment of this Court in *Pernod Ricard India Private Limited v. Frost Falcon Distilleries Limited, 2002 SCC OnLine Del 646*, where the competing marks were 'BLENDERS PRIDE' and 'CASINOS PRIDE'. Court had *prima facie*

held that no infringement is made out since 'PRIDE' was a plainly generic, commonplace and laudatory expression and therefore, one would be inclined to treat the initial part i.e. 'BLENDERS' as the dominant part and it was also observed that any attempt to claim exclusivity in respect of 'PRIDE' part of Plaintiff's mark and alleged infringement must necessarily fail. The Court also held that once the common 'PRIDE' part of the rival marks is ignored, there is no phonetic, visual or any other similarity between 'BLENDERS' and 'CASINOS' part of the marks.

29. Plaintiff has not made SNJ Sugars a party to the suit despite having conducted due diligence upon it at the time of entering into the Bottling agreement with Defendant No. 2 and despite admitting in the plaint that SNJ Sugars has been selling in Andhra Pradesh since 2019. This is enough to show that Plaintiff is not aggrieved by the actions of SNJ Sugars in using the impugned mark and had no objection to its sales.

CONTENTIONS ON BEHALF OF THE PLAINTIFF IN REJOINDER:-

30. There is no acquiescence on the part of the Plaintiff as alleged by the Defendants. Defendant No. 1 had filed the trademark application for 'Green Choice' on 19.06.2019. This was opposed by the Plaintiff within the statutory period and Defendant No. 1 was clearly put to notice of the pre-existing statutory rights of the Plaintiff. When Defendant No.2 applied for approval of the impugned label



, before the Excise Commissioner, Bengaluru, for manufacturing and marketing their whisky under the impugned mark 'Green Choice', Plaintiff, without any delay filed objections to the same on 29.10.2021 and also requested for a hearing vide letter dated

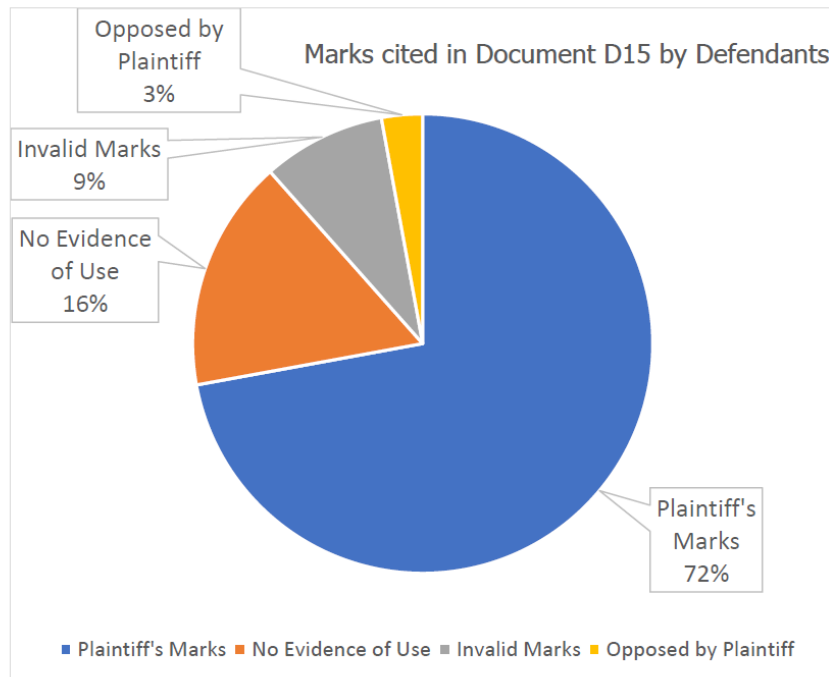
01.12.2021. Order passed by the Excise Commissioner on 29.01.2022, granting approval of the impugned label was challenged in a writ petition bearing No.8464 of 2022, before the High Court of Karnataka.

31. The allegation of acquiescence is also misplaced for the reason that Green Choice was not sold in Karnataka and the Agreement was with respect to bottling and not sale of whisky under the trademark Green Choice. Consent to bottling of the products cannot be construed as a consent to misuse and/or infringement of Plaintiff's registered and well-known marks or their variants. Defendants have been unable to point out any express provision of the Bottling Agreement which reflects that Defendant No. 1 was left free to sell its product(s) under 'Green Choice', besides the point that if a party is guilty of dishonest adoption or infringement of a trademark of a registered proprietor, the volume of sales, assuming the financials given by the Defendants are true, is wholly irrelevant as a defence to oppose injunction.

32. In the judgment in *Shree Nath Heritage Liquor Pvt. Ltd. (supra)*, the Division Bench has held that where the rival goods are sold in the same price range and the trade channels are common, the likelihood of confusion becomes higher with passage of time and sequential consumption of goods. The said principle is squarely attracted in the present case as the competing products are identical and sold in the same price range and through common trade channels.

33. Defendants have laid overemphasis on the document D-15, filed with the application, to misguide the Court that the word 'Choice' is common to register inasmuch as there are 104 registrations in Class 33 for Choice. The fact of the matter is that out of the 104 marks cited, 72% of the marks belong to the Plaintiff; 9% are invalid; with respect to 16% there is no evidence of user as per online records and 3% have

been opposed by the Plaintiff. Point made was demonstrated by a Pie chart as under:-



34. I have heard learned Senior Counsels for the Plaintiff and the Defendants and examined their rival contentions.

35. Plaintiff is the registered proprietor and prior user of the trademarks Officer's Choice, Officer's Choice Blue, Officer's Choice Black and Choice *albeit* registration for the word 'Choice' is in Class 32 for Mineral Water. It is an undisputed position that Plaintiff's trademark Officer's Choice has been declared as a well-known mark by this Court in *Surya Rao (supra)*. Plaintiff has placed on record details of its registrations in the trademark 'Officer's Choice' word *per se* and the label, which are valid and subsisting. Sales turnover under the trademark 'Officer's Choice' is shown as Rs.2,698.48 crores for the year 2013-14 which has increased to Rs.4,573.78 crores in 2019-20 and for 'Officer's Choice Blue' from Rs.437.54 crores to Rs.2,019.70 crores. The expenses incurred on promotion and advertising as mentioned in the plaint and *prima facie* supported by the documents are to the tune of Rs.14.90 crores in 1994-95 to

Rs.52.72 crores in 2019-20. The impugned mark of the Defendants, on the other hand, is also a device mark with the words 'Green Choice' and indisputably, the rival products are identical i.e. whisky.

36. Plaintiff has filed the present suit alleging infringement and passing off against the Defendants. It needs no reiteration that infringement and passing off are distinct causes of action. While infringement is a right that emanates from a Statute, passing off is a tort under the common law. Section 28(1) of the 1999 Act gives a right to registered proprietor of the trademark to use the same to the exclusion of others and also to protect the mark from infringement by third parties. Under Section 29(2) of the 1999 Act, a registered trademark 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 its identity with or similarity to the registered trademark and identity or similarity of the goods or services covered by such registered mark, in a manner which is likely to cause confusion on the part of the public or likely to have an association with the registered trademark. In *Kaviraj Pandit Durga Dutt Sharma v. Navaratna Pharmaceutical Laboratories, (1965) 1 SCR 737*, the Supreme Court set out the distinction between action for passing off and an action for infringement of a trademark and expounded the principles that: (a) where two marks are identical no further question arises and the infringement is made out; (b) when two marks are not identical, Plaintiff would have to establish that the mark of the Defendant so nearly resembles the Plaintiff's registered trademark that it is likely to deceive or cause confusion in relation to goods for which it is registered; (c) Court must assess the degree of resemblance so as to discern the deceptive similarity of the impugned mark with the proprietor's registered mark and then come to a

conclusion whether or not there is likelihood of confusion/association; (d) resemblance may be phonetic, visual or in the basic idea represented by the Plaintiff's mark; and (e) identification of essential features of the mark is in essence a question of fact and depends on the judgment of the Court, based on evidence before it as regards its usage in the trade.

