

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

Judgment reserved on: 10.10.2013

% **Judgment delivered on: 19.11.2013**

+ **CS(OS) 1681/2011 & I.A No. 10932/2011**

M/S AMERICAN EXPRESS COMPANY
& OTHERS

..... Plaintiffs

Through: Ms. Ekta Sarin and Ms. Ankita Ubeja,
Advocates

versus

M/S AMEX FINANCIAL SERVICES PRIVATE LTD
& OTHERS

..... Defendants

Through

**CORAM:
HON'BLE MR. JUSTICE VIPIN SANGHI**

J U D G M E N T

VIPIN SANGHI, J.

1. This suit for grant of mandatory and permanent injunction restraining infringement of registered trademark, passing off and delivery up has been filed by plaintiff no 1 – which is a corporation organized under the laws of the State of New York , United States of America, Plaintiff no 2 – which is a group company of Plaintiff No.1 and is incorporated under the Companies Act,1956 and plaintiff no 3 – which is also a group company of Plaintiff No 1, incorporated under the laws of state of Delaware, United States of America against Defendant No 1 Company – incorporated under the Companies Act, 1956 and Defendants No.2 and 3, the directors of

Defendant no 1 Company, complaining of infringement and passing off of the Plaintiffs' registered trademark "AMEX". The plaintiffs also seek a decree of rendition of accounts against the defendants and a decree for the amount found due upon accounts being taken. They further seek a decree of mandatory injunction to transfer the domain name **www.amexgroup.in** and **www.americanexpress.in** which are allegedly registered in the name of the defendants and a direction to be issued to the National Internet Exchange of India to transfer the said domain names in the name of the Plaintiffs.

2. It is the case of the plaintiffs that they – by themselves and their related companies are a leading global financial services organisation engaged, inter alia in the business of banking and finance, investment and insurance, credit and charge card services, travel, foreign exchange and other services

3. The Plaintiffs commenced the use of the AMERICAN EXPRESS mark in 1850 – both as a trade mark, as well as a trade name and since then, the Plaintiffs have expanded the use of the AMERICAN EXPRESS mark to include a variety of financial services. The plaintiff's usage in India can be traced back to the 1950s.

4. It is the case of the Plaintiff that the Plaintiffs and their related companies have been referred to as AMEX since their very inception and the trade mark/name AMEX has been coined from the Plaintiffs' corporate name "AMERICAN EXPRESS". The Plaintiffs claim they started worldwide use of the trademark AMEX in 1969, including in India.

5. It is urged that the plaintiffs have derived vast revenues from the services provided and products sold under the trademark “AMEX”. Details of the revenues of the plaintiffs from 1996-2009, as well as the extensive expenditure on marketing, advertisement and promotion incurred for several decades have been disclosed in the plaint. The plaintiff’s revenues for the year 1990-2009 are as follows –

YEAR	REVENUE (Million in US Dollar)
1990	24,322
1991	25,763
1992	14,255
1993	13,254
1994	14,282
1995	15,841
1996	16,237
1997	17,760
1998	19,132
1999	21,278
2000	23,675
2001	22,582
2002	23,807
2003	25,866
2004	29,115
2005	24,267
2006	27,136
2007	27,731

2008	28,365
2009	24,523

6. The plaintiffs claim that these figures manifest the extent of success of the plaintiff's products and services under the mark aforesaid.

7. The Plaintiffs allege that the Defendant no 1, having its principal place of office in Mumbai, is trading in the name and style of "Amex Financial Services Private Limited" and is engaged in the business of financial services which overlaps with plaintiffs businesses. The plaintiffs submit that the Defendant no 1 is malafidely using the aforesaid trademark "AMEX" in relation to services that are identical to those covered by the classification in which plaintiff's mark "AMEX" is registered, and that the defendants are taking undue advantage of the plaintiffs' reputation, success and popularity.

