



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

% Decided on: 31st May, 2023

+ **CS (COMM) 253/2019**

BENNET, COLEMAN & COMPANY LIMITED Plaintiff
Represented by: Mr. Hemant Singh, Ms. Pragma Jain,
Ms. Soumya Khandelwal, Advs.

versus

E! ENTERTAINMENT TELEVISION LLC. ... Defendant
Represented by: Ms. Shwetashree Majumdar,
Mr. Prithvi Singh and Ms. Devyani
Nath, Advs.

**CORAM:
HON'BLE MS. JUSTICE MUKTA GUPTA**

I.A. 7077/2019 (under Order XXXIX Rule 1 and 2 CPC – by Plaintiff)

I.A. 8833/2019 (under Order XXXIX Rule 4 CPC – by defendant)

I.A. 8832/2019 (under Order VII Rule 10 & 11 CPC – by defendant)

1. By I.A. 7077/2019, the plaintiff prays for an order restraining the Defendant, its directors, agents, officers, employees, cable operators, multi-system operators, direct to home operators and other persons associated with it from adopting and using the mark “NOW”, “E NOW” and “E NEWS NOW” or any other mark or name which is identical or deceptively similar, either singly or in conjunction with any other word or mark, to plaintiff’s channel name/ registered mark, or/ and the plaintiff mark’s logo style, format, font, get up or color scheme. The plaintiff also prays for restraining the Defendant and its directors, partners, officers, employees, agents, licensees, cable operators, franchisees or any other persons from



using the plaintiff's domain name/ website timesnow.tc, moviesnow.co.in, romedynow.com, economictimes.indiatimes.com/et-now, etc. or any other domain name similar in fashion for any internet site or social media site, account or handle of the plaintiff or to create any third party interest in the domain name currently in use by the defendant and for direction to defendant to maintain accounts of profit illegally earned by them.

2. Summons in the suit were issued on 14th May, 2019 and on which date interim injunction was also granted in favour of the plaintiff restraining the respondent from starting any channel/ programme in India by the mark "NOW" or any other mark deceptively similar to the mark "NOW".

3. The defendant thereafter filed an appeal challenging the order dated 14th May, 2019 granting interim injunction in favour of the plaintiff, wherein the Hon'ble Division Bench of this Court vide order dated 30th May, 2019 in FAO(OS)(Comm) 135/2019 took the view that the defendant should file an application under Order XXXIX Rule 4 seeking vacation of the ad-interim injunction. Accordingly, I.A. No. 8833/2019 was filed by the defendant seeking vacation of the said injunction order dated 14th May, 2019.

4. By I.A. 8832/2019, the defendant prays for rejection of the plaint filed by the plaintiff with exemplary costs, or in alternative, the return of plaint for presentation before a court of competent jurisdiction.

About the Plaintiff and its contentions

5. The plaintiff company is popularly known as the 'Times Group' which primarily runs print media since 1838 and is the flagship company of



the Times Group Company. As per the plaint, the plaintiff has 33 publishing centers, 37 printing centers with over 7000 employees and a circulation of approximately 4.3 million copies daily, 29 niche magazines and 32 radio stations. Apart from being involved in various businesses relating to media, it is also involved in television broadcasting and distribution for its channels which is collectively and popularly known as the 'Times Network'. It is claimed by the plaintiff that the trademarks "TIME", "TIMES" and "NOW" are the property of the plaintiff company only, and its subsidiaries and affiliates have been allowed to use the same. The plaintiff has been using the series of mark "TIMES" and "NOW" in various combinations, in respect of television channels for more than a decade. Times Network houses 'Times Now' channel, which is India's most viewed English News Channel operating successfully for over twelve years, 'Times Now World' is the HD version of Times Now Channel, 'ET Now' channel is India's most viewed English Business News channel, 'Mirror Now' launched as 'MAGICBRICKS NOW', was India's first 24x7 Real Estate and Property Business Television Channel, which was revamped and renamed as 'Mirror Now', channel 'Movies Now' is India's first and most viewed English Movie channel, 'Romedy Now' and 'Romedy Now HD' are India's premium English Entertainment Channels focused on Romance and Comedy. The suffix "NOW" is thus attached with all the channels of the plaintiff except 'Zoom', 'MN+', 'MNX' and 'MNX HD' operated by the plaintiff or its subsidiaries and therefore, any other word for the purposes of a name of a channel is distinctive of the plaintiff.



6. It is the case of the plaintiff that on and from 13th October, 2008, it started using the logo “E Now” for entertainment and film review shows where ‘E’ represents Entertainment and “NOW” represents a connection with the brand of Times Group. The plaintiff decided to launch a new logo of “E Now” and applied for registration of the trademark under class 38 and 41, and simultaneously, application for trademark registration of old logo and word mark “E Now” was also applied by the plaintiff on 09th February, 2018 with a user date from 13th October 2008. The registration of these marks was opposed by the defendant claiming rights over the logo and use of “E!” by the defendant. It was contended on behalf of the plaintiff that the present suit is limited to class 38 and 41 of the trademark registrations which pertain to “television broadcasting services” and “television based entertainment services” respectively.

7. It was contended on behalf of the plaintiff that the cause of action is based on the assertion of proprietary right in respect of ‘E! Now’ and ‘E! News Now’ by the defendant for television entertainment services falling under class 41. It was contended that the defendant has not filed any trademark application for ‘E! Now’ or ‘E! News Now’ in India till date and hence, no right can be claimed by the defendant. It was submitted that the present suit does not pertain to defendant’s trademark “E!”, rather the present suit is to prevent the defendant from using the mark “NOW” in India. Further, it was submitted that the defendant aims to capitalize on the reputation and goodwill of the plaintiff by choosing the plaintiff’s mark “NOW” for launching its portals with the mark ‘E! Now’ or ‘E! New Now’ and claiming rights over the same and use of these said marks by the



defendant in relation to the identical services and business is bound to cause confusion and deception. The plaintiff has been using the 'E NOW' since 2008, the "NOW" mark is *per se* registered and it is an essential feature of the plaintiff's mark. It was contended on behalf of the plaintiff that it has a large collection of marks with "NOW" as suffix and prefix and other variations and hence, it is the proprietor of the "NOW" family marks in the television broadcast and entertainment services. The plaintiff claims to have over 250 registrations with the mark "NOW", with 78 registrations in class 38 and about 76 registrations in class 41, and hence the plaintiff claims to have an exclusive right to use the "NOW" family of marks in terms of Sections 28 and 29 of the Trademarks Act. Reliance was placed on the decisions cited as 2009 (40) PTC 417 (Del.) (DB) Amar Singh Chawal Wala v. Shree Vardhman Rice, AIR 1965 SC 980 Kaviraj Pandit Durga Dutt Sharma v. Navaratna Pharmaceutical and AIR 1963 SC 449 Amritdhara Pharmacy v. Satya Deo Gupta. It is claimed that on account of their prior adoption, extensive use and promotion of the "NOW" marks, the plaintiff's said marks have acquired distinctiveness and earned immense reputation as a brand and unique identity of its channels, for which the plaintiff also relies upon various decisions of this Court where the mark "NOW" was recognized; Bennett Coleman and Company Ltd. v. Real Video Impact Pvt. Ltd and Anr., [CS(OS) No. 1701 of 2014, order dated 08.08.2014], Bennett Coleman and Company Ltd. v. M. Akram Pasha, [CS(OS) No.828 of 2018, order dated 08.08.2018] and Bennett Coleman and Company Ltd. v. Future Vision Broadcast Private Limited, [CS(COMM) No.846 of 2016, order dated 23.12.2016].



8. It was further contended that the marks of the defendant i.e. ‘E! Now’ and ‘E! News Now’ have a structural similarity with the plaintiff’s marks E NOW used in relation to television programmes which constitutes infringement as also passing off. It was further contended that although the defendant has asserted its proprietary right and challenged the plaintiff’s marks before the Registrar as well as by way of cease and desist notice, but the defendant is yet to use its marks in India. Further, the plaintiff has no ways and means to anticipate defendant’s plan in Indian market, however, the rights asserted and rights challenged constitute sufficient basis for the apprehension that the activities of defendant might violate plaintiff’s right and hence, plaintiff seeks relief by way of a *quia timet* action. Reliance was placed on the decision cited as AIR 2000 SC 1410 Kuldip Singh v. Subhash Chander Jain & Ors. It is thus prayed that in view of the prima case having been established, alongwith the balance of convenience and irreparable injury in its favour, the plaintiff is entitled to the relief of injunction.

About the Defendant and its contentions

9. As per the defendant, it is an American pay television channel owned by the NBC Universal Cable Entertainment Group Division of NBC Universal Media LLC, which is a global media and entertainment conglomerate with its presence in various countries. It runs various programs, shows and activities under mark “E!” and E! formative marks such as ‘E! Entertainment’, ‘E! Online’, ‘E! News’, ‘E! HD’, etc. The defendant used the name ‘E! News Now’ for a digital/ online news segment/ bulletin around the year 2007, and ‘E! Now’ online television



service was launched in or around March 2013 in USA and other countries. The said service is featured and promoted online on its E! Online website i.e. eonline.com. The defendant claims to be the registered proprietor of several E! and E! formative marks under class 9, 38 and 41 of the Trademarks Act. It was contended on behalf of the defendant that the plaintiff filed applications seeking registration of “E NOW” and its variants in classes 38 and 41 which were duly opposed by the defendant on the grounds of the similarity with its E! and other E! formative marks. The defendant also issued a cease and desist notice to the plaintiff on 30th May 2018.

