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IN THE HIGH COURT OF DELHI AT NEW DELHI

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CS(COMM) 228/2022

COLORBAR COSMETICS PRIVATE LIMITED Plaintiff

Through: Mr. Sagar Chandra, Ms. Ishani Chandra, Ms. Taapsi Johri, Ms. Shubie Wahi, Ms. Saniya Scott, Ms. Sanya Kapoor & Ms. Ankita Seth, Advocates (M-9810907412)

versus

FACES COSMETICS INDIA PRIVATE LIMITED

& ORS. Defendants

Through: Mr. Siddharth Yadav & Mr. Nageshwar, Advocates for D-1&3.

CORAM:

JUSTICE PRATHIBA M. SINGH

ORDER

% 11.05.2022

1. This hearing has been done through hybrid mode.

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2. Let the plaint be registered as a suit.

3. Issue summons to the Defendants through all modes upon filing of Process Fee.

4. The summons to the Defendants shall indicate that a written statement to the plaint shall be positively filed within 30 days from date of receipt of summons. Along with the written statement, the Defendants shall also file an affidavit of admission/denial of the documents of the Plaintiff, without which the written statement shall not be taken on record.

5. Liberty is given to the Plaintiff to file a replication within 15 days of the receipt of the written statement(s). Along with the replication, if any, filed by the Plaintiff, an affidavit of admission/denial of documents of the

Defendants, be filed by the Plaintiff, without which the replication shall not be taken on record. If any of the parties wish to seek inspection of any documents, the same shall be sought and given within the timelines.

6. List before the Joint Registrar for marking of exhibits on 20th July, 2022. It is made clear that any party unjustifiably denying documents would be liable to be burdened with costs.

7. List before Court on 19th September, 2022.

I.A.5591/2022 (u/O XXXIX Rule 1 and 2 CPC)

8. A new counsel has been engaged by the Defendants. Mr. Siddharth Yadav, Id. Counsel for the Defendants, under instructions by Mr. Rahul Das – Director of Defendant No.1 Company, submits that the Defendants are no longer willing to give up the mark ‘VELVET MATTE’.

9. On the last date of hearing i.e., 12th April, 2022, the following order was passed by this Court:

- “1. This hearing has been done through hybrid mode.*
- 2. Mr. Pravin Anand, Id. Counsel appearing for Defendant Nos.1, 2 and 3 submits that the Defendants are willing to give up the mark 'VELVET MATTE'.***
- 4. Accordingly, since this is a fresh suit, let the parties file a comprehensive application under Order XXIII Rule 3 CPC recording the undertakings on behalf of the Defendants so that the matter can be finally disposed of.*
- 5. List on 11th May, 2022.”*

10. It is clear from the above order that, on the said date, the Defendants had instructed their counsels that they were willing to give up the mark ‘VELVET MATTE’, and the matter was accordingly adjourned to enable the parties to file a joint application under Order XXIII Rule 3 CPC. Today,

there has been a change of counsels, as also, a change of stand.

11. The case of the Plaintiff is that it adopted the mark '*VELVET MATTE*' in respect of cosmetics being, *inter alia*, lipstick, lip gloss, liquid pre-makeup base, lip color, lip liner, in the year 2009 as a sub-brand/mark under the umbrella brand/ house mark '*COLORBAR*'. The Plaintiff is the registered proprietor of the mark '*VELVET MATTE*' bearing Registration No.3370299 in Class 3. The said mark was applied on 22nd September, 2016 and the user claim is of 12th August, 2009 onwards. Various variants of the mark have also been used by the Plaintiff. The sales of the products sold under the brand/mark '*VELVET MATTE*' are stated to be more than Rs.687 lakhs for the previous year 2020-2021. The Plaintiff has also promoted this mark on social media and other websites, and the promotional expenses in respect of the same is to the tune of Rs.1,496 lakhs for the year 2021-2022.

12. The Defendant No.2 is a Canadian company which is also engaged in the business of manufacturing and selling cosmetic products. It uses the identical mark '*VELVET MATTE*' in respect of an identical class of products i.e., lip gloss, lipsticks, and other cosmetics. Upon acquiring knowledge of the Defendants' use of the mark '*VELVET MATTE*', the Plaintiff had issued a cease and desist notice to the Defendant on 16th November, 2021. Vide Reply dated 9th December, 2021, the Defendants did not agree to comply with the requisition of the Plaintiff, and argued that the mark '*VELVET MATTE*' is common to trade and descriptive, as also, that there are several distinguishing factors between the Plaintiff's and Defendants' products.

13. Mr. Chandra, Id. Counsel for the Plaintiff submits that the various links which were cited by the Defendants in the reply to the cease and desist

notice are no longer active, and no products are available on the said links. The Plaintiff has also protected its mark 'VELVET MATTE' by opposing other manufacturers who applied for the said mark, such as Loreal, Renee Cosmetics, etc. It is, thus, submitted that the mark 'VELVET MATTE' being a registered trademark, the same deserves to be protected.

14. On the other hand, Mr. Yadav, Id. Counsel for the Defendants has handed over various listings from e-commerce platforms to argue that the mark 'VELVET MATTE' is used by several cosmetics manufacturers.