8. Summons were issued in the suit vide order dated 15.07.2011 and an ex parte ad interim injunction was also granted to the Plaintiffs vide the same order. Since the service report was awaited, fresh summons in the suit were again issued on 10.10.2011 and 12.12.2011 which were received back unserved. Meanwhile, an application was moved by the Plaintiffs being I.A No 14392/2012 for furnishing the fresh address of the Defendants, which also had the e-mail address of the Defendants. Accordingly, fresh summons were issued on the fresh addresses vide order dated 08.08.2012 which were also received back "unserved" with the report that the Defendants had left the address. Consequently, the Defendants were served by way of

publication in “The Free Press Journal” (English) and “Nav Shakti” (Hindi) in the Mumbai Editions. Citations of the same have been filed on record.

9. In spite of service, the defendants failed to appear before this court and vide order dated 03.10.2013, the defendants were proceeded *ex parte*. The Court also decided to proceed under Order 8 Rule 10, CPC since the defendant did not file a written statement despite service, and the Plaint is not only duly verified, but is also supported by the affidavit of Dianne K. Cahill, the Secretary and Principal Officer of Plaintiff no 3.

10. The first submission of learned counsel for the Plaintiffs is that the Plaintiffs’ earliest registration for the trademark “AMERICAN EXPRESS” in India dates back to June 1976 in class 16. Learned counsel submits that the plaintiffs also have valid registrations for the trade mark AMEX and AMEX formative marks. The registrations of the Plaintiffs are, inter alia, in classes 35, 36, 39 and 42 which include the marks “AMEXBANK” and “AMEXSELECTS”. Learned counsel submits that internationally, the Trade mark AMEX is registered in over twenty jurisdictions of the world, the oldest dating back to the year 1970 in Greece.

11. Learned counsel for the plaintiffs submits that in addition to the aforesaid trademarks, the plaintiffs also own several domain names such as “amexfinancial.com”, “amexfinancialadvisors.com”, “amexbank.org”, “amexbankcredit.com”, “amexbiz.com”, “amexcard.com”, “amexcenturion.com” etc comprising the trademark and trade name AMEX.

12. Learned counsel submits that the plaintiffs have spent large sums of money in advertising and promoting their services and products in India and

that the plaintiffs and its subsidiaries have been referred to as AMEX extensively in the international as well as Indian media. Learned counsel submits that even the Reserve Bank of India has, on many occasions, referred to the Plaintiffs as AMEX and the aforesaid establishes the fact that there exists widespread recognition of the exclusive association of the mark AMEX with the plaintiffs.

13. Learned counsel submits that the Plaintiffs trademark AMEX is listed in both the 30th edition of Acronyms, Initialisms and Abbreviations dictionary and the Internet search finder <acronymfinder.com>. Learned counsel submits that furthermore, a search of worldwide news articles on the Westlaw database reveals that there are over 5700 references to AMERICAN EXPRESS and AMEX within the same paragraph which further establishes that AMEX is a commonly used acronym to refer to the services of the plaintiffs.

14. Learned Counsel for the Plaintiffs submits that the plaintiffs have been actively protecting their exclusive right in the trade mark AMEX and have successfully initiated legal action against third parties wherein the Plaintiffs have been successfully granted *ad interim ex parte* injunctions. Learned counsel submits that likewise, international arbitration forums such as National Arbitration Forum have held the Plaintiffs trade/service mark AMERICAN EXPRESS as well as AMEX to be a well known trademark.

15. Learned counsel for the plaintiffs submits that the plaintiffs became aware of the existence of the defendant no 1 company in 2009 and in an effort to resolve the issue amicably, the plaintiffs sent legal notice dated

02.04.2009 directing the defendants to cease use of the plaintiffs registered trademark and trade name AMEX. It is submitted that as no response was received to the aforesaid legal notice, the plaintiffs sent a reminder letter dated 04.05.2009 to which also no response was received.

16. The plaintiffs have also placed on record the action initiated by them against the defendant no 1 company under Section 22 of the Companies Act, 1956 for removal of the defendant no 1 company name from the Register of Companies, on the grounds that the company name of defendant no 1 was in violation of the plaintiff's registered trademark AMEX. However, the same was disallowed vide order dated 10.08.2010 – observing that the name of the defendant no 1 did not have near resemblance with the trademark AMEX, as the name of the defendant no 1 comprised two words in addition to AMEX, being, “Financial” and “Services”. The aforesaid order by the Registrar of Companies (ROC) also observed that there are separate competent authorities under the Trademarks Act, 1999 to deal with the plaintiffs allegations of infringement of its mark AMEX.