10. It was the case of the defendant that the earliest registration of the mark “NOW” by the plaintiff is of 31st July, 2008 which is subsequent to the date of use of ‘E! News Now’ by the defendant, and hence, the “NOW” label and marks have been wrongly registered. It was contended on behalf of the defendant that the services for which the injunction has been granted clearly fall under class 38, where the plaintiff has no registration over the mark “NOW”. The order granting interim relief dated 14th May, 2019 wrongly records that the trademark “NOW” is registered in various categories since 2006, however, the plaintiff has no registration on the standalone mark “NOW” and therefore, the said interim order was based on misrepresented facts. It was further contended that in view of the fact that the plaintiff does not have a standalone registration in class 38, the plaintiff’s family of “NOW” marks cannot be compared to the trademarks of the defendant i.e. ‘E! Now’ or ‘E! News Now’, rather only that particular mark of the plaintiff which allegedly infringes the mark of defendant should



be compared. It was contended that there is no evidence to prove the use of “TIMES NOW” or any other “NOW” suffix marks by the plaintiff since 2006 and the filing of trademark registration certificates is not sufficient to demonstrate use and/ or prior use which is critical for grant of interim relief. It was submitted that the onus is on the plaintiff to show that it had attained goodwill in 2007 when the defendant started using E! News Now in the international market and not just in India. It was further contended by the defendant that the mark “NOW” per se cannot be well known mark as the same has never been used by the plaintiff for any goods or services, rather all are uses of composite marks. Reliance was placed on MANU/DE/0832/2020 Peps Industries Pvt. Ltd. v. Kurlon Ltd.

11. It was contended on behalf of the defendant that the essential feature of the defendant’s mark is E!, which is distinctive arising out of *bona fide* adoption of E! News Now since 2007 and E! Now since 2013 having transborder reputation, and as a prior user, the defendant’s rights are superior to that of the plaintiff’s. Further, there is no use of the standalone mark “NOW” for which mere registration is not sufficient. It was contended that the plaintiff had applied for registration of E News, E TV and E Net in classes 9, 38 and 41, but those applications were withdrawn pursuant to oppositions filed by the defendant. It was further contended that the plaintiff had suppressed, concealed and misrepresented material facts. The plaintiff had expressly stated before the trademark registry in its reply to objections to ‘Romedly Now’ that no exclusivity can be claimed over the mark “NOW” as it is “common to the trade”. It was submitted that these disclaimers also demonstrate that even in the opinion of the Trademark registry, “NOW” is



common to trade, and as the plaintiff did not take up the issue of disclaimer with registry, it can be assumed that the disclaimer was acceptable to the plaintiff, and only after defendant pointed out the same in the present proceedings, that the plaintiff wrote to the Registry expressing concern over the disclaimer. Reliance was placed on the decision cited as MANU/DE/2363/2018 Mankind Pharma Ltd. v. Chandra Mani Tiwari and (2016) 1 HCC (Del) 250 SK Sachdeva & Anr. v. Shree Educare Ltd. & Anr. It was further contended that the mark NOW is a *publici juris* as a number of third parties are also using the same for example, Kotak Now, PlayStation Now, Eros Now, VCNOW and so on, and when one part of a composite mark is a *publici juris*, the consumers focus on the rest of the mark. Reliance was placed on MANU/DE/0311/1997 SBL Ltd. v. Himalaya Drug Co., MANU/DE/0009/2010 Skyline Education Institute Pvt. Ltd. v. SL Vaswani, MANU/SC/0052/1955 Registrar of Trademarks v. Ashok Chandra Rakhit, MANU/DE/0869/2007 Astrazenca UK Ltd. v. Orchid Chemicals & Pharmaceuticals Ltd. and MANU/DE/3179/2009 Schering Corporation & Ors. v. Alkem Laboratories Ltd.

12. It was further contended that the ‘disclaimers’ were not disclosed to this court at the time when interim injunction was granted or in its plaint or application. Further, there are three trademarks where the word “NOW” appearing as a suffix has been disclaimed i.e. trademark registration nos. 2500350, 2500351 and 569469, and there are six other registrations with NOW as a suffix which have been challenged by a third party, but neither of these facts have been disclosed by the plaintiff. It was further contended that the plaintiff does not have any trademark registration on the use of the



mark “NOW” in class 38, hence ad interim injunction could not possibly have been extended to internet/ web portals and television programs which fall under the head telecommunications (class 38). Furthermore, it was submitted there are at least 39 other registrations in class 38 and 34 other registrations in class 41 which use “NOW” as a suffix. There is nothing on record to show that the plaintiff has been using the mark “NOW” as a standalone mark and therefore, the plaintiff cannot be given the benefit when it has failed to disclose this fact of non-use of the standalone mark. Further, even otherwise, the defendant is not using “NOW” as a standalone mark over which the plaintiff seeks protection, and thus there is no basis to restrain the defendant from starting any channel/ programme in India. Reliance was placed on the decision reported as MANU/DE/0295/2016 Living Media India Ltd. & Anr. v. Alpha Dealcom Pvt. Ltd. (SB), MANU/DE/0461/2014 Living Media India Ltd. & Anr. v. Alpha Dealcom Pvt. Ltd. (DB) and (2010) 2 SCC 142 Skyline Education Institute (Pvt.) Ltd. v. SL Vaswani & Ors. The defendant also submitted that an equitable relief cannot be granted to a party who has approached the court with unclean hands as held in the case reported as 155 (2008) DLT 56 Warner Bros. Entertainment Inc. & Anr. v. Harinder Kohli & Ors., (2017) 241 DLT 319 Paramount Surgimed Ltd. v. Paramount Bed India Pvt. Ltd. & Ors., 2017 SCC OnLine Del 8122 Columbia Sportswear Company v. Harish Footwear & Anr. and AIR 2004 SC 1469 R. Vishwanatha Pillai v. State of Kerala.

13. It was further contended that the present suit cannot be seen as a *quia timet* action because the defendant’s marks E! News Now and E! Now have been in existence since 2007 and 2013 respectively and the Indian



customers are well aware of the same and that the defendant has a tremendous goodwill and reputation in India due to internet exposure. It was further contended that the fact that defendant will execute agreements if it wants to launch a channel in Delhi is not a basis of jurisdiction and the threat cannot be said to be real and imminent to sustain *quia timet* action. The Indian customers have been exposed but no specific targeting of Indian customers and no commercial transaction was done in Delhi and the onus is on the Plaintiff to establish that the defendant had targeted the people in Delhi. It was also contended that there is no “real and imminent” threat for *quia timet* action as no steps have been taken by the defendant to launch a channel or programme in India for which, reliance was placed on the decision cited as 2017 (70) PTC 316 (Del.) Radico Khaitan Ltd. v. Nakshatra Distilleries & Breweries Ltd & Ors. and Allied Blenders & Distilleries v. RK Distilleries Pvt. Ltd. [FAO(OS) 251/2016 dated 28.02.2017].

14. It was further contended that the elements of “classical trinity” i.e. goodwill, misrepresentation and damage must be proved for claiming injunction. Plaintiff’s mark “NOW” which is descriptive and non-distinctive mark cannot be said to have attained goodwill internationally within one year when the plaintiff’s channel TIMES NOW was allegedly launched in 2006 and the defendant started using the mark E! News Now in 2007. The defendant’s use of E! News Now is prior to that of the plaintiff’s use of E NOW, and therefore there is no scope of any misrepresentation. Further no damage whatsoever has been caused to the plaintiff as the defendant is not using its marks E! Now or E! News Now in India for any



programme/ channel for which reliance was placed MANU/SC/0472/1995 Gujarat Bottling Co. Ltd. v. Coca Cola Co., MANU/SC/0553/1994 Morgan Stanley Mutual Fund v. Kartick Das and (2017) 241 DLT 48 Radico Khaitan Ltd. v. Nakshatra Distilleries & Breweries Ltd. & Ors.