37. In order to succeed in an action alleging infringement under Section 29(2) of the 1999 Act, Plaintiff should be a registered proprietor of the mark in question and the Defendant alleged to be infringing the mark should not be a registered proprietor/permitted user of the impugned mark. In order to infringe, the impugned mark should be either identical or deceptively similar to registered proprietor's mark in relation to similar/identical goods. It is palpably clear from the provision itself that to escape the rigors of Section 29(2) of the 1999 Act, Defendant is required to prove *albeit prima facie* at the stage of interim injunction that the use of the mark is not likely to deceive or cause confusion amongst the purchasers such that the use does not indicate a connection in course of trade between the goods for which the mark is registered and the goods of the Defendant. The test of the purchaser is of a person with average intelligence and imperfect recollection.

38. In ***Parker Knoll Ltd. v. Knoll International Ltd., 1962 R.P.C. 265***, Lord Denning explained the expression 'to deceive' as follows:-

“ ...

When you deceive a man, you tell him a lie. You make a false representation to him and thereby cause him to believe a thing to be true which is false. You may not do it knowingly, or intentionally, but still you do it, and so you deceive him. But you may cause confusion without telling him a lie at all, and without making any false representation to him. You may indeed tell him the truth, the whole truth and nothing but the truth, but still you may cause confusion in his mind, not by any fault of yours, but because he has not the knowledge or ability to distinguish it from the other pieces of truth known to him or because he may not even take the trouble to do so.”

39. There is a wealth of judicial precedents laying down the parameters to determine ‘deceptive similarity’ but contextualizing in the facts of this case, I may allude to a few, hereinafter. In ***Tokalon Ltd. v. Davidson and Co. 32 R.P.C. 133***, it was observed that “.... we are not bound to scan the words as we would in a question of compatriotic literarum. It is not a matter for microscopic inspection, but to be taken from the general and even casual point of view of a customer walking into a shop.” The Privy Council in ***De Cordova and Ors. v. Vick Chemical Cov., (1951) 68 R.P.C. 103***, in relation to the rival marks ‘Karsote Vapour Rub’ and ‘VapoRub’, observed that in most persons the eye is not an accurate recorder of visual details and that marks are remembered rather by general impressions or by some significant detail than by any photographic recollection of the whole.

40. In ***Amritdhara Pharmacy (supra)***, the Supreme Court was dealing with the marks ‘Amritdhara’ and ‘Lakshmandhara’ and before examining the rival marks, the Court framed two questions for determining deceptive resemblance as follows:-

“6. ...

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.....”

41. For judging the element of ‘confusion’, the Supreme Court held “*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.)*” Applying the test to the case under consideration, the Supreme Court held as under:-

“7. Let us apply these tests to the facts of the case under our consideration. It is not disputed before us that the two names “Amritdhara” and “Lakshman-dhara” are in use in respect of the same description of goods, namely a medicinal preparation for the alleviation of various ailments. Such medicinal preparation will be purchased mostly by people who instead of going to a doctor wish to purchase a medicine for the quick alleviation of their suffering, both villagers and townsfolk, literate as well as illiterate. As we said in *Corn Products Refining Co. v. Skangrila Food Products Ltd.* [(1960) (1) SCR 968] the question has to be approached from the point of view of a man of average intelligence and imperfect recollection. To such a man the overall structural and phonetic similarity-of the two names “Amritdhara” and “Lakshmandhara” is, in our opinion, likely to deceive or cause confusion. We must consider the overall similarity of the two composite words “Amritdhara” and “Lakshmandhara”. We do not think that the learned Judges of the High Court were right in saying that no Indian would mistake one for the other. An unwary purchaser of average intelligence and imperfect recollection would not, as the High Court supposed, split the name into its component parts and consider the etymological meaning thereof or even consider the meaning of the composite words as “current of nectar” or “current of Lakshman”. He would go more by the overall structural and phonetic similarity and the nature of the medicine he has previously purchased, or has been told about, or about which has otherwise learnt and which he wants to purchase. Where the trade relates to goods largely sold to illiterate or badly educated persons, it is no answer to say that a person educated in the Hindi language would go by the etymological or ideological meaning and see the difference between “current of nectar” and “current of Lakshman”. “Current of Lakshman” in a literal sense has no meaning; to give it meaning one must further make the inference that the “current or stream” is as pure and strong as Lakshman of the Ramayana. An ordinary Indian villager or townsman will perhaps know Lakshman, the story of the Ramayana being familiar to him; but we doubt if he would etymologise to the extent of seeing the so-called ideological difference between “Amritdhara” and “Lakshmandhara”. He would go more by the similarity of the two names in the context of the widely known medicinal preparation which he wants for his ailments.

8. We agree that the use of the word “dhara” which literally means “current or stream” is not by itself decisive of the matter. What we have to consider here is the overall similarity of the composite words, having regard to the circumstance that the goods bearing the two names are medicinal preparations of the same description. We are aware that the admission of a mark is not to be refused, because unusually stupid people, “fools or idiots”, may be deceived. A critical comparison of the two names may disclose some points of difference, but an unwary purchaser of average intelligence and imperfect recollection would be deceived by the overall similarity of the two names having regard to the nature of the

medicine he is looking for with a somewhat vague recollection that he had purchased a similar medicine on a previous occasion with a similar name. The trade mark is the whole thing-the whole word has to be considered. In the case of the application to register "Erectiks" (opposed by the proprietors of the trade mark "Erector") Farwell, J., said in William Bailey (Birmingham) Ltd. Application [(1935) 52 RPC 137] :

"I do not think it is right to take a part of the word and compare it with a part of the other word; one word must be considered as a whole and compared with the other word as a whole.... I think it is a dangerous method to adopt to divide the word up and seek to distinguish a portion of it from a portion of the other word."

42. Coming back to the case in hand, it is undisputed that Plaintiff's registered trademark Officer's Choice has been the subject matter of several litigations in this Court. It is relevant to refer to some of the cases only to see the journey of the trademark 'Officer's Choice' over the years. One of the first few judgments that call for a reference are in respect of two separate suits filed by the Plaintiff herein against Shree Nath Heritage Liquor Pvt. Ltd. in CS(OS) No. 2589/2013 and Sentini Bio Products Pvt. Ltd. in CS(OS) No. 247/2009, where the impugned marks were 'Collector's Choice' and 'Officer's Special' respectively. Suits were filed by the Plaintiff seeking permanent injunction against the respective Defendants and in both cases the products in question of the Plaintiff and the Defendants were identical i.e. IMFL. The learned Single Judge in **2014 M/s. Allied Blenders (supra)** confirmed the *ex-parte* injunction, restraining the Defendant from advertising, distributing, selling etc. their goods bearing a mark or label similar or deceptively similar to 'Officer's Choice' and/or passing off their goods. A few passages from this judgment are relevant and are as follows:-

"11. Having recently dealt with in Mohan Meakin Ltd. (supra) in the context of principles applicable to the question of infringement/passing off in the trade of alcoholic beverages, rather than dealing afresh with the subject, it is deemed appropriate to reproduce what was observed therein. It was held:

“the test of similarity/dissimilarity is to be applied in the light of the product/goods or services in consideration and may be different for different category of products, goods or services, depending not only upon the nature and character of the product, its use by consumers but also the trade channels. The products of both the plaintiff and the defendant in the present case are alcoholic beverages. Though the Supreme Court in Khoday Distilleries Limited supra was concerned with the same product but the alcoholic beverages with which this judgment is concerned, as distinct from the high end alcoholic beverages with which the Supreme Court was concerned, are on the contrary at the lower if not lowest rung of price range, the purchasers whereof are often described as tipplers and who often purchase the same not in the highest form of awareness, as distinct from connoisseurs in whose context the observations relied upon by the defendant were made by the Supreme Court.

The use by the defendant of the trademark “TOLD MOM” if found to be similar or deceptively similar to the trademark “OLD MONK” of the plaintiff is likely to affect the goodwill attached to the trademark of the plaintiff. A trademark which distinguishes the goods of one person from those of the other is infringed not only when a average consumer thereof is led into buying the goods of the latter presuming the same to be of the former but also when such consumer by consuming the goods of the latter, under the impression that they are of the former forms an impression/opinion of the quality of the said goods and which impression/opinion guides the further purchases by the customer of the said goods and the reputation which the customs propagates of the goods.