17. The plaintiffs claim that the defendant no 1 company had applied for registration of the trademark “AMEX” in class 36, which application now stands abandoned as per the records of the Trade Marks Registry. It is submitted that a perusal of the first examination report issued by the Trade Marks Registry to the defendants reveals that the only objection raised against the defendant's application for registration was the Plaintiffs' prior registration and application for the marks AMEX and AMEXSELECTS. A visual representation of the mark as applied for by the defendants is reproduced below:



18. In addition, the plaintiffs claim that the defendants made an online posting on www.timesjobs.com inviting people to post their resumes for prospective careers with defendant no 1 company. The website on www.timesjobs.com indicates the various other group companies of Defendant no 1 which use AMEX as a part of its trading name- such as AMEX capital, AMEX Co-Op Credit Society Ltd, AMEX Properties and Investments, AMEX Security and Hospital Services, AMEX Travels, AMEX Education and AMEX Info services.

19. However, it is averred that a search conducted of the said entities with the Registrar of Companies did not disclose the existence of any such entities. Learned counsel for plaintiffs submits that it is evident that the defendants are connected with these entities, and are using or proposing to use the mark AMEX in relation to a variety of services.

20. Learned Counsel for the plaintiffs submits that the defendants have been actively recruiting staff by projecting itself in various institutions in Delhi and other parts of India as being part of the AMEX group, i.e. the plaintiffs group, by causing confusion and deception.

21. Learned counsel for the plaintiffs submit that in May 2011, the plaintiffs came across the icon "VISIT US" posted by the defendants on www.timesjobs.com, which link was directing visitors to the website **www.amexgroup.in**. It is submitted that the website **www.amexgroup.in** is

not active anymore and only displays sponsored links, some of which belong to the Plaintiffs. Learned counsel for the plaintiffs submits that the domain name **www.amexgroup.in** is under the control of the defendants, and the plaintiffs have reasonable apprehension to believe that the domain name **www.americanexpress.in** is also under the control of the defendants, as the domain name **www.americanexpress.in** was previously registered in the name of a third party but had been transferred and the registrant of the aforesaid domain name is the same person whose details are given as registrant of **www.amexgroup.in** which is under the defendant's control.

22. Learned counsel for the Plaintiffs submits that the defendant's adoption and unauthorized use of the impugned trade name/mark/ domain name constitutes passing off and infringement of the plaintiffs' trademarks and amounts to acts of unfair competition. It is submitted that the business of the defendants is identical to the services offered by the plaintiffs and the use of the impugned mark by the defendants in respect of identical services is nothing but an attempt by the defendants to pass off their services as those of the plaintiffs and take undue advantage of the plaintiffs immense reputation, popularity and its status as a well known trademark. Learned counsel submits that the defendants use of the impugned trade mark/ name/domain name is fraudulent and has already led to confusion and deception amongst members of the public and the trade, who associate the marks AMERICAN EXPRESS and AMEX exclusively with the services offered by the plaintiffs.

23. Learned counsel for the plaintiffs further submits that the defendants are violating the plaintiff's statutory rights as only the Plaintiffs have the

exclusive right to use the registered trade mark AMEX, AMEX formative marks and/or AMERICAN EXPRESS in relation to the goods and services for which the said marks are registered. In this background, the plaintiffs have filed the present suit seeking the reliefs already mentioned hereinabove.

24. The plaintiffs rely on the decision in *Agilent Technologies, Inc & Ors. Vs. Agilent Construction Pvt. Ltd* in CS (OS) 227/2013 dated 06.03.2013 to submit that in such like suits – where the defendants put in no appearance and do not even file a written statement, the Courts can dispose of the suit on the basis of the affidavit accompanying the plaint and the documents filed therewith.

25. Since, no written statements have been filed on behalf of the defendants and no reply was given to the cease and desist notice dated 02.04.2009 issued on behalf of Plaintiff no 1 to the defendant no 1, the averments of the plaintiff and the documents filed by them are uncontroverted and therefore, there is no reason not to accept the same. The plaintiffs have filed a host of documents to establish their case. Some of the documents which are considered relevant shall be referred to herein after.