15. The defendant had moved the above mentioned I.A.No.8832/2019 for rejection/ return of plaint, as the suit is without jurisdiction and without any cause of action and therefore, the same being not maintainable is liable to be returned/ rejected. It was contended on behalf of the defendant that this court does not have the territorial jurisdiction to deal with the present suit as the registered office of the plaintiff is at Mumbai which has not been disclosed by it, rather the plaintiff has claimed that its registered office is at New Delhi with an aim to create jurisdiction of this Court. Even in its reply to the said appeal FAO(OS)(Comm) 135/2019, the plaintiff claimed the mentioning of incorrect address to be a typographical error, for which the plaintiff even sought to amend the pleadings. It was submitted that the Delhi office of the plaintiff is not its registered office and the mentioning of the Delhi address cannot be typographical error. Even the Delhi address so given by the plaintiff is incorrect as the same is not its own office address but that of its attorney. Further, no cause of action can be said to have arisen in Delhi just because cease & desist and subsequent correspondence was sent from Delhi. Although the cease & desist notice was addressed to the Delhi office, but there is no law under Section 29 of the Trademarks Act as relied upon by the plaintiff to show that in an infringement suit, issuance of a letter to their wrongly identified principal office can create a cause of action without any of the acts of alleged infringement having occurred in



Delhi. It was for the plaintiff to show what was the special happening in Delhi which has not happened in Bombay. Further, there is nothing on record to show that the defendant was targeting the customers in Delhi or that there is commercial transaction which took place in Delhi. Defendant does not run any TV Channel in Delhi or in India, and mere accessibility of a website in a geographical area does not constitute a cause of action when the defendant has not targeted Indian customers as a whole or in Delhi in particular and for this, reliance for was placed on 2010 (42) PTC 361 (Del.) Banyan Tree Holding (P) Ltd. v. A. Murali Krishna Reddy & Anr. It was contended that in terms of section 134 of the Trademarks Act and the decisions reported as AIR 2015 SC 3479 Indian Performing Rights Society Ltd. v. Sanjay Dalia & Ors., 2016 (65) PTC 469 (Del.) Ultra Home Construction Pvt. Ltd. v. Purushottam Kumar Chaubey & Ors., 2017 SCC OnLine Del 6783 HSIL Ltd. v. Marvel Ceramics & Ors., 2018 SCC OnLine Del 7545 Huntsman International (India) Pvt. Ltd. v. Abiss Textile Solutions Pvt. Ltd. & Ors. and 2017 (71) PTC 155 (Del.) Federal Express Corporation v. Fedex Securities Limited & Ors. that misstatement of the plaintiff is fatal to its claim, and hence, liable to be returned. It was contended that the use of Delhi address in a trademark application cannot confer jurisdiction on this court and reliance was placed on (2006) 9 SCC 41 Dhodha House v. SK Maingi.

16. It was contended on behalf of the defendant that no cause of action whatsoever has arisen in Delhi. E! News Now and E! Now has not been used in India for any channel/ programme or offering any services to internet user in India and the defendant's E! family of trademarks enjoys



transborder reputation in India. The test of jurisdiction lies in purposefully availing it by targeting the consumers in that jurisdiction and mere accessibility of the website. While, defendant's marks have been exposed to Indian public and acquired fame and reputation in India, defendant has never specifically targeted Indian customers under these marks, and hence, this court has no jurisdiction. It was also contended that no cause of action can arise from the cease and desist letter and that the said letters were sent to the Delhi office only because the relevant trademark applications were filed using the Delhi address. Reliance was placed on ILR (2005) 2 Del. 751 Golden Peacock Overseas v. Ranjit Industries and (2011) 177 DLT 789 M/s. Carmel Overseas Ltd. v. Sturdy Industries Ltd.

17. In its rejoinder arguments, it was contended on behalf of the plaintiff that the cease and desist notice has been given a statutory sanction for giving rise to a cause of action as Section 142 of the Trademarks Act provides that a groundless threat of legal proceedings gives rise to a cause of action and if the plaintiff is threatened by the said cease and desist notice, plaintiff can seek a declaration. In this case, there is not only a challenge to a plaintiff's right, but his proposed action also, and hence, the plaintiff can seek injunction. It was further submitted that the broadcasting business is conducted from the Delhi's office of the plaintiff, and in terms of Section 60 of the Copyright Act which is equivalent to the Section 142 of the Trademarks Act, the cease and desist notice would give rise to a cause of action. Furthermore, to counter the argument that the plaintiff misled the Registrar, reliance was placed on Section 18 of the Act and Rule 3 of the Trademark Rules.



18. It is stated that it was the defendant who chose to serve the notice upon the plaintiff at Delhi office and as the substantial part of the cause of action arose in Delhi, cease and desist notice was received by plaintiff at Delhi and the corporate office of the plaintiff is at Delhi, the court at Delhi would have the jurisdiction and the plaint would be maintainable before this Hon'ble Court and the application under Order VII Rule 10 and 11 of the Code of Civil Procedure would not be maintainable. Reliance was also placed on the decisions cited as (2006) 6 SCC 207 Om Prakash Srivastava v. Union of India & Anr., 2004 (28) PTC 251 SC Exphar SA & Anr. v. Eupharma Laboratories & Anr., 2011 (48) PTC 380 (Del) South African Breweries International (finance), B.V. and Anr. Vs. Mohan Goldwater Breweries Ltd. & Anr., 2016 (68)PTC 178 (Del) (DB) RSPL Ltd. vs. Mukesh Sharma & Anr., and 2018 (76) PTC 90 (Del) Burger King Corporation vs. Techchand Shewakrami & Ors.

19. It was further submitted that the assertion by the defendant that it neither has any TV or broadcasting business in India nor has any application services in India, but its website targets the customers in US, Latin America, Italy and some other European nations and not in India, is incorrect as the defendant has asserted its rights in India in its written statement, legal notice and pleadings before the Registrar. If the said assertion is to be believed then in absence of a mark in India, the defendant cannot claim that it has a trans-border reputation. Further, in the absence of any use of trademark E! Now and E! News Now in India, no proprietary right can be claimed by Defendant in India. Reliance was placed on (2018) 73 PTC 1 (SC) Toyota Jidosha Kabushiki Kaisha v. Prius Auto Inds. Ltd. &



Ors. and (2012) 49 PTC (Del.) Trans Tyres India Pvt. Ltd.v. Double Coin Holdings Ltd. & Anr.

20. It was further countered on behalf of the plaintiff that the defence of “common to trade” cannot be based on mere presence of marks on the trademark register, rather any plea of “common to trade” has to be established by evidence of substantial usage, which has not been shown by the defendant in the present case. Further, the issue in the present suit is *inter se* the parties and therefore, the third party usages as cited as a defence to the acts of infringement and passing off cannot be given any weightage as has been held by the court in various decisions cited as 2008 (38) PTC 49 (Del.) (DB) Pankaj Goel v. Dabur India Ltd., AIR 1971 SC 898 National Bell v. Metal Goods, AIR 1960 SC 142 Corn Products Refining Co. v. Shangrila Food Products Ltd., and 2009 (41) PTC 57 (Del.) Novartis AG v. Crest Pharma Pvt. Ltd. & Anr. It was further submitted that the plaintiff was unaware about the said “common to trade” remark and learnt about the same when pointed out by the defendant in its application under Order XXXIX Rule 4. The letter mentioning the remarks “common to trade” was sent by the erstwhile attorney without the plaintiffs’ consent and a remedial action against the same was taken by the plaintiff and in any event, the exclusivity, goodwill and distinctiveness of the word “NOW” has to be tested independently. It was further submitted that merely because plaintiff took a stand while seeking registration cannot operate as estoppel in law against the plaintiff from exercising its statutory rights and reliance was placed on 2019 (79) PTC 99 (Del.) Telecare Network India Pvt. Ltd. v. Asus



Technology Pvt. Ltd., and 2018 (74) PTC 229 (Del.) H&M Hennes & Mauritz AB & Anr. v. HM Megabrand Pvt. Ltd.

21. It was also submitted by the plaintiff that the defendant pleaded concealment and misrepresentation by the plaintiff in respect of the three trademark registration namely LOVCOM in class 9, LOVCOM NOW in class 16 and Romedy Now in Class 38. It was countered by the plaintiff that there are 77 registrations in class 38 and 73 registration in class 41 without any disclaimer, and just one declaimer in class 38 does not affect the proprietary right conferred in the Plaintiff in respect of “NOW” family of marks. Reliance was placed on 2007 (35) PTC 95 (Del.) Cadbury India v. Neeraj Food Products and 2012 (50) PTC 60 (Del.) Research in Motion v. Data Infosys. It was submitted that even otherwise, disclaimers do not affect the passing off action and reliance was placed on the decision in (1955) 2 SCR 252 Registrar of Trademarks v. Ashok Chandra. It was further submitted that the plaintiff was unaware about the disclaimer issued to the registration under class 38 and that the said disclaimer was incorrectly incorporated by the Registrar as no objection was raised to registration of “NOW” as a part of trademark application for LOVCOM NOW in class 9 and 16 and Romedy Now in class 38. Romedy NOW is already registered in class 38 and 41 without any disclaimer as a word mark vide registration no. 2500343 and as trademark vide registration no. 2500344 respectively.

22. It was further countered that in terms of Section 31 of the Trademark Act, there is a *prima facie* presumption of the validity of the Trademark, and that this court cannot go into the validity of the registration, as held in



(2018) 2 SCC 112 Patel Field Marshal Agencies & Anr. v. P.M. Diesels Ltd. & Ors.