15. In the present case, since the product of both, the plaintiff and the defendant bears the description rum and both are alcoholic beverages, considering the nature and class of the consumers thereof, the factum of the product of the defendant being country liquor in contradistinction to the product of the plaintiff being IMFL is unlikely to distinguish the two qua the consumers thereof. Such consumers are not educated and technical persons like medical practitioners or chemists dealing with the pharmaceutical product in ‘LOPRIN’ — ‘LOPARIN’ case above. If the possibility of confusion between the two products exists, it would matter not even if the shops/vends in which the two are sold are different.

17. The consumption of alcoholic beverages is always by a far larger number of persons than those who may actually go to the shops/vends to buy the same. Alcohol is traditionally consumed in groups/companies, of which only one member may have gone to do the purchase. The person consuming the same is thus unlikely to be informed of the shop/vend from which the product has been sourced. Often, purchases are made by persons other than those who consume. Consumption of alcoholic beverages is

also generally at places other than where the same are sold and which places may be common to country liquor and IMFL.

19. According to the defendant, the sale price of the products of the plaintiff and defendant is Rs. 260/- and Rs. 110/- respectively. Though the difference is of slightly more than double but hardly any, if one were to go by the price range of the said products. It is not as if the defendant's product is selling for tens of rupees as compared to the plaintiff's product of hundreds of rupees.

A difference of a hundred odd rupees is not found to be such which will distinguish the two products. Moreover, in alcoholic beverages, different products in different price range under the same trademark are not unknown. Ready example of Johnnie Walker ranging from the Red to the Blue including Black and Double Black Label, though a high end product, and of beers of varying strength and quality and different prices can be given.

21. The Supreme Court in Cadila Health Care Ltd. supra has held that while applying the test of dissimilarity of the marks or the customer knowing about the distinguishing characteristics of the plaintiff's goods, the ground reality in India, of there being no single common language, a large percentage of population being illiterate and a small fraction of people knowing English cannot be lost sight of. It was further held that while examining such cases in India, what has to be kept in mind is that the purchaser of such goods in India who may have absolutely no knowledge of English language or of the language in which the trademark is written and to whom different words with slight difference in spellings may sound phonetically the same has to be kept in mind. The test, the Supreme Court held which has to be applied is, whether the misrepresentation made by the defendant is of such a nature as is likely to cause an ordinary consumer to confuse one product for another due to similarity of marks and other surrounding factors. The Supreme Court in Cadila Health Care Ltd. supra cited with approval the earlier judgment in Corn Products Refining Co. v. Shangrila Food Products Ltd. AIR 1960 SC 142 laying down that English cases proceeding on the English way of pronouncing an English word by English men, which is not always the same, may not be of much assistance in our country in deciding questions of phonetic similarity. It was emphasized that English to the mass of Indian people is a foreign language.

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14. In my view, the test prescribed of 'infringement', of deceptive similarity with, identity with and association with registered trade mark and of likelihood of confusion, simply put, is a test of possibility of the goods under the impugned trade mark being purchased by the intending consumers thereof, owing to the trade mark they bear, as the goods earlier consumed by them and which they intend to repeat or as originating from the same

manufacturer/supplier whose goods were consumed and intended to be repeated or as goods recommended to them for purchase or consumption. A trade mark, in the absence of anything else, is the 'face' of the goods by which the consumer/customer thereof identifies or recognizes or remembers the goods. Such identification/recognition/remembrance is dependent on the memory of the customers/consumer of such goods.

15. *It is well settled in the several dicta that the test is not of photogenic or perfect memory but of imperfect memory/recollection. The question which thus arises is, whether in such memory the whisky "Officer's Choice" of the plaintiff is likely to be remembered as the "Collector's Choice" whisky of the defendant.*

xxx

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22. *The other relevant factor is that advertising in all forms, of alcoholic products in this county is banned. There is thus no occasion for the manufacturers/suppliers of alcoholic products to by bombarding the public/consumers with advertising, make them remember their brands or to assist in recall thereof. Similarly alcoholic products of the kind with which we are concerned in this case are not to be seen and are not on display when the potential consumers thereof may go to shop for other articles/goods. They can be seen only when the consumer enters the earmarked specific vends exclusively for alcoholic products. The said factum, in my view will have relevance in judging the memory and recall value of brands of alcoholic products. The public at large and/or the potential consumers of alcoholic products are not exposed to brands thereof at all times as may be true about other products/goods. Another factor to be taken note of with reference to the alcoholic products with which this case is concerned is that today there are vends of alcoholic products selling products of a particular manufacturer/supplier only. It is thus not necessary that a consumer/customer of such products even if personally going to make the purchase may be exposed to both the brands so as to be in a position to distinguish between the two or to recall or remember that he intends to buy Officer's Choice or Collector's Choice.*

23. *As far as the emphasis of the senior counsel for the defendant on the other differences is concerned, in the context of purchase of a whisky, the bottle or the carton whereof is not stored/retained and is generally immediately thrown away, the same become inconsequential.*

24. *I also agree with the contention of the senior counsel for the plaintiff that the defendant having itself applied for registration of the trade mark "Collector's Choice", it is not open to the defendant to contend that the trade mark of the plaintiff should be seen de-hors the word 'Choice'. In any case, in view of what I have held above, the recall value being on the basis of 'Officer' and 'Collector', in conjunction with the same suffix 'Choice', causes a potential for confusion."*

43. The judgment was carried in appeal by M/s. Shree Nath Heritage Liquor Pvt. Ltd. in FAO(OS) No. 368/2014. Simultaneously, appeal being FAO(OS) No. 493/2014 was filed by M/s. Sentini Bio Products Pvt. Ltd. against the judgment of the learned Single Judge dated 01.07.2014. Both appeals were decided by a common judgment by the Division Bench. The Court first referred to a series of factors laid down over the years by different Courts for determining infringement such as Du Pont factors, Polaroid factors and Sleekcraft factors, as follows:-

“10. The aforesaid factors have been explained in subsequent cases to include the following considerations, namely (See McCarthy on Trademarks and Unfair Competition, Ed. IV):

• *Similarity of marks:*

i. Marks can be similar/identical in their sound, sight or meaning.

ii. The ‘Anti-dissection’ and ‘comparing dominant parts’ rules are applied harmoniously.

iii. It is important to see similarity of context in which the marks appear.

• *Class of consumers:*

i. Courts have held that if the buyer market consists of both discriminating and casual purchasers, the court must give consideration to likely confusion of both kinds of buyers.

• *Defendant's intention:*

i. Courts have held that if the defendant intended confusion, this tends to show confusion of customers.

ii. Some Courts have even held that proof of defendant's bad faith in adopting the impugned mark shifts the burden to the defendant to disprove infringement.

iii. Intent may be inferred when the defendant is aware of the plaintiff's trademark.

• *Proof of actual confusion:*

i. While the test for trademark infringement and passing off is the likelihood of confusion, instances of actual confusion are obviously relevant to the determination of the question on confusion.

ii. Having said that, absence of evidence of actual confusion should not be held against the prior owner of a trademark if

there is a likelihood of confusion arising from a comparison of the conflicting marks and the context of their use.

11. *The factors laid down in India by the Supreme Court in the decision reported as (2001) 5 SCC 73 Cadila Healthcare Ltd. v. Cadila Pharmaceuticals Ltd. that are to be considered while deciding the question of likelihood of confusion in passing off are as follows:*

i. Nature of the marks, that is, whether the marks are word marks or label marks or composite marks, i.e. both words and label works.

ii. Degree of resemblance between the marks, phonetically similar and hence similar in idea.

iii. Nature of goods in respect of which they are used as trademarks.

iv. Similarity in nature, character and performance of goods of rival traders.

v. Class of purchasers who are likely to buy the goods bearing the marks they require, on their education and intelligence and degree of care they are likely to exercise in purchasing and/or using the goods.

vi. Mode of purchasing the goods or placing orders for the goods.

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

The Supreme Court has cautioned that weightage to be given to each of the above factors should depend upon the facts of each case and same weightage cannot be given to each factor in every case. The above Cadila factors for passing off have not been specifically applied to trademark infringement cases.”