26. A perusal of the list of worldwide trade mark registrations of the Plaintiffs shows that the Plaintiffs claim that the mark AMEXCO was first registered in Greece in 1969. Subsequently, the mark AMEX was registered in India in various classes from 1976 onwards. The plaintiffs have placed on record copy of the registration dated 05.05.1976 in class 16 and the registration dated 02.12.2003 in class 36. Class 36 pertains to “*financial*

and financially related services, namely, providing charge card, credit card, debit card, stored-value card and smart card services; electronic funds and currency transfer services; electronic payments services, namely, electronic processing and transmission of bill payment; cash disbursements services; transaction authorization and settlement services; travelers check services; money order services; international banking services; military banking services; foreign remittance services; electronic funds transfer services; computerized credit card verification; electronic cash transactions; electronic payment services in the nature of electronic processing and transmission of payment data: computerized credit authorization; providing an interactive website featuring financial services information; investment banking services; mutual fund investment services; financial planning and financial management services; financial analysis and consultation; financial portfolio management; financial research; investment brokerage services; investment consultation; life, health, accident, travel and purchase protection insurance underwriting services; financial risk management services.” The said certificate also pertains to classes 35,39 and 42.

27. The plaintiffs have also filed on record registration dated 28.09.1978 in class 16 for the mark AMEXBANK and registration dated 21.07.2005 in class 36 for the mark AMEXSELECTS. The plaintiffs have also filed on record trademark registration certificates for the mark AMEX in international jurisdictions such as South Africa and Australia. The trademark registration in South Africa is of the year 1988 in classes 9, 16, 36 and 39. The trademark registration in Australia is of the year 2006 pertaining to classes 36,39 and 43 and of the year 2001 pertaining to class 36. The

plaintiffs have also placed on record a tabulated list of over hundred of their domain names containing the word AMEX in various countries all over the world. Some of the plaintiffs' domain names worldwide are amex-iberia-latinamerica.com, amex-network.com, amex.ca in Canada, amex.at in Austria, amex.hk.cn in China, amex.com.co in Columbia, amex.co.nz in New Zealand, amex.com.sg in Singapore, amex.co.th in Thailand, amex-creditcard.info, amex-credit.com, americanexpress.com, americanexpresscard.com besides amex.co.in in India.

28. The purpose behind listing out some of the plaintiffs' several domain names is to show the extent of the plaintiffs reach over the internet. Keeping in view that the plaintiffs have in excess of a hundred domain names worldwide, it is evident that the use of the impugned domain name www.amexgroup.in by the defendants is likely to cause confusion among consumers and members of the trade. In this regard, it is relevant to take note of the observations of this Court in *Yahoo! Inc Vs. Akash Arora & Anr*, 78 (1999) DLT 285, wherein the Court observed –

*“10.In this case also both the plaintiff and the defendants have common field of activity. They are operating on the Web site and providing information almost similar in nature. In Card service International Inc. Vs. McGee; reported in 42 USPQ 2d 1850, it was held that the **domain name serve same function as the trademark and is not a mere address or like finding number on the Internet and, Therefore, it is entitled to equal protection as trademark.** It was further held that a domain name is more than a mere Internet address for it also identifies the Internet site to those who reach it, much like a person's name identifies a particular person or more relevant to trade mark disputes, a company's name identifies a specific company. Accordingly, the Court granted the injunction upon*

consideration of the relevant law namely, Section 32 of the Lanham Act. In the facts of the said case it was held that Cardservice International's customers who wish to take advantage of its Internet services, but do not know its domain name are likely to assume that "cardservice.com" belongs to Cardservice International. It goes on to hold that these customers would instead reach McGee and see a home page for "Card Service" and thereby many would assume that they have reached Cardservice International."

(Emphasis Supplied)

29. The plaintiffs have also filed extensive media coverage of its services running into over hundred pages wherein the plaintiffs have been referred to as AMEX.

