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

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Date of Decision : 21st April, 2023

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C.O. (COMM.IPD-TM) 686/2022

BURGER KING COMPANY LLC

..... Petitioner

Through: Mr. Raunaq Kamath, Mr. Aditya Gupta, Mr. Mukul Kochhar and Mr. Rahul Bajaj, Advocates.

versus

VIRENDRA KUMAR GUPTA & ANR.

..... Respondents

Through: Mr. Shailen Bhatia, Mr. Amit Jain and Mr. Raghav Bhalla, Advocates for R-1.

Mr. Harish Vaidyanathan Shankar, CGSC with Mr. Srish Kumar Mishra, Mr. Sagar Mehlawat and Mr. Alexander Mathai Paikaday, Advocates for R-2.


CORAM:

HON'BLE MR. JUSTICE AMIT BANSAL

AMIT BANSAL, J. (Oral)

I.A. 10228/2022 (for stay)

1. The present rectification petition has been filed seeking

cancellation/removal of the impugned mark , registered under no. 2052257 in class 43 in the name of the respondent no.1, from the Register of Trade Marks.

2. Earlier, the petitioner had filed a writ petition being W.P.(C) no. 2695/2018 (later renumbered as W.P.(C)-IPD 53/2021) seeking cancellation of the aforesaid trademark. Vide order dated 20th March, 2018, while issuing notice in the said writ petition, a Coordinate Bench of this Court had granted stay on the operation of the aforesaid mark and the marks bearing registration nos. 2052258 and 2052259.

3. Vide order dated 26th May, 2022, the aforesaid writ petition was dismissed as withdrawn by a Coordinate Bench of this Court while giving liberty to the petitioner to file a rectification petition. The stay granted on the operation of the impugned mark was extended for a period of six weeks.

4. Pursuant to the aforesaid liberty, the present rectification petition was filed by the petitioner. Vide order dated 12th July, 2022, notice was issued and the respondent no.1 undertook the following:

*“Mr. Bhatia, learned counsel, at this stage, on instructions, submits that **Respondent No. 1 shall not rely on the registration with respect to Trademark Application number 2052257, in the opposition and rectification proceedings, which are coming up for hearing before 26.07.2022.**”*

5. The aforesaid undertaking given by the respondent no.1 has continued to be in effect till date. Counter-affidavit has also been filed on behalf of the respondent no.1.

6. The petitioner is a company based in United States of America, which was founded in the year 1954 under the name BURGER KING. It is currently the second largest quick service restaurant (QSR) hamburger company in the world, which manages and operates a worldwide chain of over 18,000 QSRs, serving more than 11 million customers daily in approximately 100 countries.

7. The trademark BURGER KING is registered in the name of petitioner in over 122 countries worldwide. In India, the earliest registration of the trademark BURGER KING dates back to the year 1979. Details of registrations of the trademarks of the petitioner in India in various classes are given in paragraph 10 of the petition. The registration of the device mark



in class 43 dates back to 19th August, 2010. The petitioner entered India in the year 2014 and opened its first BURGER KING restaurant in New Delhi on 9th November, 2014. At present, the petitioner operates over 250 Burger King Restaurants in India.

8. The petitioner has mentioned its annual sales turnover worldwide from the years 2010 to 2021 in paragraph 25 of the petition. The annual turnover of the petitioner in the year 2021 was 23,050 million US dollars. The expenses incurred by the petitioner on advertisement and promotions are mentioned in paragraph 26 of the plaint.

9. In August, 2011, the petitioner became aware that the respondent no.1 has applied for registration of the impugned trademark in class 43. As per the examination report issued by the Registry, the trademark application of the respondent no.1 was objected to and the registered mark of the petitioner was cited in the examination report. The petitioner's attorneys filed a request under form TM-58 with the Trade Mark Registry in terms of Rule 41 of Trademark Rules, 2017, in order to receive intimation when the impugned applications are published in the trademark journals so that the petitioner may oppose the same. However, the Registry advertised the impugned mark of the respondent no.1 in 2016 without informing the petitioner and the

impugned mark was registered in favour of the respondent no.1.