44. The rival marks ‘Officer’s Choice’ and ‘Collector’s Choice’ were held to be deceptively similar on the ground of semantic/idea similarity. It is relevant to note some crucial findings in this judgment, which have a significant bearing in the present case: (a) adoption/use and registration of the composite word mark/label ‘Officer’s Choice’ dates back to the years 1988 and 1990, respectively; (b) ‘Officer’s Choice’ is an ‘arbitrary mark’ for whisky; (c) difference in trade dress is highly unlikely to rule out consumer confusion between the two competing products i.e. IMFL, especially since consumers expect manufacturers of alcoholic beverages to churn out variants; and

(d) confusion is inevitable as the impugned mark ‘Collector’s Choice’ was used with respect to identical products with same class of purchasers and identical trade channels. While dealing with FAO(OS) No. 493/2014 in the case of *Sentini Bio Products Pvt. Ltd. (supra)*, the Division Bench reiterated that the mark ‘Officer’s Choice’ is an arbitrary mark for whisky and even though the two may be common, they are arbitrary to the goods in question and relied on the judgment in *Abercrombie and Fitch v. Hunting World, 537 F. 2d 4 (2d Cir. 1976)*, to highlight the different categories of trademarks i.e. generic, descriptive, suggestive and arbitrary or fanciful. The Division Bench also cited the example of ‘Apple’ as an arbitrary mark for computers thought it is common knowledge that it is the name of a fruit.

45. Aforementioned judgment needs a special mention to highlight the fact that the Division Bench has recognised the mark Officer’s Choice to be an ‘arbitrary’ mark. Words or marks in trademark jurisprudence are broadly categorized as generic, descriptive, fanciful or arbitrary and invented or coined. In *Bata India Limited (supra)*, this Court, referring to McCarthy on ‘Trade Marks and Unfair Competition’ drew a spectrum with increasing degrees of distinctiveness and beyond a doubt an arbitrary mark is entitled to the highest degree of protection being inherently distinctive, requiring no evidence to establish a secondary meaning for claiming exclusivity or monopoly.

46. The next station on this journey is an important landmark where the trademark ‘Officer’s Choice’ was declared as a ‘well-known trademark’ under Section 2(1)(zg) of 1999 Act in *Surya Rao (supra)*. Needless to state that having been declared as a well-known mark, ‘Officer’s Choice’ is entitled to protection not just qua identical/similar goods in same class but across all classes, including classes in

respect of which it holds no registration and/or for goods or services it has yet to enter in. [*Ref. Disney Enterprises, Inc. v. Rajesh Bharti & Ors., 2013 SCC OnLine Del 605*]. The strength of the mark ‘Officer’s Choice’ is thus evident from its status as a ‘well-known’ and ‘arbitrary mark’ and it needs no emphasis that if law protects such a mark across classes and dissimilar goods, it cannot permit use of a deceptively similar mark for identical goods.

47. Additionally, over a period of time Plaintiff has obtained numerous interim orders in its favour from this Court injuncting third parties from use of the trademarks identical/deceptively similar to ‘Officer’s Choice’, ‘Officer’s Choice Blue’ and its variants including marks which contain the word ‘Choice’ even without the word ‘Officer’ and as an illustration Plaintiff has referred to interim orders where Defendants’ marks are ‘Emperor’s Choice’ ‘Master Choice’, ‘Our Choice’ ‘Your Choice’, ‘Sailor’s Choice’ and ‘Spinner’s Choice’. This Court, while referring to the aforesaid interim orders, is conscious of the fact that interim orders do not have a binding force, yet the very fact that different Courts in different matters have exercised the discretion to grant interim injunctions, restraining third parties from using impugned marks comprising of the word ‘Choice’ with other prefixes without the word ‘Officer’, is a pointer to the strength of the trademark ‘Officer’s Choice’, implying that even use of the word ‘Choice’ has the potential to cause confusion, a finding rendered in *2014 M/s. Allied Blenders (supra)*.

48. Therefore, seen holistically, the trademark ‘Officer’s Choice’ has travelled its journey from adopting and registering the mark in 1988 to being recognised as an ‘arbitrary’ mark in the year 2015 by this Court and finally being declared by the Court as a ‘well-known’ mark in 2017. Plaintiff has stepped into introducing several variants of

the mark during these years and boasts of being a registered proprietor of marks such as ‘Officer’s Choice Blue’, ‘Officer’s Choice Black’ etc. as a part of its stable. Wholesale sales (cases containing 9 litres) in millions of the product bearing the mark ‘Officer’s Choice’ has grown from 9.55 millions in 2008-09 to 30.10 millions in 2019-20 and the expenses incurred on advertisement and promotions were to the tune of Rs.52.72 crores in 2019-20 alone. Plaintiff has earned a reputation of being the highest selling whisky as widely reported in reputed magazines such as IWSR and Millionaire’s Club. With all this in the backdrop, the question that begs an answer is whether any party can be permitted to use a trademark identical/deceptively similar to Officer’s Choice or even come close to it and the answer is in the negative.

49. The next issue, which is the heart of the dispute is, whether the rival marks are identical/deceptive similar. The rival marks in the present case are admittedly not identical and the narrow controversy therefore is with regard to the ‘deceptive similarity’. Before examining the marks in question from this perspective, it would be useful to refer to a few judgments. In *Playboy Enterprises, Inc v. Bharat Malik & Anr., 2001 SCC OnLine Del 406*, Plaintiff was the registered proprietor of the trademark ‘PLAYBOY’ under which it was publishing an Indian magazine and had sought permanent injunction against the Defendant, who was publishing a magazine titled ‘Playway’. Case of the Plaintiff was that it was one of the largest business houses of the world and the mark ‘PLAYBOY’ had become a household name in the relevant circles on account of extensive sales and advertisements and the word ‘PLAY’ was so important to the Plaintiff that any use by a third party was bound to lead to association with the Plaintiff’s product and blur its mark. It was also contended

that the adoption of the impugned mark by the Defendant was merely to exploit and gain undue advantage of Plaintiff's reputation, generated by sale of its popular magazine in India under the well known mark and attract the same market of consumers, besides diluting the mark and damaging the reputation and goodwill.

50. This case is close to the present case as the Court not only referred to the well-known nature of the mark PLAYBOY but also held that the trademark fell in the category of 'arbitrary' mark, with no connection with the nature or type of goods. The observations which are directly applicable to the present case and thus extremely relevant are: (a) trademark PLAYBOY is an 'arbitrary' mark and thus its close imitation or deceptive similarity with another mark or even its usage in conjunction with another word as a prefix or suffix, is likely to create confusion in the minds of the customers as to its source; (b) undoubtedly, Plaintiff's trade name PLAYBOY has over the years become a strong and powerful mark gaining tremendous popularity and has entered in the list of major trademarks; and (c) imitation by the Defendants shows that it is aimed to target the same market of consumers with a likely effect to create confusion as to its source and conscious association with Plaintiff's widely known name. Relevant passages are as under:-

“39. The trademark PLAYBOY falls in the last category and thus its close imitation or deceptive similarity by using any part of the word either as prefix or suffix is likely to create confusion in the minds of the customers as to its source. It also bares dubious design and ill-motive to exploit and thrive upon the profound publicity and mighty magnitude of its circulation projecting popularity and the degree of distinction, quality and sophistication.

40. The defence that there is no similarity regarding the get-up, contents, theme, price, market, customers, area of circulation etc. including the title, which in case of the magazine in question is capital whereas the title of infringer magazine is in small letters holds water like a sieve. Not only the theme is the same but its colour scheme, get-up, display and the area of the circulation and the kind of customers i.e. adult male are prominently the same. Both the

magazines have seminude pictures of models, foreign as well as natives and both are sex oriented magazines and cater mainly to the heterosexual adult males. Rather the defendant's magazine is crude imitation and is likely to deliver a heavy blow upon the established name and business of the plaintiff.