23. Heard counsel for both the parties and perused the record.

I.A. 8832/2019 (under Order VII Rule 10 & 11 CPC – by defendant)

24. The grounds urged by the defendant seeking return of the plaint, *inter alia*, are that neither the plaintiff nor the defendant work for gain in Delhi and also no cause of action has arisen in Delhi in terms of the test laid down by this Court in the decision reported as 2010 (42) PTC 361 (Del.) Banyan Tree Holding (P) Ltd. v. A. Murali Krishna Reddy & Anr. Mere sending of the legal notice by lawyers of defendant addressed to the authorized officers of plaintiff at Delhi will not create a cause of action, particularly when there was no threatened action contemplated in the said notice. Further, the rejoinder which according to the plaintiff was the cease and desist notice was not addressed to the plaintiff's corporate office at New Delhi but to the counsel.

25. Section 134 of the Trade Marks Act (in short the TM Act) reads as under:

“134. Suit for infringement, etc., to be instituted before District Court.—

(1) No suit—

- (a) for the infringement of a registered trade mark; or*
- (b) relating to any right in a registered trade mark;*
or
- (c) for passing off arising out of the use by the defendant of any trade mark which is identical with or deceptively similar to the plaintiff's trade mark, whether registered or unregistered, shall be*



instituted in any court inferior to a District Court having jurisdiction to try the suit.

(2) *For the purpose of clauses (a) and (b) of sub-section (1), a “District Court having jurisdiction” shall, notwithstanding anything contained in the Code of Civil Procedure, 1908 (5 of 1908) or any other law for the time being in force, include a District Court within the local limits of whose jurisdiction, at the time of the institution of the suit or other proceeding, the person instituting the suit or proceeding, or, where there are more than one such persons any of them, actually and voluntarily resides or carries on business or personally works for gain.*

Explanation.—For the purposes of sub-section (2), “person” includes the registered proprietor and the registered user.”

26. In the decision reported as AIR 2015 SC 3479 Indian Performing Rights Society Ltd. v. Sanjay Dalia & Ors., Hon’ble Supreme Court held:

16. “Corporation” in the Explanation to Section 20 CPC would mean not only the statutory corporation but companies registered under the Companies Act, as held by this Court in Patel Roadways Ltd. v. Prasad Trading Co. [(1991) 4 SCC 270] and New Moga Transport Co. v. United India Insurance Co. Ltd. [New Moga Transport Co. v. United India Insurance Co. Ltd., (2004) 4 SCC 677] The domicile of the company is fixed by the situation of its principal place of business as held in Jones v. Scottish Accident Insurance Co. Ltd. [(1886) LR 17 QBD 421 (DC)] In the case of companies registered under the Companies Act, the controlling power is, as a fact, generally exercised at the registered office, and that office is therefore not only for the purposes of the Act, but for other purposes, the principal place of business, as held in Watkins v. Scottish Imperial Insurance Co. [(1889) LR 23 QBD 285 (DC)] A company may have subordinate or branch offices in fifty different jurisdictions and it may be sued in any one of such jurisdictions in respect of a cause of action arising there, has been held in Peoples' Insurance Co. Ltd. v. Benoy Bhusan Bhowmik [1943 SCC OnLine Cal 15 : AIR 1943 Cal 199] , Home Insurance Co. Ltd. v. Jagatjit Sugar Mills Co.



Ltd. [AIR 1952 Punj 142] and Prag Oil Mills Depot v. Transport Corpn. of India [1978 SCC OnLine Ori 72 : AIR 1978 Ori 167] .

17. Accrual of cause of action is a sine qua non for a suit to be filed. Cause of action is a bundle of facts which is required to be proved to grant relief to the plaintiff. Cause of action not only refers to the infringement but also the material facts on which right is founded. Section 20 CPC recognises the territorial jurisdiction of the courts inter alia where the cause of action wholly or in part arises. It has to be decided in each case whether cause of action wholly or in part arises at a particular place, as held by this Court in Rajasthan High Court Advocates' Assn. v. Union of India [(2001) 2 SCC 294 : AIR 2001 SC 416] . Thus, a plaintiff can also file a suit where the cause of action wholly or in part arises.

18. On a due and anxious consideration of the provisions contained in Section 20 CPC, Section 62 of the Copyright Act and Section 134 of the Trade Marks Act, and the object with which the latter provisions have been enacted, it is clear that if a cause of action has arisen wholly or in part, where the plaintiff is residing or having its principal office/carries on business or personally works for gain, the suit can be filed at such place(s). The plaintiff(s) can also institute a suit at a place where he is residing, carrying on business or personally works for gain de hors the fact that the cause of action has not arisen at a place where he/they are residing or any one of them is residing, carries on business or personally works for gain. However, this right to institute suit at such a place has to be read subject to certain restrictions, such as in case the plaintiff is residing or carrying on business at a particular place/having its head office and at such place cause of action has also arisen wholly or in part, the plaintiff cannot ignore such a place under the guise that he is carrying on business at other far-flung places also. The very intendment of the insertion of provision in the Copyright Act and the Trade Marks Act is the convenience of the plaintiff. The rule of convenience of the parties has been given a statutory expression in Section 20 CPC as well. The interpretation of provisions has to be such which prevents the mischief of causing inconvenience to the parties.

[emphasis supplied]



27. Following the law laid down by the Hon'ble Supreme Court in Sanjay Dalia (supra) this court in the decision reported as 2016 (65) PTC 469 (Del.) (DB) Ultra Home Construction Pvt. Ltd. v. Purushottam Kumar Chaubey & Ors., observed:

13. By virtue of the Supreme Court decision in Sanjay Dalia (supra) this deeming provision contained in the explanation in section 20 of the Code has been read into section 134(2) of the Trade Marks Act, 1999 and section 62(2) of the Copyright Act, 1957 for the purposes of isolating the place where the plaintiff can be said to carry on business. It will be noted that though the expression "carries on business" is used in all the three provisions (i.e., section 20 of the Code, section 134(2) of the Trade marks Act, 1999 and section 62(2) of the Copyright Act, 1957), the deeming provision contained in the Explanation in section 20 of the Code has not been expressly incorporated in the other two provisions. But, the Supreme Court has, in the said decision, given the expression "carries on business" used in relation to a corporation in the context of a defendant in section 20 of the Code the same meaning when it is used in relation to a plaintiff under the said sections 134(2) and 62(2). It would be instructive to note the following observations of the Supreme Court in the said decision:

"14. Considering the very language of Section 62 of the Copyright Act and Section 134 of the Trade Marks Act, an additional forum has been provided by including a District Court within whose limits the plaintiff actually and voluntarily resides or carries on business or personally works for gain. The object of the provisions was to enable the plaintiff to institute a suit at a place where he or they resided or carried on business, not to enable them to drag the defendant further away from such a place also as is being done in the instant cases. In our opinion, the expression "notwithstanding anything contained in the Code of Civil Procedure" does not oust the applicability of the provisions of Section 20 of the Code of Civil Procedure and it is clear that additional remedy has been provided to the plaintiff so as to file a suit where he is



residing or carrying on business, etc. as the case may be. Section 20 of the Code of Civil Procedure enables a plaintiff to file a suit where the defendant resides or where cause of action arose. Section 20(a) and Section 20(b) usually provides the venue where the defendant or any of them resides, carries on business or personally works for gain. Section 20(c) of the Code of Civil Procedure enables a plaintiff to institute a suit where the cause of action wholly or in part, arises. The Explanation to Section 20 CPC has been added to the effect that corporation shall be deemed to carry on business at its sole or principal office in India or in respect of any cause of action arising at any place where it has subordinate office at such place. Thus, “corporation” can be sued at a place having its sole or principal office and where cause of action wholly or in part, arises at a place where it has also a subordinate office at such place.

15. The learned author Mulla in Code of Civil Procedure, 18th Edn., has observed that under clauses (a) to (c) of Section 20, the plaintiff has a choice of forum to institute a suit. The intendment of the Explanation to Section 20 of the Code of Civil Procedure is that once the corporation has a subordinate office in the place where the cause of action arises wholly or in part, it cannot be heard to say that it cannot be sued there because it did not carry on business at that place. The linking of the place with the cause of action in the Explanation where subordinate office of the corporation is situated is reflective of the intention of the legislature and such a place has to be the place of the filing of the suit and not the principal place of business. Ordinarily the suit has to be filed at the place where there is principal place of business of the corporation.”

xxxx xxxx xxxx xxxx xxxx

“18. On a due and anxious consideration of the provisions contained in Section 20 CPC, Section 62 of the Copyright Act and Section 134 of the Trade Marks Act, and the object with which the latter provisions have been enacted, it is clear that if a cause of action has arisen wholly or in part, where the



plaintiff is residing or having its principal office/carries on business or personally works for gain, the suit can be filed at such place(s). The plaintiff(s) can also institute a suit at a place where he is residing, carrying on business or personally works for gain de hors the fact that the cause of action has not arisen at a place where he/they are residing or any one of them is residing, carries on business or personally works for gain. However, this right to institute suit at such a place has to be read subject to certain restrictions, such as in case the plaintiff is residing or carrying on business at a particular place/having its head office and at such place cause of action has also arisen wholly or in part, the plaintiff cannot ignore such a place under the guise that he is carrying on business at other far-flung places also. The very intendment of the insertion of provision in the Copyright Act and the Trade Marks Act is the convenience of the plaintiff. The rule of convenience of the parties has been given a statutory expression in Section 20 CPC as well. The interpretation of provisions has to be such which prevents the mischief of causing inconvenience to the parties.