10. In the year 2014, the petitioner filed a suit for infringement against the respondent no.1. On 25th July, 2014, an *ex parte* injunction order was passed in favour of the petitioner and against the respondent no.1, restraining the respondent no.1 from using the trademark BURGER KING or any other mark similar thereto. The aforesaid injunction order was confirmed vide judgment dated 24th September, 2018.

11. In addition to the impugned mark, the respondent no.1 has also filed various other trademark applications in respect of BURGER KING formative marks, which have been opposed by the petitioner. The details of the said applications are given in paragraph 45 of the petition.

12. Counsel for the petitioner submits that the primary element of the



impugned mark is identical to the petitioner's well-known trademark BURGER KING. He further submits that the additional words in the impugned mark, i.e., "Family Restaurant" are descriptive in nature and have been written in a small font as compared to the words BURGER KING. He further submits that the impugned mark has been registered in respect of services for providing food and drinks, temporary accommodation: café and coffee bar, restaurants including self-service, take away and fast food restaurants, which are included in class 43 and are identical to the services provided by the petitioner under the BURGER KING trademark. Reliance in this regard is placed on the judgment of the Coordinate Bench of this Court in *Max Healthcare Institute Ltd. v. Sahrudya Health Care Pvt. Ltd.* 2019, SCC OnLine Del 9036.

13. The petitioner is also a prior user of the trademark BURGER KING as compared to the respondent no.1. Therefore, the registration ought not to have been granted in terms of Section 11 of the Trademarks Act, 1999.

14. Counsel for the respondent no.1 submits that the respondent no.1 has filed an appeal against the judgment dated 24th September, 2018 confirming *ex parte* injunction granted on 25th July, 2014, which is pending adjudication before the Division Bench of this Court. Hence, the adjudication of the present application may await the decision of the Division Bench.

15. I have heard the counsel for the parties and perused the record of the rectification petition.

16. At the outset, a reference may be made to the relevant observations of the Coordinate Bench of this Court in the judgment dated 24th September, 2018 passed in CS(COMM) 229/2018 filed by the petitioner against the respondent no.1 and other defendants, reported as ***Burger King Corporation v. Ranjan Gupta And Ors., 2018 SCC OnLine Del 11484.***

11. The use by the Defendants is of a logo, Burger King, which is almost identical to the Plaintiff's logo. Both the competing logos are set out herein below:-

COMPARISON OF THE TRADE MARK AND DEVICES OF THE PARTIES	
PLAINTIFF'S TRADE MARK AND LOGO	DEFENDANTS' TRADE MARK AND LOGO
BURGER KING	BURGER KING
	

19. Insofar as the adoption of the trademark „Burger King” is concerned, the explanation given by the Defendants in their written statement is ‘fantastic’ to say the least. The manner, in which the Defendants claim coinage of the mark, by using the first letters of the names of various family members shows that the same is a completely dishonest attempt to defend something which is indefensible. The explanation for the coinage of the mark makes it clear that the Defendants are trying to adopt a process of reverse deduction to explain use of the mark Burger King. Such an explanation, if accepted, would lead to trivializing trademark rights.

20. The plaintiff is clear that the mark „Burger King” was adopted in 1954 in the US, and thus, the evidence of trans-border reputation, which is mentioned in the plaintiff, cannot be rejected at this stage when the trial is yet to commence. The list of outlets in various airports thus shows that travellers from India would have had knowledge of Burger King. It cannot be disputed that there are thousands of outlets of the Plaintiff across the world. The Defendants’ explanation for the adoption being extremely unimaginative and the identical logo being an indication of dishonest adoption, the injunction already granted is liable to be confirmed. The manner in which the Defendants are soliciting enquiries and are wanting to give franchisees for their outlets under the name Burger King poses a clear and imminent threat for extreme dilution of the mark.

22. It is accordingly directed that the injunction granted on 25th July, 2014 shall stand confirmed. The Defendants are thus enjoined from using the mark BURGER KING as also the infringing logo in respect of their food outlets or restaurants, in any manner whatsoever. The Defendants are also restrained from granting any franchisees or opening any new outlets under any name containing the mark BURGER KING. This, however, does not bar the Defendants from using the mark/name Burger Emperor.”

17. Even though an appeal has been filed on behalf of the respondent no.1 against the aforesaid judgment, admittedly, the operation of the judgment has not been stayed by the Division Bench. Therefore, I see no reason to not rely on the findings and the observations made in the aforesaid judgment.