41. *As referred above the Court of Appeals of England in Playboy Enterprises Inc. v. Chuckleberry Publishing Inc., 215 USPQ 662, had the occasion to deal with a near similar case instituted by this very plaintiff against a foreign magazine titled as PLAYMEN and the question arose whether the title 'Playmen' was likely to cause confusion amongst the consumers; whether it was deceptively similar; whether the name was chosen with exploitative purpose because of its likeness of PLAYBOY and whether it can be circulated to its distributors to start a new magazine. The plaintiff produced in support of its contention, an expert on the subject Ronald Scot. According to him in the purchase of magazines four-step process is involved. Firstly the consumer views the product on the newsstand where often only the left hand portion of covers are exposed; second, the consumer picks up the cover and scans the entire cover; thirdly, the consumer opens the magazine to examine the contents; and fourthly in the case of sex oriented magazine the consumer flips to the centerfold of the magazine, if one exists. This process takes only a few seconds and the ultimate decision to buy is typically impulsive. On viewing in the context of these four fold analysis the magazine PLAYBOY of the plaintiff which was distinctive and had wide reputation and had attained a great market value because of its long standing success he opined that the plaintiff was entitled to protection.*

42. *A sample copy of the first issue of the 'Playmen' was compared and several features were found to be near similar. Both the magazines appealed to the same consumer group i.e. sexual adult males. Both the magazines were found to utilise the same cover, layout consisting of the magazine, title, a picture of young woman and the titles of article appearing alongwith the sides and inside both the magazines contained semi clad women and similarly a three-page central-fold of a female model as appearing in magazine PLAYBOY were found to figure in the magazine Playmen. Both the magazines were found to contain shortstories, salacious cartoons, interviews of celebrities and other like features. Apart from this both the titles had the same prefix "Play". Like the word PLAYBOY the word PLAYMEN was also not found in the dictionary. But both these words referred to heterosexual persons : in the former case a boy and in the latter a grown up person.*

43. *It was held that in view of the strength of mark PLAYBOY the degree of similarity between the two marks, degree of similarity between products, purpose of the respondent in adopting its mark and resulting confusion amongst the consumers which is likely to be caused lead to the inference that the mark PLAYBOY which was suggestive rather than descriptive stood infringed by the use of the*

mark *PLAYMEN* as to its being deceptively similar and creating confusion as to its source.

44. Co-incidentally the defendant magazine has also the similar features. It is interspersed with semi-nude pictures of Indian and Foreign models and three page centerfold, salacious cartoons, articles, interviews with celebrities. Of course imitation is cheap; quality is crude and similarity is deceptive.

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48. While referring to *Karly's Law of Trade Marks and Trade Names (9th Edition) Paragraph 838*, the Supreme Court held that in order to come to the conclusion whether one mark is deceptively similar to another, the broad and essential features of the two are to be considered and that they should not be placed side by side to find out if there are any differences in the design and if so, whether they are of such character as to prevent one design from being mistaken for the other. It was further held that it would be enough if the impugned mark bears such an overall similarity to the registered mark as would be likely to mislead a person usually dealing with one to accept the other if offered to him. In the said case it was found that the packets which were practically of the same size, the colour scheme of the two wrappers was almost the same; the design on both though not identical bore such a close resemblance that one could easily be mistaken for the other; the essential features of both were that there was a girl with one arm raised and carrying something in the other with a cow or cows near her and hens or chickens in the foreground and there was in the background a farm-house with a fence. The words "GlucO Biscuits" were printed in one while the words "GlucO Biscuits" were printed on the infringer's packet.

49. According to *Karly's Law of Trade Marks and Trade Names* two marks when placed side by side, may exhibit many and various differences, yet the main idea left on the mind by both may be the same and thus a person acquainted with one mark/and not having the two side by side for comparison, might well be deceived, if the goods were allowed to be impressed with the second mark, into a belief that he was dealing with goods which bore the same mark as that with which he was acquainted.

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52. In the instant case trademark *PLAYBOY* is an arbitrary or fanciful mark and does not have any connection to the type or nature of the goods. Any prefix or suffix is bound to create not only confusion but also projects near similarities both phonetically and visual.

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54. Thus it is the overall and broad similarity to the registered marks that is likely to mislead a person and not the complete or meticulous akinness which is to be sought for. Broadly same is the test for passing off action.

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69. *Undoubtedly, the plaintiff's trade name PLAYBOY has all over the years become strong and powerful mark as it has gained tremendous popularity all over the world initially through the medium of magazine and subsequently through the medium of the entertainment channel. The 'PLAYBOY' magazine has a total monthly world-wide circulation of nearly 5 million copies. Millions of Dollars are spent every year on publicity of its mark. The name is registered in large number of countries. The trade mark 'PLAYBOY' has entered in the list of major trade marks.*

70. *The contents of the defendant's magazine are on the same lines as that of the plaintiff's magazine in so far as concepts and ideas are concerned. Mere a glance reveals that it is slavish copy and cheap imitation. It is also aimed to target the same market of consumers with a likely effect to create confusion as to its source and conscious association with the plaintiff's widely known name. There is not a scintilla of doubt that the defendants have adopted the word "PLAY" which is the soul of the name of the plaintiff's magazine "PLAYBOY" with sole object to exploit and trade on its goodwill and widespread reputation. There is no credible explanation as to why the word "PLAY" was chosen."*

51. Reference to the aforementioned judgment would be incomplete without the observations of the Court – *"Such is the importance of a name. Name with a fame always refuses to be plundered. Adoption of a near identical or deceptively similar name by a stranger is cause for anguish. It is true in every walk of life—be politics, families, trade or commerce. In case of trade and commerce act of adopting a similar or near similar mark or name has devastating effect"*.

52. In *M/s. Atlas Cycle Industries Ltd. v. Hind Cycles Limited, 1972 SCC OnLine Del 141*, Plaintiff alleged infringement of its trademark 'EASTERN STAR' by the Defendant No. 1 therein who was using the trademark 'ROYAL STAR'. Court held that the proper approach in deciding the question of deceptive similarity is to consider the overall and phonetic similarity of the two names and when uttered, both end with the same sound, besides the fact that neither of the three words 'EASTERN' or 'STAR' or 'ROYAL', have any relationship with cycles. It was also observed that since the rival marks

‘EASTERN STAR’ and ‘ROYAL STAR’ end with the same sound, a person of average intelligence and imperfect memory is very likely to remember only the sound of the ending word ‘STAR’ and is likely to be deceived or confused and in this backdrop concluded that the two marks have an overall structural and phonetic similarity and with the resulting confusion, infringement under Section 29 of the Trade and Merchandise Marks Act, 1958 is made out.

53. In *Pianotist Co.’s Application, (1906) 23 RPC 774, Parker, J.*, in the context of comparison of two words in the trademarks observed as under:-

“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.”

54. According to *Kerly’s Law of Trade Marks and Trade Names*, two marks when placed side by side may exhibit many and various differences, yet the main idea left on the mind by both may be the same and thus a person acquainted with one mark but not having the two side by side for comparing, might be deceived into believing that he was dealing with goods which bore the same mark as that with which he was acquainted.

55. Tested on the anvil of all these parameters and applying the law laid down by the Supreme Court in *Amritdhara Pharmacy (supra)*, *Kaviraj Pandit Durga Dutt Sharma (supra)* and observations of this Court in *M/s. Atlas Cycle Industries Ltd. (supra)* and *Playboy Enterprises, Inc (supra)*, my *prima facie* view leads me to hold that ‘Officer’s Choice’ and ‘Green Choice’ are deceptively similar and impugned mark has the potential to cause confusion. Likelihood of

confusion gets pronounced since the goods sold by the parties to the *lis* are identical and sold through same trade channels with common consumer base. Division Bench in *Shree Nath Heritage Liquor Pvt. Ltd. (supra)*, has already held that with both parties selling IMFL, class of purchasers are likely to be overlapping, leading to likelihood of confusion and deception. With the strength of the mark and the reputation that flows, and looking to another relevant and equally important facet that Plaintiff has launched variants of ‘Officer’s Choice’ such as Officer’s Choice Blue and Officer’s Choice Black etc., it is very likely that an unwary consumer with imperfect recollection and not a photogenic memory, would trace the source of the IMFL he intends to purchase, to the Plaintiff and its well-known mark and the confusion would be enhanced by the fact that the word ‘Choice’ is identical in the rival marks.