30. It appears that the plaintiffs have been vigilant about protecting and defending their intellectual property rights, as they have placed on record the proceedings in the various other suits filed by the plaintiffs wherein the Courts, as well as arbitration forums, have protected the rights of the plaintiffs. Pertinently, this Court vide order dated 15.07.2011 observed that the observations of the ROC dismissing the plaintiffs' challenge to the name of defendant no 1 company were wholly misconceived and in the teeth of the law laid down in *Montari Overseas Ltd. Vs. Montari Industries Ltd.*, 1996 PTC (16) 142.

31. In *General Electric Company Vs. Mr. J. Singh & Ors.*, 2011 II AD (Delhi) 18, the Court observed –

"In the case before this Court, the mark of the plaintiff GE (monogram) irrespective of the form in which it is written and the circle in which the letters are enclosed, will be pronounced as GE. The mark used/proposed to be used by the defendant

being GE, there is absolute phonetically similarity between the two marks. It can therefore hardly be disputed that the mark GE used/proposed to be used by the defendants is similar to the mark GE (monogram) of the plaintiff. If a person goes to the mark seeking to buy a product of the plaintiff company he would ask for the product of GE and if a product bearing the trademark GE, in plain letters of English alphabets is offered to him, he is likely to take it as a product of the plaintiff company irrespective of the fact that neither the letters GE are written in a stylized form in which the letters in the trademark GE (monogram) of the plaintiff nor are they enclosed in a circle. To him what matters are the letters GE.”

(Emphasis Supplied)

32. *In EasyGroup IP Licensing Ltd & Anr. Vs. EasyJet Aviation Services Pvt Ltd & Anr.*, 2013(55)PTC 485 (Del), the plaintiffs had filed a suit for infringement of its trademark “easyJet” against the defendants who were using the impugned mark “EasyJet” in relation to travel services that were identical to the services for which the plaintiff’s mark was registered. This Court on a perusal of the evidence led by the plaintiff therein observed

—

“34.... The services provided by the plaintiff no 2 and defendants are identical in nature. Therefore, the likelihood of confusion and deception is strong on account of the public at large associating the defendants services to be those offered by the plaintiff no 2. The acts of the defendants in using the impugned trademark coupled with a lack of plausible explanation offered by the defendants for the same, leads to the conclusion that the defendants are in fact passing off their services as those of the plaintiffs in an attempt to cash in on the plaintiff’s reputation worldwide as well as in India.”

(Emphasis Supplied)

33. In the present case too the Plaintiffs and the Defendants are operating in the same sphere of activity i.e of financial services. A printout of the defendant's website filed on record reveals that the defendants offer financial and investment services which are identical to the services for which the plaintiffs' marks are registered under Class 36.

34. Although Section 29(3) of the Act presumes that infringement is likely to cause confusion in the minds of the public, a screenshot of the website www.gimri.in filed by the plaintiffs shows that the defendants – who were recruiting staff from Global Institute of Management and research (gimri), were infact mistaken to be the plaintiffs as the aforesaid website lists the name of the plaintiffs as one of its recruiters thereby causing actual confusion. Furthermore, it is also pertinent to note that no explanation by the defendants has been forthcoming in respect of why they have adopted the impugned mark.

35. Under the aforesaid circumstances, the plaintiffs have successfully been able to establish that the defendants are violating the statutory rights of the plaintiffs' registered trademark under Section 29 of the Act and are also passing off their services as those of the plaintiffs causing deception and confusion.

36. In *Hero Honda Motors Lts. Vs Shree Assuramji Scooters*, 125 (2005) DLT 504, while discussing the aspect of damages to be granted in a suit for infringement, the Court while relying upon the judgment in *Time Incorporated vs. Lokesh Srivastava & Anr.*, 116 (2005) DLT 599, observed that punitive damages are founded on the philosophy of corrective justice

and that there is a larger purpose involved to discourage such parties from indulging in such acts of deception and, thus, even if the same has a punitive element, it must be granted.

37. Accordingly, the suit is decreed in favour of the plaintiffs to the extent of prayers A and C made therein. The Plaintiffs are also entitled to the damages of Rs 5 lakhs in addition to costs of the suit to be borne by the defendants.

(VIPIN SANGHI)
JUDGE

NOVEMBER 19, 2013