19. The intendment of the aforesaid provisions inserted in the Copyright Act and the Trade Marks Act is to provide a forum to the plaintiff where he is residing, carrying on business or personally works for gain. The object is to ensure that the plaintiff is not deterred from instituting infringement proceedings “because the court in which proceedings are to be instituted is at a considerable distance from the place of their ordinary residence”. The impediment created to the plaintiff by Section 20 CPC of going to a place where it was not having ordinary residence or principal place of business was sought to be removed by virtue of the aforesaid provisions of the Copyright Act and the Trade Marks Act. Where the corporation is having ordinary residence/principal place of business and cause of action has also arisen at that place, it has to institute a suit at the said place and not at other places. The provisions of Section 62 of the Copyright Act and Section 134 of the Trade Marks Act never intended to operate in the



field where the plaintiff is having its principal place of business at a particular place and the cause of action has also arisen at that place so as to enable it to file a suit at a distant place where its subordinate office is situated though at such place no cause of action has arisen. Such interpretation would cause great harm and would be juxtaposed to the very legislative intendment of the provisions so enacted.

20. In our opinion, in a case where the cause of action has arisen at a place where the plaintiff is residing or where there are more than one such persons, any of them actually or voluntarily resides or carries on business or personally works for gain would oust the jurisdiction of other place where the cause of action has not arisen though at such a place, by virtue of having subordinate office, the plaintiff instituting a suit or other proceedings might be carrying on business or personally works for gain.

21. At the same time, the provisions of Section 62 of the Copyright Act and Section 134 of the Trade Marks Act have removed the embargo of suing at place of accrual of cause of action wholly or in part, with regard to a place where the plaintiff or any of them ordinarily resides, carries on business or personally works for gain. We agree to the aforesaid extent that the impediment imposed under Section 20 CPC to a plaintiff to institute a suit in a court where the defendant resides or carries on business or where the cause of action wholly or in part arises, has been removed. But the right is subject to the rider in case the plaintiff resides or has its principal place of business/carries on business or personally works for gain at a place where cause of action has also arisen, suit should be filed at that place not at other places where the plaintiff is having branch offices, etc.

22. There is no doubt about it that the words used in Section 62 of the Copyright Act and Section 134 of the Trade Marks Act, “notwithstanding anything contained in CPC or any other law for the time being in force”, emphasise that the requirement of Section 20 CPC would not have to be complied with by the



plaintiff if he resides or carries on business in the local limits of the court where he has filed the suit but, in our view, at the same time, as the provision providing for an additional forum, cannot be interpreted in the manner that it has authorised the plaintiff to institute a suit at a different place other than the place where he is ordinarily residing or having principal office and incidentally where the cause of action wholly or in part has also arisen. The impugned judgments, in our considered view, do not take away the additional forum and fundamental basis of conferring the right and advantage to the authors of the Copyright Act and the Trade Marks Act provided under the aforesaid provisions.”

28. Thus, in view of the law laid down by the Hon’ble Supreme Court in Sanjay Dalia followed by this Court in Ultra Home (supra) Section 134 of the Trade Marks Act provides an additional forum for filing the suit where the plaintiff resides or carries out works for gain and in the case of a corporation it is the principal office of the corporation or its registered office which can be held to be the place where the corporation works. In case the plaintiff chooses to institute the suit at a place where it does not have the principal office but subsidiary office, then as held in illustration (c) in Ultra Home, cause of action or part of cause of action should arise at the said place. Undoubtedly, the plaintiff, which is a company incorporated under the Company’s Act, has its principal place of office i.e. the registered office at Mumbai and not at Delhi though stated in the plaint but sought to be amended and clarified by IA No. 8834/2019. Conscious of the fact that the plaintiff’s principal place of office/ work is not at Delhi but at Mumbai, the claim of the plaintiff is that in view of Section 134 of the TM Act and the law laid down in Sanjay Dalia and Ultra Home, because cause of action



arises in Delhi and the plaintiff has its subsidiary offices in Delhi, this Court has jurisdiction to entertain the suit. At this stage it will be relevant to note the paragraph dealing with the cause of action in the plaint for the reason in an application under Order VII Rule 10/11 CPC averments in the plaint have to be seen by way of a demurer. Para 64 to 67 of the plaint read as under:

“64. That the cause of action first arose on 10.10.2018, when the Defendant Company filed the evidence in support of opposition under Rule 45 and for the first time claimed its right over the. mark E!NEWS NOW. The cause of action further arose when Cease and Desist notice dated 30.05.2018; was sent by the Defendant, wherein the Plaintiff Company learnt that it's marks E NOW are being opposed by the Defendant on the pretext of its mark E!.

65. That the cause of action further arose on 12.07.2018, when the Reply was sent by the Plaintiff Company denying its deceptive similarity between the two marks and asserting that the mark of the Plaintiff is dissimilar as it has suffix NOW attached to it which is a series mark related to the Times Network.

66. That the cause of action again arose on 10.01.2019, when the Defendant Company filed the evidence in reply under Rule 47 of the Trademarks Rules, 2017 and for the first time claimed its right over the mark E! NOW and E! NEWS NOW respectively. The cause of action again arose on 04.02.2019 when the Defendant Company filed the evidence in support of opposition under Rule 45 in Trade mark Application No. 3749183 and for the first time claimed its right over the mark E! NOW and E! NEWS NOW. The cause of action again arose on 24.04.2019 when the Defendant Company for the first time asserted its right and stated that it is using the marks and logos



"E! NOW" and "E! NEWS NOW", which is deceptively similar to the marks "E NOW" and "NOW" owned by the Plaintiffs

67. *That the cause of action further arose when Plaintiff, thereafter issued a Rejoinder to the Notice dated 24.04.2019 calling upon the Defendant Company to refrain from using our client's word/ mark 'NOW' as a prefix or a suffix to any word, alphabet, symbol or in any Other manner and further, refrain from using our client's mark 'NOW' as part of any logo including the word/logo 'E-NEWS NOW' or 'ENOW' alleged in your notice under response as your client's word/logo."*

29. On the issue whether the place of service of a cease and desist letter can confer jurisdiction on the court, in the decision reported as 2004 (28) PTC 251 (SC) *Expnar SA & Anr. v. Eupharma Laboratories & Anr.*, it was held by Hon'ble Supreme Court that:

"8. Besides when an objection to jurisdiction is raised by way of demurrer and not at the trial, the objection must proceed on the basis that the facts as pleaded by the initiator of the impugned proceedings are true. The submission in order to succeed must show that granted those facts the Court does not have jurisdiction as a matter of law. In rejecting a plaint on the ground of jurisdiction, the Division Bench should have taken the allegations contained in the plaint to be correct. However, the Division Bench examined the written statement filed by the respondents in which it was claimed that the goods were not at all sold within the territorial jurisdiction of the Delhi High Court and also that the respondent No. 2 did not carry on business within the jurisdiction of the Delhi High Court. Having recorded the appellants' objections to these factual statements by the respondents, surprisingly the Division Bench said:

"Admittedly the goods are being traded outside India and not being traded in India and as such there is no question of infringement of trademark within the territorial limits of any Court in India what to of Delhi".

X X X




14. Furthermore, the appellants' plaint said that the 'cease and desist' notice was sent to the appellant No. 2 at its office in New Delhi and in that notice it was alleged that the appellant No. 2 had infringed the copyright of the respondent No. 2 to the trademark 'Maloxine'. Now a cease and desist notice means that the recipient is alleged to have infringed the rights of the sender of the notice to the copyright and as a result of such alleged infringement the recipient is liable to institution of civil and/or criminal proceedings. It is a threat. The plaint says that this threat was received within the jurisdiction of the High Court a fact which was sufficient to invoke the jurisdiction of that Court.

15. The respondents' reliance on the decision of this Court in *Oil and Natural Gas Commission v. Utpal Kumar Basu and Ors.*, 1994 (1) Supp SCR 252 and *Union of India and Others v. Advani Exports Ltd. and Another*, 2002 (1) SCC 567 is inapposite. Those decisions held that the service of a mere notice may not be sufficient to found jurisdiction unless such notice formed an integral part of the cause of action. But a 'cease and desist' notice in a copyright action cannot, particularly in view of Section 60 of the Act, be termed to be a 'mere' notice. Such a threat may give rise to the right to institute a suit to counter such threat and to ask for relief on the ground that the alleged infringement to which the threat related was not in fact an infringement of any legal right of the person making such threat."