56. The Division Bench in *Shree Nath Heritage Liquor Pvt. Ltd. (supra)*, referred to Polaroid factors in the context of determining the ‘likelihood of confusion’, which, in my view, are apt in their application to the facts of the present case in respect of the strength of the mark, degree of similarity between the two marks, proximity of the products, likelihood that the prior owner will bridge the gap, actual confusion and reciprocal of defendant’s good faith in adopting its own mark i.e. bad faith. Proximity of the products is beyond doubt and insofar as the strength of the mark ‘Officer’s Choice’ is concerned, it is a well-known and an arbitrary mark and needless to state that if a mark which is declared well-known or has a reputation, envisaged under Section 29(4) of the 1999 Act and is given protection across classes and goods, it ought to be protected in respect of identical goods. The likelihood of the Plaintiff, being the prior owner, bridging the gap, particularly in liquor trade, is an important marker for

ascertaining the degree of confusion. That the gap would be bridged is *prima facie* a writing on the wall since Plaintiff has already launched variants such as ‘Officer’s Choice Blue’, ‘Officer’s Choice Black’ etc. and the rival mark ‘Green Choice’ is in a close vicinity.

57. Therefore, in view of the strength of the mark ‘Officer’s Choice’, degree of deceptive similarity with ‘Green Choice’, identity of products, identity of trade channels and commonality of consumer base, likelihood of confusion amongst unwary purchasers with average intelligence with imperfect recollection, in my view, Plaintiff has made out a *prima facie* case of infringement under Section 29(2) of 1999 Act.

58. This Court also finds *prima facie* merit in the contention of the Plaintiff that this is a case of dishonest adoption by the Defendants in choosing to adopt the mark ‘Green Choice’ for identical product. Neither in the pleadings nor during the course of arguments, Defendants were able to justify the adoption of the mark ‘Green Choice’ other than urging that ‘Green’ connotes ‘an environmentally friendly’ alcohol. It is an undisputed fact that Defendant No. 2 was a bottler of the Plaintiff and had knowledge of the Plaintiff’s mark as far back as in 2001, including its insurmountable statutory and common law rights and formidable reputation and goodwill it enjoyed even then. Reference may be made in this regard to the judgment in *FMI Limited v. Ashok Jain & Ors.*, 2006 SCC OnLine Del 1423, albeit in the context of a distributor, which in my view would apply with full force to the present case. This judgment was relied upon by this Court in a recent judgment in *Dreams Lingerie Products v. Akash Chawdhary*, 2022 SCC OnLine Del 3018, where the rival marks were ‘DREAMS LINGERIE’ of the Plaintiff and ‘DREAM COMFORT’ of the Defendant and the Court held that while the Defendant is within

his right to carry out a competing business with the Plaintiff, it is not entitled to use a deceptively similar mark so as to exploit his earlier association with the Plaintiff.

59. Plaintiff has pleaded certain facts to further its case of dishonest adoption against the Defendants and in light of the argument of the Defendants that they have endeavoured hard to distance themselves from each other, mention of these facts becomes important. It is stated by the Plaintiff that the First Expression of Interest of Defendant No. 2's CIRP was released on 15.01.2019. Defendant No. 1 conducted due diligence and submitted its Resolution Plan for Defendant No. 2, which was considered in the meeting of Committee of Creditors on 12.04.2019 and Defendant No. 1 filed the impugned trademark application for 'Green Choice' mark on 19.06.2019. This *prima facie* shows that Defendant No. 1 had knowledge of the sales of the Plaintiff's products through Defendant No. 2, which was a confidential information and intended to exploit the same by adoption of the impugned mark, as rightly contended by the Plaintiff.

60. In *Shaw Wallace and Company Ltd. and Another v. Mohan Rocky Spring Water Breweries Ltd., 2006 SCC OnLine Bom 393*, the competing marks were 'HAYWARDS 5000' and 'PRESTIGE 5000' as well as 'FOUR SQUARE 5000'. Plaintiff was the registered proprietor of the mark and claimed to have acquired immense reputation in 'HAYWARDS 5000'. One of the grounds for seeking injunction was that Defendants had been bottling Plaintiffs' products including beer sold under the said mark and were aware of the adoption of the mark by the Plaintiffs as well as its reputation and huge sales. Confirming the *ad-interim* injunction in favour of the Plaintiffs, the Court held that from the material on record it was clear that Defendants were aware when they adopted their brand about the

popularity of the registered mark of the Plaintiffs and the adoption was therefore dishonest and was to take advantage of the popularity of the trademark. Again, in *Hitachi Ltd. v. Ajay Kr. Agarwal & Ors., 1995 SCC OnLine Del 268*, the Division Bench of this Court held that Courts cannot allow a trader to use a trademark which bears close or deceptive similarity, affinity and proximity in sound/looks with the trademark belonging to others in order to maintain purity and morality in trade and to protect the unaware customers from being misled in buying the product which he does not intend to buy. An infringer of a trademark cannot be allowed to thrive on somebody else's reputation or goodwill. In the present case, this Court is unable to discern any plausible reason for the Defendants having adopted the mark 'Green Choice' when it is an undisputed fact that Defendant No. 2 was Plaintiff's bottler and consequently aware of its stellar reputation and huge sales turnover for whisky under the mark 'Officer's Choice'.

61. The argument of the Defendants that there is no similarity in the two rival marks cannot be accepted. Going by their own argument that marks must be seen as a whole and as a complete combination of words, where the overall impression gained by looking at the two marks is important, if one was to look at the competing marks in this case, judged by the standard of a consumer of average intelligence, as held by the learned Single Judge in *2014 M/s. Allied Blenders (supra)*, there is *prima facie* an overall similarity, as held above.

62. Much was argued on behalf of the Defendants that what is adopted is the mark 'Choice' and no injunction can be granted as the mark 'Choice' is generic and common to trade and common to register and 104 marks cited by them show that 'Choice' is common to register. This argument *prima facie* merits rejection. Plaintiff has brought on record that out of the 104 cited marks, 75 are registered by

the Plaintiff, 17 show no evidence of use as per online records, 9 are invalid and 3 have been opposed by the Plaintiff. In any case, having applied for registration of 'Green Choice', it can hardly be argued by the Defendants that 'Choice' is common to trade or register. In *Automatic Electric Limited (supra)*, the Court held that when the Defendant itself sought to claim trade proprietary right and monopoly in 'DIMMER DOT' it did not lie in its mouth to say that the word 'DIMMER' is generic. To the same effect is the observation of this Court in *Bata India Limited (supra)*, where the Court did not accept the defence of the Defendant therein that the word POWER was laudatory or a dictionary word and cannot be monopolised on the ground that having itself applied for registration of the mark 'POWER FLEX' it was estopped from raising this plea. The Division Bench of this Court in *Shree Nath Heritage Liquor Pvt. Ltd. (supra)* held that the fact that a mark is a common to register may not mean that it is common to trade and for an argument common to trade to succeed, evidence of extensive use of the mark in question needs to be shown. Even for a *prima facie* consideration this Court finds no material on record which would show extensive use of the mark 'Choice' as alleged by the Defendants.

63. This Court has examined the argument of the Defendants pertaining to alleged acquiescence and delay in approaching the Court. It was asserted that Plaintiff was aware of the mark 'Green Choice' as far as back in August, 2019 when the trademark application was filed by Defendant No. 1 and chose to sleep for nearly 3 years before filing this suit. It was also urged that Plaintiff had entered into an agreement dated 15.06.2021 with Defendant No. 2 for manufacturing/bottling etc. and was fully aware of the use of the mark 'Green Choice' by Defendant No. 1 and yet there is no clause in the 2021 Agreement

prohibiting Defendant No. 1 from selling under the mark 'Green Choice', which evidences acquiescence.

64. In *M/s. Hindustan Pencils Private Limited v. M/s. India Stationery Products Co. & Another, 1989 SCC OnLine Del 34*, this Court held that it would be difficult to accept that relief of temporary injunction should not be granted on account of delay on part of the Plaintiff, even though the Court feels that ultimately on merits, permanent injunction would have to be granted. Even though, there may be a doubt on whether laches or acquiescence can deny the relief of permanent injunction, judicial opinion has been consistent that if the Defendant acts fraudulently with the knowledge that he is violating Plaintiff's right then in that case, even if there is inordinate delay of the Plaintiff, relief of injunction cannot be denied. The defence of laches is a defence in equity, where both parties come to the Court with clean hands and therefore, equitable defence can be put up by a party who acts fairly and honestly. A person who is guilty of violating the law or infringing or usurping another person's right cannot claim continued misuse of the usurped right. In 'The Law of Unfair Competition and Trademarks', Fourth Edition, Vol. II, Harry D. Nims noticed that where infringement is deliberate and wilful and Defendant acts fraudulently with knowledge that he is violating Plaintiff's rights, essential elements of estoppel are lacking and in such a case the protection of Plaintiff's rights by injunctive relief is never denied as the doctrine of estoppel can only be invoked to promote fair dealings. There is a wealth of judicial precedent on this issue but this Court need not burden the judgment with all judgments on the point and suffice would it be to state that the relief of injunction cannot be denied to a Plaintiff as against a Defendant who consciously

infringes a registered proprietor's trademark on the specious plea that Plaintiff has acquiesced in the use.

