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

+ CS(COMM) 646/2022

CARLSBERG BREWERIES A/S Plaintiff

Through: Mr.Rishi Bansal, Mr.S.K. Bansal,
Mr.Krishan Gambhir, Mr.Aditya
Rajesh, Mr.Neeraj Bhardwaj, Advs.

versus

TENSBERG BREWERIES INDUSTRIES PVT. LTD. & ORS.

..... Defendant

Through: Mr.Chander M. Lall, Sr. Adv. with
Mr.Kameshwar Nath Mishra,
Mr.Mimansak Bhardwaj, Mr.Sunny,
Mr.Rangeen, Ms.Ananya Chug,
Advs.

CORAM:

HON'BLE MR. JUSTICE NAVIN CHAWLA

ORDER

% **16.09.2022**

CAV. 291/2022

1. As the learned counsel for the defendants has entered appearance on advance notice and has been heard in answer to the interim application of the plaintiff, the Caveat stands discharged.

I.A.15242/2022

2. As the learned counsel for the defendants has entered appearance on advance notice, this application is rendered infructuous and is disposed of.

I.A.15243/2022

3. This is an application filed on behalf of the plaintiff seeking to file additional documents which are not in the power, possession, control or custody of the plaintiff at the moment.

4. The plaintiff may file the additional documents strictly in accordance with the provisions of the law.

5. The application stands disposed of.

I.A.15244/2022

6. This application has been filed seeking exemption from invoking pre-institution mediation under Section 12A of the Commercial Courts Act, 2015.

7. Having perused the contents of the application, the same is allowed.

CS(COMM) 646/2022

8. Let the plaint be registered as a suit.

9. Issue summons. Mr. Kameshwar Nath Mishra, Advocate accepts summons on behalf of the defendants.

10. Written statement(s) to the plaint be filed within a period of 30 days. Along with the written statement(s), the defendant(s) shall also file the affidavit(s) of admission/denial of the documents of the plaintiff, without which the written statement(s) shall not be taken on record.

11. Liberty is given to the plaintiff to file replication(s) within a period of 15 days of the receipt of the written statement(s). Along with the replication(s), if any, filed by the plaintiff, the affidavit(s) of admission/denial of documents of the defendant(s) be filed by the plaintiff, without which the replication(s) 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.

12. List before the learned Joint Registrar (Judicial) on 15th December, 2022 for completion of pleadings.


I.A. 15241/2022



13. Issue Notice. Mr. Kameshwar Nath Mishra, Advocate accepts notice on behalf of the defendants.

14. Let reply to the application be filed by the defendants within a period of two weeks. Rejoinder thereto, if any, be filed within a period of two weeks thereafter.

15. It is the case of the plaintiff that the plaintiff is the registered proprietor of the mark 'CARLSBERG', which was first registered in India on 09.07.1949 vide application number 139539 in Class 32.

16. It is further asserted that the first sale in India under the said brand was made by the plaintiff in the year 1904. The plaintiff has also obtained further registrations in its mark 'CARLSBERG' in a device form. Details of the registrations are as under:

Trade Mark	Application No. and Date	Class	Status and Validity	Disclaimer
CARLSBERG (Word Mark)	139539; 09/07/1949	32	Registered and valid till 09/07/2026	NIL
	1399782; 17/11/2005	32	Registered and valid till 17/11/2025	NIL
CARLSBERG (Word Mark)	1471027; 18/07/2006	99	Registered and valid till 18/07/2026	NIL
CARLSBERG - PROBABLY THE BEST BEER IN THE WORLD	1580075; 18/07/2007	99	Registered and valid till 18/07/2027	NIL

(Word Mark)				
 (3D-TRADE MARK)	1653606; 13/02/2008 (User Claim: 22/09/2007)	32	Registered and valid till 13/02/2028	Associated Trademark- 1399782
	3886776; 13/07/2018 (User Claim: 01/04/2018)	32	Registered and valid till 13/07/2028	Associated Trademark - 1399782, 1471027, 1580075 & 1583301

17. It is asserted that the plaintiff had started manufacturing beer in India in the year 2007.

18. The plaintiff asserts that it started using the three-dimensional shape of a green opaque bottle with the word **CARLSBERG** embossed around the bottle on the lower side since 22.09.2007 in India and got the same registered on 13.02.2008 under application number 1653606 under Class 32. The same is shown herein below:



19. The plaintiff further asserts that its marks appears in various variants of its beer bearing the mark 'CARLSBERG', some of which include CARDINAL EDITION D'ETE, CARLSBERG 0.0% ALCOHOL FREE, CARLSBERG 1883, CARLSBERG 47, CARLSBERG CHILL, CARLSBERG ELEPHANT STRONG, CARLSBERG EXPORT, CARLSBERG KURVAND, CARLSBERG KURVAND CITRUS, CARLSBERG LIGHT, CARLSBERG, CARLSBERG NORDIC ALE, CARLSBERG NORDIC GYLDEN BRYG, CARLSBERG ORGANIC NON-ALCOHOLIC, etc.