30. For a cease and desist notice there should be a threat of an action which gives rise to the cause of action. In the present case, the cease and desist notice dated 30th May, 2018 has been issued by the defendant's counsel to the plaintiff at the plaintiff's office at 7, Bahadur Shah Zafar Marg, New Delhi with regard to its 'E' family of mark. The defendant in its cease and desist notice dated 30th May, 2018 though did not raise any claim whatsoever in respect of 'NOW' mark, it stated that the defendant adopted the mark 'E!' and other 'E!' formative marks several years ago and is a 24 hours network, its programming dedicated to the world of entertainment.



The defendant also stated that it is the registered proprietor of 'E' and 'E' formative marks in Classes 9, 38 and 41 since 30th December, 1993, 2nd December, 2003, 25th March, 2010 and 31st May, 2012. The defendant specifically required the plaintiff in the notice dated 30th May, 2018 to cease

and desist from using the mark . The defendant claimed that since it is proprietor of 'E!' and its formative mark, it asked the plaintiff to withdraw application No. 3679903 and 3679905 and cease and desist from using the mark, being a derivative of 'E' family of mark. In response to the cease and desist notice dated 30th May, 2018 the plaintiff replied vide its letter dated 12th July, 2018 where the plaintiff claimed that it was the proprietor of the well-known trade mark 'NOW' and was using the same as a prominent part of its various renowned and reputed News Entertainment channels, namely, 'TIMES NOW', 'ET NOW', 'MOVIES NOW', 'MIRROR NOW' and 'ROMEDY NOW'. The plaintiff further claims cause of action based on the rejoinder-cum-notice dated 24th April, 2019 to the plaintiff's reply dated 12th July, 2018 being addressed at Delhi wherein for the first time the defendant asked the plaintiff company to refrain from using the mark 'NOW' as a prefix or a suffix, or as part of any logo including the word/logo 'E NEWS NOW' or 'E NOW'.

31. Claim of the defendant is that the cause of action is based on the rejoinder which cannot give rise to the jurisdiction of the Court for the reason the rejoinder of the defendant was addressed to the counsel for the plaintiff and not to the plaintiff at its Delhi office. A rejoinder to the counsel at the address of the counsel's cannot vest territorial jurisdiction in



the Court. According to the defendant merely because the cease and desist notice was received by the plaintiff at its Delhi office, will not give rise to cause of action for the reason in the said cease and desist notice the defendant nowhere asked the plaintiff to desist from using the mark/ logo 'NOW' and only asked the plaintiff to refrain from using 'E' or 'E!' and its formative marks.

32. The claim of the defendant is that in the notice dated 30th May, 2018 no notice of cease and desist was given qua mark 'NOW' and it was only in the rejoinder that a cease and desist notice qua the mark 'NOW' was given which was between the counsel to a counsel and hence no jurisdiction in the Court at Delhi gets vested. This contention of learned counsel is contrary to Para 64 of the plaint reproduced herein wherein cause of action is pleaded on the basis of cease and desist notice dated 30th May, 2018 and the relevant paragraph of the said notice where the defendant has asked the plaintiff to cease and desist from using the mark E NOW is reproduced hereinafter.

"In the above circumstances, our client has now also instructed us to write to you, which we hereby do and put you on notice of their rights, to call upon you and to prevail upon you to forthwith;

i. *Disclose the nature and extent of use, if any of the marks*



and





; or any other mark confusingly and/or deceptively similar to our client's E! Family of Marks in respect of goods and/or services of any nature whatsoever and to immediately cease and desist from using the said mark(s) either as a trade mark or in any other manner whatsoever or any other mark which is likely to deceive or cause confusion or dilute the distinctiveness of our client's mark;



ii. *Disclose any use of other marks confusingly and/or deceptively similar to our client's E! Family of Marks, if any, and to immediately cease and desist from using the said mark either as a trade mark or in any other manner whatsoever or any other mark which is likely to deceive or cause confusion or dilute the distinctiveness of our client's E! Family of Marks;*

iii. *Immediately withdraw your application nos. 3679903 and 3679905 under intimation to us;*

iv. *Disclose the existence of all application(s) in India and*

anywhere in the world for  and , and/or any other trade mark(s) that is identical to and/or deceptively/confusingly similar to our client's E! family of marks and if any such application(s) exist, to withdraw the same under intimation to our client; and

v. *Give an undertaking in a form to be approved by us that you shall not in the future, use and/or any other mark which is likely to deceive or cause confusion or dilute the distinctiveness of our client's E! Family of Marks.*

We will look forward to hearing from you within two weeks of receipt of this letter by you that you are complying with the requisitions aforementioned. If you fail to respond, our client will be perfectly justified in presuming that despite the fact that you do not dispute our claim in and to our client's E! Family of Marks; you do not intend to give up your wrongful claim to

proprietorship of the impugned marks  and .



Under such circumstances our client shall be free to initiate appropriate legal proceedings against you for the protection of their rights, including but not limited to taking the oppositions



against your application no. 3679903 and 3679905 to their logical conclusion.

We look forward to your response. In the meanwhile, our client reserves all rights.”

33. As noted from the averments in the cease and desist notice dated 30th May, 2018 the defendant besides seeking disclosure from the plaintiff about the nature and extent of the use of E NOW marks or any other mark

confusingly or deceptively similar to the defendant’s  and , and E! family of marks in respect of the goods and services, has also sought immediate cease and desist from using the said mark/ marks either as a trade mark or in any other manner with the notice served to the plaintiff at its subsidiary office at Delhi. Thus in terms of the decision of the Hon’ble Supreme Court in Expfar SA & Anr. (supra) and of this Court in Ultra Home (supra) this Court will have jurisdiction to try the offence based on the averments in the plaint. Claim of the defendant that in the notice dated 30th May, 2018 it did not preclude the plaintiff from using ‘NOW’ mark deserves to be rejected in view of the defendant asking the plaintiff from desisting to use ‘E NOW’ and the threat of action evident from the words that the defendant was free to initiate the proceedings.

34. The defendant also pleads that there was no cause of action on the basis of *quia timet* as the threat has to be genuine, reasonable and valid and should pose an imminent danger. It was stated that the two documents filed by the plaintiff were the extracts of websites <http://www.enowbrasil.com> and <https://www.enowlatino.com>, which two websites appear to be updated



on 12th April, 2019 and the link was travelling to E-online. The two websites being in Spanish and Latin and not even in English, there was no threatened action.

35. Plaintiff also claims cause of action on the basis of proposed user of the mark 'NOW' by the defendant as is also evident from ex-parte interim order of this Court dated 14th May, 2019. The concept of *quia timet* action was elaborated by the Hon'ble Supreme Court in its decision reported as AIR 2000 SC 1410 Kuldip Singh v. Subhash Chander Jain & Ors. wherein it was held:

6. *A quia timet action is a bill in equity. It is an action preventive in nature and a specie of precautionary justice intended to prevent apprehended wrong or anticipated mischief and not to undo a wrong or mischief when it has already been done. In such an action the court, if convinced, may interfere by appointment of receiver or by directing security to be furnished or by issuing an injunction or any other remedial process. In Fletcher v. Bealey [(1885) 28 Ch D 688 : 54 LJ Ch 424 : 52 LT 541] , Mr Justice Pearson explained the law as to actions quia timet as follows:*

"There are at least two necessary ingredients for a quia timet action. There must, if no actual damage is proved, be proof of imminent danger, and there must also be proof that the apprehended damage will, if it comes, be very substantial. I should almost say it must be proved that it will be irreparable, because, if the danger is not proved to be so imminent that no one can doubt that, if the remedy is delayed the damage will be suffered, I think it must be shown that, if the damage does occur at any time, it will come in such a way and under such circumstances that it will be impossible for the plaintiff to protect himself against it if relief is denied to him in a quia timet action".

9. *The nuisance complained of by the plaintiffs and which was yet to accrue was to fall in the category of private nuisance. The remedies for private nuisance are (1) abatement, (2) damages, and*



(3) injunction. In order to obtain an injunction it must be shown that the injury complained of as present or impending is such as by reason of its gravity, or its permanent character, or both, cannot be adequately compensated in damages. If the injury is continuous the court will not refuse an injunction because the actual damage arising from it is slight (*Ratanlal & Dhirajlal's Law of Torts*, edited by Justice G.P. Singh, 22nd Edn., pp. 522-24).

36. Further, this Court in the decision cited as 2017 (70) PTC 316 (Del.) *Radico Khaitan Ltd. v. Nakshatra Distilleries & Breweries Ltd & Ors.* elaborated on the maintainability of a *quia timet* action and observed:

22. ... It is also the settled principle in law that the Court even while considering the application under Order VII Rule 11 of the CPC is to scrutinise the plaint and the documents filed therewith to see whether the pleas are substantial and material or not or merely a play of words so as to initiate the legal process. The words “dynamic effect” and credible and imminent threat” sound impressive but are without any particulars and hollow. Such words cannot be permitted to create territorial jurisdiction of the Court. If such words were to be permitted to create territorial jurisdiction, the same would result in the Courts allowing their process to be used as a tool of harassment by permitting a plaintiff to drag a defendant to any Court where the plaintiff may feel that it will have an advantage over the defendant. Moreover, whether a Court has a territorial jurisdiction or not is a question of law and a party to the *lis* cannot be permitted to “create” territorial jurisdiction. When a threatened act cannot be done without following a procedure and that procedure has not even been initiated, the threat cannot be said to be real and imminent so as to vest the Court with the jurisdiction even in a *quia timet* action.