65. Plaintiff has also brought forth and rightly so that Defendant No. 1 has taken a stand in reply to the application filed by the Plaintiff under Order 39 Rule 2A CPC that it has never sold 'Green Choice' whisky inasmuch as the sales in Andhra Pradesh were by an independent third party, which *prima facie* implies that even according to the Defendants, when the Bottling Agreement was entered into with Defendant No. 2, there was no use of 'Green Choice' by Defendant No. 1 or Defendant No. 2 and this defeats the acquiescence argument.

66. Even on a factual note, Plaintiff has been able to *prima facie* show that there has been no acquiescence and the Plaintiff has been diligently pursuing its remedies. It is stated that Plaintiff became aware of Defendant No. 1's TM Application No. 4211097 for 'Green Choice' in August, 2019 and filed an Opposition bearing No. 1019826 in December, 2019. In April, 2020, Plaintiff learnt of the launch of Defendant No. 1's product carrying the impugned label with 'Green Choice' in Andhra Pradesh. Although the Bottling Agreement was entered into but when the plaint was filed, it was averred that Plaintiff was in the process of terminating the Agreement and in fact, during the pendency of the suit, the agreement with Defendant No. 2 has been terminated on 22.02.2022. Further, when Defendant No. 2 applied for excise approval of the label before the Excise Commissioner, Bengaluru for manufacturing and marketing their whisky under the impugned mark on 22.10.2021, Plaintiff promptly filed objections on 29.10.2021. On 01.12.2021, Plaintiff requested the Excise Commissioner for a virtual hearing on the objections, which were,

however, dismissed on 29.01.2022. The order has been challenged in a Writ Petition bearing No. 8464/2022 in April, 2022.

67. In *Bihar Tubes Ltd. v. Garg Ispat Ltd.*, 2009 SCC OnLine Del 3369, this Court held that in general, a Court will not deny protection to a Plaintiff only on ground of delay and laches assuming there are any, and the rationale for this is that denying such a relief would amount to putting seal of approval on the conduct of the Defendant in deceiving the public into believing that his goods are those of another. In *Castrol Ltd. and Anr. v. Auto Link Sales Corporation & Anr.*, 2002 SCC OnLine Del 998, the Court held that there must be an express assent by the Plaintiff to the Defendant using the trademark and encouraging him to continue with the business. From the narrative of facts and documents on record, this Court is of the *prima facie* view that at every stage, Plaintiff has taken steps diligently to protect its well-known trademark 'Officer's Choice' and the conduct of the Plaintiff cannot even remotely amount to being termed as giving assent/consent or sitting as a fence sitter permitting the Defendants to infringe its mark. This argument is, therefore, rejected.

68. Vacation of *ex-parte* injunction order was also sought by the Defendants on the ground that they were suffering huge monetary loss, predicating their case on the huge investments made on purchasing raw material and promotion and branding of the product under the mark 'Green Choice' and the excellent business since 2019 in Southern India, having come to a halt. It was pointed out that the total sale of units of the product under the impugned mark was 25,64,988 cases, worth over Rs.336 crores till the date of filing the application under Order 39 Rule 4 CPC. Succinctly put, the argument was that irreparable harm and injury is being caused to the Defendants and there is a long and extensive user of the mark. In my view, this

argument must also fail. In *Halsbury's Law of England, Vol. 32 (2nd edition), page 656-57, paragraph 966*, it was held “*if a trader allows another person who is acting in good faith to build up a reputation under a trade name or mark to which he has rights, he may lose his right to complain and may even be debarred from himself using such name or mark. But even long use by another, if fraudulent, does not affect the Plaintiff's right to a final injunction; on the other hand prompt warning or action before the Defendant has built up any goodwill may materially assist Plaintiff's case.*” This passage was usefully relied upon by the Supreme Court in *Amritdhara Pharmacy (supra)*. To the same effect are the observations in *Alfred Dunhill Limited v. Kartar Singh Makkar and Others, 1997 SCC OnLine Del 243*, where this Court reiterated the long-settled principle that after being put to notice if the infringer continues to indulge in infringing activities, he does so at his own peril. Defendants had known of Plaintiff's mark over decades and additionally, when Plaintiff filed an opposition in the Trade Marks Registry against the application for registration of ‘Green Choice’ by Defendant No. 1 and therefore, any sales subsequent thereto were at the risk and peril of the Defendants, more particularly, when they knew or ought to have known that ‘Officer's Choice’ has been judicially recognised as an ‘arbitrary’ mark and later declared as a ‘well-known’ mark.

69. The judgments cited by the Defendants, in my view, do not aid them or enure to their advantage and are distinguishable for reasons I shall advert to hereinafter. In *John Distillers (supra)*, the rival marks were ‘Officer's Choice’ and ‘Original Choice’ and the IPAB observed that Choice was a popular word on the Trade Marks Registry especially amongst alcoholic manufacturers as also that when taken as a whole, the two marks are not identical and therefore, there is no

likelihood of confusion and even the target consumers not fluent in English, would know the difference. First and foremost, as rightly argued by the Plaintiff, much water has flown from 2013, when the judgment was delivered by IPAB. Plaintiff has expanded manifolds over the years and in 2015, the Division Bench in *Shree Nath Heritage Liquor Pvt. Ltd. (supra)*, held that the mark 'Officer's Choice' is 'arbitrary' and subsequently, the mark has been declared as a well-known mark by this Court. This Court has already rendered a *prima facie* finding in the earlier part of the judgment that majority of the marks cited by the Defendants with respect to 'Choice' as common to trade, are registered by the Plaintiff, besides the fact that as a matter of record, Plaintiff has several interim orders of this Court granting injunctions against third parties where 'Choice' has been used as a suffix in marks such as 'Master Choice', 'Your Choice', 'Banker's Choice', etc. Additionally, in the litigation in 2008, this Court had observed that there was a delay of 7 years on part of the Plaintiff in coming to the Court and that 'Original Choice' had extensive sales, which is not the case here. Another crucial fact that distinguishes the present case is that in the present case, the Court has *prima facie* found dishonest adoption by Defendant No.2, who is admittedly a former bottler of the Plaintiff and had extensive knowledge of its repute and sales.

70. *Khoday Distilleries Limited (supra)* was relied upon by the Defendants for the proposition that delay would be a valid defence where it causes a change in the subject matter and the action brought about brings a situation in which justice cannot be done. Firstly, this Court has *prima facie* held above that there is no delay in bringing an action against the Defendants alleging infringement since the Plaintiff learnt of the application filed by the Defendants for registration only

in August, 2019 and thereafter, diligently pursued its remedies including filing objections before the Excise Commissioner, etc. Moreover, the said case concerned rectification of the trademark which is a discretion conferred on the Registrar of Trademarks under Section 56 of the 1999 Act and on the facts, the applicant for rectification had opposed another mark of 'Khoday' and not the impugned mark. In his discretionary power, the Registrar did not think it to be a fit case to exercise discretion and rectify the mark.

71. Much reliance was placed by the Defendants on the judgment of this Court in *PhonePe Private Limited (supra)*, wherein the Court held that barring the common 'Pe' suffix, it cannot be said that the mark 'PhonePe' of the Plaintiff and 'BharatPe' of the Defendant are confusingly or deceptively similar and in fact, the words are not even phonetically similar. As rightly pointed out by the Plaintiff in the said case, the entire discussion centred around the rival marks being generic or descriptive and the rights of the Plaintiff to claim monopoly, while in the present case, Plaintiff's mark has not only been held arbitrary but also declared as a well-known mark and the discussion with respect to the rights of the Plaintiff to claim monopoly, is wholly irrelevant.