20. A pictorial representation of the plaintiff's bottles and cans have been given as under:



21. The plaintiff asserts that in the year 2019, its beers reported volume sales amounting to approximately 112.5 hectolitres (where 1 hectolitre equals 100 litres). In India it showed an impressive growth of approximately 19% in the past two years, with its primary brands CARLSBERG and TUBORG accounting for about 18% of the market share. Globally, in the year 2019 the plaintiff had an annual revenue of USD 9.879 Billion. The plaintiff also gives expenditure incurred by it towards advertisements and

brand marketing expenses in paragraph 15 of the Plaintiff.

22. The plaintiff also asserts that the defendant no.1 has been incorporated on 22.07.2022 and is engaged in the business of manufacturing and selling of alcoholic and non-alcoholic beverages.

23. The defendant no.2 is an importer of the beer bearing the impugned mark/label.

24. The defendant no.3, claiming itself to be the proprietor of the mark “TENSBERG”, has applied for seeking registration of the same in the word mark and also in the device mark, reproduced herein below, vide application number 5426236 and 5426237 in Class 32, on a “proposed to be used” basis. The mark is reproduced as under:



25. The defendant no.4 is a company incorporated on 01.04.2022 and is engaged in the business of manufacturing and selling of beer with the impugned mark and label in India.

26. The plaintiff asserts that the defendant no.5 is in the business of manufacturing, brewing and exporting of beer bearing the marks



“TENSBERG” and under the impugned trade dress from Nepal to India, while the defendant no.6 is the Indian subsidiary

registered on 06.01.2021.

27. The plaintiff asserts that the defendants have adopted deceptively similar mark and is marketing its beer in deceptively similar bottle so as to cause confusion in the minds of the general consumers.

28. The pictorial representation of the bottle and cans of the plaintiff and the defendants' products is as under:

<i>PLAINTIFF'S SAID TRADEMARKS/LABELS</i>	<i>DEFENDANTS IMPUGNED MARKS/LABELS</i>
CARLSBERG	TENSBERG
	
<i>PLAINTIFF'S SAID GOODS/TRADE DRESS</i>	<i>DEFENDANTS IMPUGNED GOODS/ TRADE DRESS</i>
	



29. The learned counsel for the plaintiff asserts that the above adoption of the trade mark as also the trade dress is an infringement of the plaintiff's right and is dishonest, intended to encash on the goodwill and reputation of the plaintiff. He brings about and highlights the similarities between the trade dress of the plaintiff and that of the defendants.

30. On the other hand, the learned senior counsel for the defendants, who appears on advance notice, submits that the plaintiff is guilty of misrepresentation and concealment of facts in the Plaintiff.

31. He submits that the statement of the plaintiff in the Plaintiff that it became aware of the defendants' use of the impugned mark and trade dress only upon knowledge of the application seeking registration of the trade mark applied for by the defendants, is false to the knowledge of the

defendant. In this regard, he has produced a copy of the order issued by the Excise Office, Dehradun, State of Uttarakhand, dated 24.04.2019, to contend that in the same order, the permission for selling the plaintiff's as also the defendants' beer was granted. This itself shows the knowledge of the mark of the defendants with the plaintiff.

32. He submits that, in fact, the defendants have been marketing its products with the impugned mark and packaging since 2018, with its average revenue sale having increased from Rs.3,65,40,000/- in the financial year 2018-19 to Rs.14,44,60,800/- in the year 2021-22, and Rs.11,08,37,250/- up to August 2022.

33. He further submits that the defendants have also been advertising its product on YouTube and Facebook, to the knowledge of the plaintiff. He submits that this clearly amounts to concealment of material information from this Court on the part of the plaintiff, thereby disentitling the plaintiff for an *ad-interim* injunction.

34. The learned senior counsel for the defendants further submits that there is also a misstatement inasmuch as the plaintiff, while referring to cancellation and opposition proceedings before the Department of Industries, Nepal, in paragraph 33(v) of the Plaint, states that notice has been issued on such opposition. In fact, such opposition has been dismissed by the Department of Industries, Nepal.

35. At this stage, I must point out that the learned senior counsel for the defendants handed over in the Court, a copy of the communication dated 03.04.2016, issued by the Department of Industries, Nepal, to submit that by the same communication, the opposition of the plaintiff had been dismissed. However, a reading of the translation of the same, the submissions of the

learned senior counsel of the defendants could not be sustained, as the said order/communication indicates a direction to Tigers Brewery Pvt. Ltd. to produce the details of sales made by it under the impugned trade mark.

36. The learned senior counsel for the defendants further states that there are other marks which are also registered with the suffix 'BERG' and therefore, as the prefix of the two marks are different, there can be no cause of confusion by use of those words.

37. I have considered the submissions of the learned counsels for the parties.

38. *Prima facie*, the mark of the plaintiff and the defendants appear to be deceptively similar. There is phonetic similarity between the same.

39. There can be also be no doubt of the plaintiff being the proprietor and prior adopter of the mark 'CARLSBERG' and also, with its registration, having a better right over the defendants, who on their own case, adopted the said mark in India (though denied by the plaintiff) only in 2018, and do not hold registration in the said mark.