37. As noted above, from the notice dated 30th May, 2018 the defendant filing evidence in support of opposition under Rule 45 and the rejoinder filed it is evident that there was an imminent threat of action and hence a



quia timet action which is preventive in nature was maintainable based on the pleadings in the suit.

38. Consequently, it is held that this Court has the territorial jurisdiction to entertain the suit and finds no merit in the application under Order VII Rule 10 & 11 and the same is liable to be dismissed.

I.A. 7077/2019 (under Order XXXIX Rule 1 and 2 CPC – by Plaintiff)

I.A. 8833/2019 (under Order XXXIX Rule 4 CPC – by defendant)

39. As noted above, the claim of the plaintiff is that it is the registered proprietor of the mark ‘NOW’ simplicitor and with prefix or suffix and that mark ‘NOW’ has attained a distinction with the plaintiff’s product specifically in Class-38 and 41 of the Trademark Registrations which pertain to television broadcasting services and television based entertainment service respectively, for which two limited classes, the suit has been filed. It is thus claimed that the defendant’s marks “E!Now” and “E! News Now” are similar to the plaintiff’s mark ‘E Now’ which is used in the relation to the television programs thus, constituting infringement and passing off.

40. It may be noted that the plaintiff is not the proprietor of the stand-alone trademark “NOW” nor prior user of the said mark in Class-38. Further the stand-alone registration of the plaintiff in Class-41 is of 18th September, 2014 on the proposed to be used basis and has not been used till date. Thus, the registration of “NOW” simplicitor in Class-41 cannot be used to seek an injunction against the defendant’s mark “E! Now” and “E!



New Now” and the defendant’s first use of “E News Now” is since 30th September, 2007.

41. The test of infringement of a trademark was laid by the Hon’ble Supreme Court in the case cited as AIR 1965 SC 980 Kaviraj Pandit Durga Dutt Sharma v. Navaratna Pharmaceutical, wherein it was held:

28. The other ground of objection that the findings are inconsistent really proceeds on an error in appreciating the basic differences between the causes of action and right to relief in suits for passing off and for infringement of a registered trade mark and in equating the essentials of a passing off action with those in respect of an action complaining of an infringement of a registered trade mark. We have already pointed out that the suit by the respondent complained both of an invasion of a statutory right under Section 21 in respect of a registered trade mark and also of a passing off by the use of the same mark. The finding in favour of the appellant to which the learned counsel drew our attention was based upon dissimilarity of the packing in which the goods of the two parties were vended, the difference in the physical appearance of the two packets by reason of the variation in the colour and other features and their general get-up together with the circumstance that the name and address of the manufactory of the appellant was prominently displayed on his packets and these features were all set out for negating the respondent's claim that the appellant had passed off his goods as those of the respondent. These matters which are of the essence of the cause of action for relief on the ground of passing off play but a limited role in an action for infringement of a registered trade mark by the registered proprietor who has a statutory right to that mark and who has a statutory remedy for the event of the use by another of that mark or a colourable imitation thereof. While an action for passing off is a Common Law remedy being in substance an action for deceit, that is, a passing off by a person of his own goods as those of another, that is not the gist of an action for infringement. The action for infringement is a statutory remedy conferred on the registered proprietor of a registered trade mark for the vindication of the exclusive right to the use of the trade mark in relation to those



goods” (*Vide Section 21 of the Act*). The use by the defendant of the trade mark of the plaintiff is not essential in an action for passing off, but is the *sine qua non* in the case of an action for infringement. No doubt, where the evidence in respect of passing off consists merely of the colourable use of a registered trade mark, the essential features of both the actions might coincide in the sense that what would be a colourable imitation of a trade mark in a passing off action would also be such in an action for infringement of the same trade mark. But there the correspondence between the two ceases. In an action for infringement, the plaintiff must, no doubt, make out that the use of the defendant's mark is likely to deceive, but where the similarity between the plaintiff's and the defendant's mark is so close either visually, phonetically or otherwise and the court reaches the conclusion that there is an imitation, no further evidence is required to establish that the plaintiff's rights are violated. Expressed in another way, if the essential features of the trade mark of the plaintiff have been adopted by the defendant, the fact that the get-up, packing and other writing or marks on the goods or on the packets in which he offers his goods for sale show marked differences, or indicate clearly a trade origin different from that of the registered proprietor of the mark would be immaterial; whereas in the case of passing off, the defendant may escape liability if he can show that the added matter is sufficient to distinguish his goods from those of the plaintiff.

30. The mark of the respondent which he claims has been infringed by the appellant is the mark ‘Navaratna Pharmaceutical Laboratories’, and the mark of the appellant which the respondent claimed was a colourable imitation of that mark is ‘Navaratna Pharmacy’. Mr Agarwala here again stressed the fact that the ‘Navaratna’ which constituted an essential part or feature of the Registered Trade Mark was a descriptive word in common use and that if the use of this word in the appellant's mark were disregarded there would not be enough material left for holding that the appellant had used a trade mark which was deceptively similar to that of the respondent. But this proceeds, in our opinion, on ignoring that the appellant is not, as we have explained earlier, entitled to insist on a disclaimer in regard to that word by the respondent. In these circumstances, the trade mark to be compared with that used by the



appellant is the entire registered mark including the word 'Navaratna'. Even otherwise, as stated in a slightly different context: [Kerly on Trade Marks 8th Edn. 407]

“Where common marks are included in the trade marks to be compared or in one of them, the proper course is to look at the marks as wholes and not to disregard the parts which are common”.

42. In the decision reported as (2010) 2 SCC 142 Skyline Education Institute (Pvt.) Ltd. v. SL Vaswani & Ors., it was held:

18. In our opinion, the findings recorded by the learned Single Judge and Division Bench on the crucial factors like prima facie case, balance of convenience and equity are based on a correct and balanced consideration of various facets of the case and it is not possible to find any fault with the conclusions recorded by them that it is not a fit case for restraining the respondents from using the word 'Skyline' in the name of the institute established by them. It has not been disputed on behalf of the appellant that the word 'Skyline' is being used as trade name by various companies/ organizations/business concerns and also for describing different types of institute/institutions. The voluminous record produced by the respondents before this Court shows that in India as many as 117 companies including computer and software companies and institutions are operating by using word 'Skyline' as part of their name/nomenclature. In United States of America, at least 10 educational/training institutions are operating with different names using 'Skyline' as the first word. In United Kingdom also two such institutions are operating. In view of this, it is not possible to agree with the learned Counsel for the appellant that the Skyline is not a generic word but is a specific word and his client has right to use that word to the exclusion of others.

43. Similarly, in AIR 1963 SC 449 Amritdhara Pharmacy v. Satya Deo Gupta it was held:

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.”

9. *Nor do we think that the High Court was right in thinking that the appellant was claiming a monopoly in the common Hindi word “dhara”. We do not think that that is quite the position here. What the appellant is claiming is its right under Section 21 of the Act, the exclusive right to the use of its trade mark, and to oppose the registration of a trade mark which so nearly resembles its trade mark that it is likely to deceive or cause confusion.*

10. *A large number of decisions relating to the use of composite words, such as *Night Cap and Red Cap, Limit and Summit, Rito and Lito, Motrate and Filtrate* etc. were cited in the High Court. Some more have been cited before us. Such decisions, examples of deceptive resemblance arising out of contrasted words, have been summarised at p. 429-34 in *Kerly on Trade Marks*, 8 No useful purpose will be served by referring to them all. As we have said earlier, each case must be decided on its own facts. What degree of*



resemblance is necessary to deceive or cause confusion must in the nature of things be incapable of definition a priori.

44. Further, in the decision reported as AIR 1960 SC 142 Corn Products Refining Co. v. Shangrila Food Products Ltd., it was observed:

15. Now it is a well recognised principle, that has to be taken into account in considering the possibility of confusion arising between any two trademarks, that, whether those two marks contain a common element which is also contained in a number of other marks in use in the same market such a common occurrence in the market tends to cause purchasers to pay more attention to the other features of the respective marks and to distinguish between them by those features. This principle clearly requires that the marks comprising the common element shall be in fairly extensive use and, as I have mentioned, in use in the market in which the marks under consideration are being or will be used.

45. Again, in the decision cited as MANU/DE/0832/2020 Peps Industries Pvt. Ltd. v. Kurlon Ltd., it was held:

21. From the facts as noted above, it is thus evident that the plaintiff has a registered trade mark "NO TURN" in its favour, the mark "NO TURN" is being used by the plaintiff as a trade mark. The plaintiff has been in continuous use of this trade mark "NO TURN" since 15th January, 2008. Defendant is the prior user of the mark since the year 2007 however since the use of the mark by the defendant is intermittent and not voluminous so as to establish the defence under Section 34 of the Trade Marks Act. However, the plaintiff would still not be entitled to the relief of injunction for the reason the mark "NO TURN" is a descriptive mark. The plaintiff has placed no material on record to show that on the date of application or even on the date of registration plaintiff's trademark "NO TURN" had acquired the distinctiveness to achieve the status of a well-known mark. Hence, no interim injunction is granted in favour of the plaintiff. Consequently, IA 4871/2019 is dismissed and IA 6715/2019 is disposed of.