15. The Court has heard Id. Counsels for the parties and has perused the documents. The first and the foremost fact which is noticed by the Court is that Id. Counsel for the Defendants, under instructions from their clients, had made a submission on the last date stating that they were willing to give up the mark 'VELVET MATTE'. However, upon change of counsels now, there appears to be a rethinking and the said statement is sought to be resiled from.

16. Further, the allegations of third-party use would require to be gone into by the Court. A perusal of the printouts which have been handed over to the Court shows that certain products are shown to be sold under the mark 'VELVET MATTE' on some international e-commerce platforms. The other printouts relate to manufacturers who are not so well-known. In any event, it is the settled position in law as per the judgment of the Id. Single Judge of this Court in *M/s. Info Edge (India) Pvt. Ltd. & Anr. v. Shailesh Gupta & Anr. [2002 SCC OnLine Del 239]* that the mere fact that the Plaintiff may not take action against certain third-party users would not deprive the Plaintiff from seeking protection against those who are affecting the Plaintiff's business. The relevant extract from the said judgment in *Info*

Edge (supra) reads as under:

“26. It was also contended by the counsel for the defendant that there are many websites and domain names almost with similar name, which re-existing and, therefore, there cannot be any monopoly to the plaintiff and also that the plaintiff having not proceeded against them for similar reliefs, is not entitled to proceed only against the defendant. The said contention was refuted by the plaintiff by placing on record a chart that the other websites with almost similar names are either non-functional or are foreign language websites and they have nothing to do with jobs. It is thus prima facie established that those websites/domain names stand apart and on a different footing from the domain names of the plaintiffs and the defendant. There is neither any occasion nor is there any immediate necessity for the plaintiff to proceed against those websites/domain names, which are non-functional and non-relatable to the activity of employment and jobs. The plaintiff, therefore, cannot be denied relief and an injunction only because it has not proceeded against other similar names. As a matter of fact, when action is initiated, one similar domain name has to be always the first and that cannot be the reason for denying injunction to the plaintiff.”

17. Ld. Counsel for the Defendants further submits that the Plaintiff uses the mark ‘*COLORBAR VELVET MATTE*’ whereas the Defendants use the mark ‘*FACES CANADA VELVET MATTE*’. In the opinion of this Court, this fact, by itself, would not make a difference inasmuch as a large quantum of sales are on e-commerce platforms and when one searches for the mark ‘*VELVET MATTE*’, the Defendants’ products may also be thrown up in search due to the use of the said mark.

18. The Defendants have also applied for the registration of the mark 'VELVET MATTE', and hence, the Defendants cannot be allowed to argue that the said mark is generic or descriptive or common to the trade. Therefore, the Defendants are estopped from claiming the same. This is the settled legal position as per the judgement of this Court in *Automatic Electric Limited v. R. K. Dhawan & Ors.* [77 (1999) DLT 292]. The relevant observations from the said judgment read as under:

"16. The defendants got their trade mark "DIMMER DOT" registered in Australia. The fact that the defendant itself has sought to claim trade proprietary right and monopoly in "DIMMER DOT", it does not lie in their mouth to say that the word "DIMMER" is a generic expression. User of the word "DIMMER" by others cannot be a defense available to the defendants, if it could be shown that the same is being used in violation of the statutory right of the plaintiff.
In this connection, reference may be made to the decision of this Court in Prakash Road line Ltd. Vs. Prakash Parcel Service (P) Ltd.; reported in 1992(2) Arbitration Law Reporter page 174. Reference may also be made to the decision in P.M. Diesels Ltd. Vs . S.M. Diesels; reported in MANU/DE/0636/1994 : AIR1994Delhi264 . It was held in those decision that if the plaintiff is a proprietor of the registered trade mark, the same gives to the proprietor of the registered trade mark the exclusive right to use the trade mark with relation to goods in respect of which the trade mark is registered under the provisions of Section 28 of the Trade and Merchandise Marks Act. It was also held that such statutory right cannot be lost merely on the question of principles of delay, laches or acquiescence. It was also held that in general mere delay after knowledge of infringement does not deprive the registered proprietor of a trade mark of his statutory

rights or of the appropriate remedy for the enforcement of those rights so long as the said delay is not an inordinate delay. In my considered opinion, the ratio of the aforesaid decisions are squarely applicable to the facts of the present case.”

19. Moreover, the manner in which the Defendants have sought to resile from the statement made on the last date of hearing shows that the intention of the Defendants is merely to gain time and avoid the injunction.

20. Under these circumstances, this Court is convinced that the Plaintiff has made out a *prima facie* case for grant of an *ad interim* injunction. The balance of convenience lies in favour of the Plaintiff and irreparable injury would be caused to the Plaintiff if the Defendants are not restrained. The Defendants shall stand restrained from manufacturing, selling and offering for sale cosmetics and other allied products under the mark ‘VELVET MATTE’ or any other mark identical or deceptively similar to the Plaintiff’s mark VELVET MATTE, till the next date of hearing.

21. If there are any listings of the impugned products of the Defendants on e-commerce platforms, the Defendants shall take steps to take down these listings within a period of one week from today.

22. Written statement and reply be filed strictly in accordance with the timelines as prescribed under the Commercial Courts Act, 2015.

23. List on 19th September, 2022.

PRATHIBA M. SINGH, J.

MAY 11, 2022/Rahul/AD