40. As stated by the plaintiff and not denied by the defendants, at least at this stage, the mark of the plaintiff 'CARLSBERG' has been registered since the year 1949 and has been used/sold in India since the year 2007.

41. The shape of the bottle is also registered in favour of the plaintiff since the year 2008. The pictorial depiction of the bottle and Can of the plaintiff and the defendants' beer has been reproduced herein above. *Prima facie*, the shape of the bottle and the Can adopted by the defendants appears to be deceptively similar to that of the plaintiff; with the same colour green for the bottle, and green/white for the Can. The placement of the marks, the appearance of the deceptively similar crown, also *prima facie* reflects the

intention of the defendants to come as close to the plaintiff's mark as possible. Beer Bottles and Cans are not bought with minute scrutiny but in a more casual manner. Applying the test of an unwary consumer with imperfect recollection, the two marks and their trade dress, *prima facie* appear to be deceptively similar and likely to deceive and confuse such consumer.

42. The defendant no.1 has been incorporated only on 22.07.2022, while defendant no.4 was incorporated on 01.04.2022. The defendant no.3 has applied for seeking registration of its mark mentioned hereinabove on a 'proposed to be used' basis. Though, the learned senior counsel for the defendants sought to urge that the said representation in the application by the defendant no.3 is due to a *bona fide* mistake, with the mark having been in use since the year 2018 in India, at least at this stage, this contention cannot be accepted.

43. Similar reliance on the order issued by the Department of Excise, State of Uttarakhand, while giving the permission for sale of beer in the State of Uttarakhand, cannot be a proof of its actual use. It must also be emphasised here that even otherwise, delay in prosecution of a claim of infringement, cannot be a ground to allow such infringement to continue, provided the user of the offending mark by the defendant is not honest and concurrent. Here, both these prerequisites appear to be lacking in the defendants. The submissions of the learned senior counsel for the defendants of having made huge sales in India under the impugned mark, especially in light of the later incorporation of the defendant no.1, 4 and 6, would need further scrutiny.

44. In any case, *prima facie* the same cannot be evidence of the

knowledge of the plaintiff to such sale being made at a large scale by the defendants even prior to their incorporation.

45. As far as the reliance of the learned senior counsel for the defendants on the alleged advertisements on Facebook and YouTube are concerned, the learned counsel for the plaintiff has drawn my attention to the fact that the YouTube advertisement is of a company named Tigers Breweries Industries Pvt. Ltd., a company operating in Nepal. The defendants at this stage, have not been able to show any advertisement of their product in India. The advertisements on the Facebook page and YouTube channel alone, in my *prima facie* opinion, cannot be sufficient to deny the plaintiff its statutory rights as a registered proprietor of the mark.

46. Similar reliance of the learned senior counsel for the defendants on various marks being registered with the suffix 'BERG', cannot at this stage, help the defendants, inasmuch as they would have to show that these marks are, in fact, being used for marketing the products. Even otherwise, in the present case, it is not only the use of the mark alone but also get-up of the product, that is, bottle and the Can which *prima facie* indicates the intent of the defendants to ride on the reputation and goodwill of the plaintiff, thereby, causing confusion and deception to the mind of unwary consumers.

47. For the reasons stated hereinabove, I am of the opinion that the plaintiff has been able to make out a good *prima facie* case in its favour. The balance of convenience is also in favour of the plaintiff and against the defendants. The plaintiff is likely to suffer grave irreparable injury in case an *ad-interim* injunction is not granted in favour of the plaintiff and against the defendants.

48. As far as the proceedings in Nepal are concerned, apart from the fact

that the document produced by the learned senior counsel for the defendant during the court hearing, does not support his submission that the said proceedings stand closed in favour of the defendants, even otherwise, the same are not relevant to the claim raised by the plaintiff in the present Suit and the application. For the present Suit, the rights of the parties by way of the use of the mark and/or its registration in India, is to be seen.

49. In view of the above, the plaintiff has made out a good *prima facie* case in its favour. The balance of convenience is in favour of the plaintiff and against the defendants. Most of the defendants are companies which have been only recently incorporated. Apart from the registration in Uttarakhand, at least at this stage, the defendants have not been able to show their presence in other parts of the country. The use of deceptively similar marks and trade dress is also likely to be prejudicial to the interest of an unwary consumer. The plaintiff is therefore, likely to suffer grave irreparable injury in case an *ad-interim* injunction, as prayed for, is not granted.

50. In view of the above, an *ad-interim* injunction in terms of the prayer made in paragraph 5(i) and (ii) of the application is granted in favour of the plaintiff and against the defendants, making it clear that all the observations made hereinabove are only *prima facie* in nature and shall not in any manner influence this Court while considering this application again on their respective reply(ies) and rejoinders being filed by the parties.

51. The learned senior counsel for the defendants prays that this *ad-interim* order be suspended for the defendants to apply for a stay thereof in an appeal. I am afraid that I cannot accede to this request for the reasons stated hereinabove.

52. List on 19th October, 2022.

53. Copy of this order be given dasti under the signature of the Court Master to learned counsel for the parties.

NAVIN CHAWLA, J

SEPTEMBER 16, 2022/Arya