46. Whether a mark is a common to trade or not is a question of fact. Similarly, a mark may be a trademark in some jurisdiction and publici juris in others, but a mark which may be common to trade at one time may become distinctive over a period of time, or vice versa. In the decision reported as MANU/DE/0311/1997 SBL Ltd. v. Himalaya Drug Co. it was held:

21. Whether a matter is or is not common to the trade is a question of fact. A feature which is common to one trade may not be so to a different trade. Similarly a mark may continue to be trade mark in some countries and public Jurisdiction in others. A mark which was common to the trade at one time may in course of time become distinctive and vice versa. A word or words used by a number of firms as part of their designation may be considered as words in common use (See : Law of Trade Mark and Passing Off, P. Narayanan, 4th Edn., para 14.2).

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26. Reverting back to the facts of the case, from the documentary evidence filed we are satisfied that here are about 100 drugs in the market using the abbreviation 'Liv' made out of the word Liver-and organ of the human body, as a constituent of names of medicinal/pharmaceutical preparations with some prefix or suffix-mostly suffixes meant for treatment of ailments or diseases associated with liver. Liv has thus become a generic term and public juris. It is descriptive in nature and common in usage. Nobody can claim' an exclusive right to the use of 'Liv' as a constituent of any trade mark. The class of customers dealing with medicines would distinguish the name of the medicines by ignoring 'Liv' and by assigning weight to the prefix or suffix so as to associate the name with the manufacturer. The possibility of deception or confusion is reduced practically to nil in view of the fact that the medicine will be sold on medical prescription and by licensed dealers well versed in the field and having knowledge of medicines. The two rival marks Liv. 52 and L JV-T contain a, common feature Liv which is not only descriptive but also public juris; a customer will tend to ignore the common feature



and will pay more attention to uncommon features i.e., 52 and T. The two do not have such phonetic similarity as to make it objectionable.

47. Similarly, in the decision reported as (2010) 2 SCC 142 Skyline Education Institute (Pvt.) Ltd. v. SL Vaswani & Ors. held:

18. In our opinion, the findings recorded by the learned Single Judge and Division Bench on the crucial factors like prima facie case, balance of convenience and equity are based on a correct and balanced consideration of various facets of the case and it is not possible to find any fault with the conclusions recorded by them that it is not a fit case for restraining the respondents from using the word 'Skyline' in the name of the institute established by them. It has not been disputed on behalf of the appellant that the word 'Skyline' is being used as trade name by various companies/organizations/business concerns and also for describing different types of institute/institutions. The voluminous record produced by the respondents before this Court shows that in India as many as 117 companies including computer and software companies and institutions are operating by using word 'Skyline' as part of their name/nomenclature. In United States of America, at least 10 educational/training institutions are operating with different names using 'Skyline' as the first word. In United Kingdom also two such institutions are operating. In view of this, it is not possible to agree with the learned Counsel for the appellant that the Skyline is not a generic word but is a specific word and his client has right to use that word to the exclusion of others.

48. Likewise, in the decision reported as MANU/DE/0869/2007 Astrazenca UK Ltd. v. Orchid Chemicals and Pharmaceuticals Ltd. this Court observed:

20. We are informed that there are a number of such other similar names with the prefix 'Mero' which are in the market. They were also taken notice of by the learned Single Judge while dealing with the injunction application. In the decisions of the Supreme Court and this Court also, it has been clearly held that nobody can claim



exclusive right to use any word, abbreviation, or acronym which has become publici juris. In the trade of drugs, it is common practice to name a drug by the name of the organ or ailment which it treats or the main ingredient of the drug. Such an organ ailment or ingredient being publici Jurisdiction or generic cannot be owned by anyone exclusively for use as a trade mark. In the Division Bench decision of this Court in SBL Limited (supra) it was also held that possibility of deception or confusion is reduced practically to nil in view of the fact that the medicine will be sold on medical prescription and by licensed dealers well versed in the field and having knowledge of medicines. It was further held that the two rival marks, 'Liv.52' and 'LIV-T', contain a common feature, 'Liv' which is not only descriptive, but also publici Jurisdiction and that a customer will tend to ignore the common feature and will pay more attention to uncommon features i.e. '52' and 'T' and that the two do not have such phonetic similarity so as to make it objectionable.

21. In our considered opinion the facts of the said case are almost similar and squarely applicable to the facts of the present case. 'Meropenem' is the molecule which is used for treatment of bacterial infections. In that view of the matter, the abbreviation 'Mero' became a generic term, is publici Jurisdiction and it is distinctive in nature. Consequently, the appellants/plaintiffs cannot claim exclusive right to the use of 'Mero' as constituent of any trademark. The possibility of deception or confusion is also reduced practically to nil in view of the fact that the medicine is sold only on prescription by dealers. The common feature in both the competing marks i.e. 'Mero' is only descriptive and publici Jurisdiction and, Therefore, the customers would tend to ignore the common feature and would pay more attention to the uncommon feature. Even if they are expressed as a whole, the two did not have any phonetic similarity to make it objectionable. There are at least four other registered users of the prefix 'Mero' in India whereas the names of 35 companies using 'Mero' trademarks, which have been registered or applied for registration, have been furnished in the pleadings. The respondent/defendant advertised its trademark 'Meromer' after submitting its application for registration and at that stage, there was no opposition even from the appellants/plaintiffs. The trademark of



the respondent/defendant was registered there being no opposition from any quarter, including the appellants/plaintiffs.

22. Consequently, the two names, namely, 'Meromer' and 'Meronem' are found to be prima facie dissimilar to each other. They are Schedule-H drugs available only on doctor's prescription. The factum that the same are available only on doctor's prescription and not as an over the counter medicine is also relevant and has been rightly taken note of by the learned Single Judge. In our considered opinion, where the marks are distinct and the features are found to be dis-similar, they are not likely to create any confusion. It is also admitted by the parties that there is a difference in the price of the two products. The very fact that the two pharmaceutical products, one of the appellants/plaintiffs and the other of the respondent/defendant, are being sold at different prices itself ensures that there is no possibility of any deception/confusion, particularly in view of the fact that customer who comes with the intention of purchasing the product of the appellants/plaintiffs would never settle for the product of the respondent/defendant which is priced much lower. It is apparent that the trademarks on the two products, one of the appellants/plaintiffs and the other of the respondent/defendant, are totally dissimilar and different.

49. From the facts as noted it is evident that though the plaintiff has number of registrations with suffix and prefix "NOW", it is a common word and is used by number of other entities. Further the plaintiff's own stand is that the mark 'NOW' is common to trade as stated by the plaintiff in response to the examination report for ROMEDY NOW under No.2589055 in Class-9, and the counter statement in relation to opposition filed against the mark 'NOW' under No.1716885 in Class-9. The plaintiff has also given a disclaimer on 'NOW' in registration for LOVCOM in Class-9, LOVCOM NOW in Class-16 and ROMEDY NOW in Class-38. Thus, the plaintiff cannot be permitted to claim that the word 'NOW' used by it as a prefix or



suffix has acquired a distinction. Therefore the defendant who is a prior user of mark 'E' or E!' with 'NOW' and 'E NEWS NOW' cannot be enjoined.

50. There is yet another ground to deny the equitable relief of injunction to the defendant for suppression of material facts. Plaintiff in his plaint has claimed that it has principal office in Delhi which fact to the knowledge of the plaintiff is incorrect and is sought to be amended by way of an application under Order VI Rule 17 CPC. Further the plaintiff on the one hand claims that the defendant has no transborder reputation affecting the plaintiff's reputation, thus, denying the existence of the defendant as a prior user, however, on the other hand claims defendant's transborder reputation to claim injunction from the Court.

51. Further, the order dated 14th May, 2019 granting ad-interim injunction also notes that the same was granted on the representation that the trademark 'NOW' has been registered in various categories in favour of the plaintiffs since 2006. As noted above in Class 38 and 41 which are the relevant classes for the present suit, the plaintiff has registration only in Class 41 which is also on the proposed to be use basis and till now the plaintiff has not used the trademark 'NOW' simpliciter in Class 41.

52. Consequently, the ad-interim injunction dated 14th May, 2019 is vacated. I.A. 7077/2019 (under Order XXXIX Rule 1 & 2 CPC – by Plaintiff) is dismissed. I.A. 8832/2019 (under Order VII Rule 10 & 11 CPC – by defendant) is dismissed. I.A. 8833/2019 (under Order XXXIX Rule 4 CPC – by defendant) is disposed of.



**(MUKTA GUPTA)
JUDGE**

**MAY 31, 2023
'vg/ga'**