72. The case of *Amritdhara Pharmacy (supra)*, in my view, helps the Plaintiff. In the said case, the Supreme Court has laid stress and emphasis on the overall similarity of the composite mark, more particularly, phonetic similarity. In the present case, 'Officer's Choice' has been declared as a well-known mark, which by the very definition in Section 2(1)(zg) of the 1999 Act is a mark which has acquired a reputation in a substantial segment such that its use by another person would be taken as having a direct connection with the proprietor whose mark has been declared as well-known. In such a

situation, using 'Choice' is enough to establish a connection of the rival goods with the Plaintiff and dilute its mark and more so, when the rival product is identical and consumer base is the same. In **2014 M/s. Allied Blenders (supra)**, learned Single Judge observed – “*I also agree with the contention of the senior counsel for the plaintiff that the defendant having itself applied for registration of the trade mark “Collector's Choice”, it is not open to the defendant to contend that the trade mark of the plaintiff should be seen de-hors the word ‘Choice’. In any case, in view of what I have held above, the recall value being on the basis of ‘Officer’ and ‘Collector’, in conjunction with the same suffix ‘Choice’, causes a potential for confusion.*” The judgment would also not enure to the advantage of the Defendants on the point of delay/acquiescence since Plaintiff did not knowingly or consciously allow the Defendants to grow and as soon as it learnt of the application filed by Defendant No.1 before the Trade Marks Registry, it took the requisite steps.

73. In **Pernod Ricard India Private Limited (supra)**, the learned Single Judge of this Court had come to a *prima facie* conclusion that no infringement was made out and the injunction was granted limited to the relief of passing off. The matter was carried in appeal before the Division Bench in FAO(OS)(COMM) No. 61/2022 and vide order dated 14.03.2022, Division Bench restrained the Respondent/Defendant from using the impugned mark ‘CASINOS PRIDE’ in relation to whisky, amounting to infringement and the appeal is pending.

74. In **Ramdev Food Products (P) Ltd. (supra)**, the Supreme Court held that acquiescence is a facet of delay and the principle would apply where a person allows another to invade his rights and spend money on his business which is a course of conduct inconsistent with

claim for exclusive rights for trademark, trade name, etc. On the same proposition, reliance was placed on *M/s Power Control Appliances and Others (supra)*. The narrative of facts given by the Plaintiff, as aforementioned, does not support the plea of the Defendants that there was any acquiescence on their part. In *Ultratech Cement Limited (supra)*, the Court held that the word was a common English word mostly used as a prefix and is laudatory in nature. Significantly, the Court distinguished the case in *De Cordova (supra)*, where the Court held that Appellants had infringed the trademark 'VapoRub' by selling their ointment under the mark 'Karsote Vapour Rub' and held that the word 'Karsote' was not enough to dissolve the impression that was bound to arise from associating the Appellants' goods with a word so distinctive as 'VapoRub'. The Privy Council held that it would be an abuse of language to place a word 'VapoRub' in a descriptive class only because it was a compound of two ordinary English words when the same were adopted to distinguish Respondents' goods and therefore, a similar expression, even if prefixed with 'Karsote' was not enough to distinguish goods of another trader. This case, in my view, is apt to the present case, both in facts and on law. In view of the peculiar and special facts of this case, where 'Officer's Choice' is an 'arbitrary' and declared well-known mark as well as a *prima facie* view of this Court on dishonest adoption by the Defendants, no aid can be taken by the Defendants from the judgments in *Rich Products Corporation (supra)* and *People Interactive (India) Private Limited (supra)*. It is a settled law that *ratio decidendi* has to be ascertained by analysis of facts of a given case and a slight difference in facts or additional facts makes a difference in applying the earlier judgment as a precedent. [Ref.: *Smt. Ram Rakhi v. Union of India & Ors., 2002 SCC OnLine Del 528*].

75. Insofar as the tort of passing off is concerned, the argument on behalf of the Defendants was that there is no pleading in the plaint regarding the label, packaging or logo being similar and in any case, such a plea is not available to the Plaintiff as the packaging of the Plaintiff's product bears red and white colour label and other segments of the product have a colour combination of black and golden or blue and golden while Defendants' trade dress has a combination of green and yellow. Additionally, logos have a different physical appearance inasmuch as Plaintiff's logo has two horses on each side of a circle in which abbreviation of product name is written while Defendants' logo has wings on each side of the circle and no reasonable or prudent person will be confused in mistaking one for the other. In my *prima facie* view, this distinction cannot aid the Defendants. In ***Shree Nath Heritage Liquor Pvt. Ltd. (supra)***, the Division Bench held that where the marks 'Officer's Choice' and 'Collector's Choice' are deceptively similar, the impact of different trade dress is highly unlikely to rule out consumer confusion between two products which are identical and have a common trade channel, especially since consumers expect manufacturers of alcoholic beverages to churn out variants. The case of the Plaintiff strengthens from the declaration of the mark 'Officer's Choice' as a well-known mark which signifies special qualities and stellar reputation so as to transcend the goods and services for which it is registered.

76. In ***Erven Warnink B.V. v. J. Townend & Sons (Hull) Ltd., 1980 RPC 31***, Lord Diplock stated the essential characteristics of a passing off action *viz.* (i) misrepresentation; (ii) made by a person in the course of trade; (iii) to prospective customers; (iv) which is calculated to injure the business or goodwill of another trader; and (v) which causes actual damage or injury to business or goodwill by

whom an action is brought for passing off. In *Laxmikant V. Patel (supra)*, the Supreme Court held that honesty and fair play are and ought to be the basic policy in the business world and when a person adopts or intends to adopt a name which belongs to someone else, it results in confusion, has the propensity of diverting the customers and clients of someone else, thereby resulting in injury. It was also held that law does not permit anyone to carry on business in such a way as would persuade the customers in believing that his goods belong to another or are associated therewith and it does not matter whether the latter does so fraudulently or otherwise. It bears repetition to state that with the strength of the mark 'Officer's Choice' and the goods as well as trade channels being identical, there is every likelihood that a consumer with average intelligence and imperfect recollection will confuse the IMFL sold by the Defendants as being a product of the Plaintiff, owing also to the added fact that variants of 'Officer's Choice' are available in the market. Therefore, in my *prima facie* view, all ingredients of passing off are made out by the Plaintiff.

77. For all the aforesaid reasons, the Plaintiff has made out a *prima facie* case for grant of temporary injunction. Insofar as irreparable injury and balance of convenience are concerned, applying the principle laid down by the Supreme Court in *Wander Ltd. (supra)*, Plaintiff's use of the mark since 1988 and its huge reputation and humungous sales under the mark 'Officer's Choice', compared to the length of user of the impugned mark by the Defendants and/or the sales, tilts the scale in favour of the Plaintiff and irreparable loss shall be caused to the Plaintiff if the Defendants are not restrained from using the impugned mark 'Green Choice' for the product in question.

78. Accordingly, the *ex parte* ad interim order dated 17.02.2022 is made absolute till the final adjudication of the suit and Defendants,

their affiliates, subsidiaries, directors, wholesalers, distributors, partners, or proprietors as the case may be, their officers, servants and agents and all others acting for and on their behalf from are restrained from using, manufacturing, selling, exporting, importing, offering for sale, distributing, advertising, directly or indirectly dealing in alcoholic beverages, especially Country Spirits and IMFL, or goods of any description and from using the impugned mark 'Green Choice' or any identical/deceptively similar mark to that of the Plaintiff's trademarks 'Officer's Choice', 'Officer's Choice Blue' and 'Choice' in any manner whatsoever, amounting to trademark infringement of the Plaintiff's trademarks or to cause confusion or deception leading to passing off of the Defendants' products as those of the Plaintiff or associated with the Plaintiff or to cause dilution and tarnishment of the Plaintiff's well-known trademarks.

79. I.A. No. 2712/2022 filed by the Plaintiff under Order XXXIX Rules 1 & 2 CPC is allowed and I.A. No.4044/2022 filed by the Defendants under Order XXXIX Rule 4 CPC is dismissed. Both applications are disposed of.

80. Before drawing the curtains, I may pen down the usual caveat that the observations and opinion of the Court in the present judgment is only tentative and *prima facie* and will have no bearing on the final adjudication of the suit.

JYOTI SINGH, J

APRIL 19, 2023/shivam/ka