18. Earlier, in the judgment dated 6th March, 2023 passed by this Court in CS(COMM)229/2018 titled **Burger King Corporation v. Ranjan Gupta & Ors.**, I had observed that the plea raised by the respondent no.1 herein with regard to the invalidity of registrations granted in favour of the petitioner herein in respect of the trademark BURGER KING and other formative marks, is *prima facie* not tenable. Relevant observations of the said judgment are set out below:

“32. In view of the discussion above, I am of the considered view that the plea raised by the defendant with regard to the invalidity of registrations granted in favour of the plaintiff in respect of the trademark BURGER KING and other formative marks, is prima facie not tenable. There is no reasonable prospect of the defendants succeeding in the cancellation petitions filed by them. Therefore, no issue with regard to validity of the registrations of trademarks of the plaintiff is liable to be framed in the facts and circumstances of the present case.”

19. In view of the aforesaid finding, four rectification petitions filed by the respondent no.1 seeking cancellation/removal of the BURGER KING trademarks registered in the name of the petitioner, have been dismissed by me today by a separate order.

20. In view of the discussion above, it is clear that the impugned trademark has been adopted by the respondent no.1 dishonestly to trade upon the established goodwill and reputation of the petitioner. The nature of

the impugned mark is such that it is likely to deceive public and create confusion in the market as regards the source of the goods manufactured and sold under the impugned trademark.

21. The petitioner has made out a *prima facie* case in its favour. Balance of convenience is also in favour of the petitioner and against the respondent no.1. Irreparable harm will be caused to the petitioner if the operation of the impugned mark is not stayed till the disposal of the rectification petition.

22. Consequently, the operation of the impugned mark



bearing registration no.2052257 in class 43 is stayed till the final adjudication of the rectification petition.

23. In the event that the respondent no.1 succeeds in the appeal filed by them against the judgment dated 24th September, 2018 in ***Burger King*** (supra), liberty is given to the respondent no.1 to move an appropriate application seeking vacation/modification of this order.

24. Accordingly, the application stands disposed of.

C.O. (COMM.IPD-TM) 686/2022

25. List on 12th July, 2023.

APRIL 21, 2023

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AMIT BANSAL, J.

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

% *Date of Decision : 21st April, 2023*

+ C.O. (COMM.IPD-TM) 568/2022

VIRENDER KUMAR GUPTA M/S BURGER KING.....Petitioner

Through: Mr. Shailen Bhatia, Mr. Amit Jain
and Mr. Raghav Bhalla, Advocates.

versus

BURGER KING CORPORATION AND ANR. Respondents

Through: Mr. Raunaq Kamath, Mr. Rahul Bajaj
and Mr. Mukul Kochhar, Advocates
for R-1.

+ C.O. (COMM.IPD-TM) 571/2022

VIRENDRA KUMAR GUPTAPetitioner

Through: Mr. Shailen Bhatia, Mr. Amit Jain
and Mr. Raghav Bhalla, Advocates.

versus

BURGER KING CORPORATION AND ANR. Respondents

Through: Mr. Raunaq Kamath, Mr. Rahul Bajaj
and Mr. Mukul Kochhar, Advocates
for R-1.

+ C.O. (COMM.IPD-TM) 578/2022

VIRENDRA KUMAR GUPTAPetitioner

Through: Mr. Shailen Bhatia, Mr. Amit Jain
and Mr. Raghav Bhalla, Advocates

versus

BURGER KING CORPORATION AND ANR. Respondents

Through: Mr. Raunaq Kamath, Mr. Rahul Bajaj
and Mr. Mukul Kochhar, Advocates
for R-1.

+ C.O. (COMM.IPD-TM) 592/2022

VIRENDER KUMAR GUPTA M/S BURGER KING.....Petitioner

Through: Mr. Shailen Bhatia, Mr. Amit Jain
and Mr. Raghav Bhalla, Advocates.

versus

BURGER KING CORPORATION AND ANR. Respondents

Through: Mr. Raunaq Kamath, Mr. Rahul Bajaj
and Mr. Mukul Kochhar, Advocates
for R-1.




CORAM:

HON'BLE MR. JUSTICE AMIT BANSAL

AMIT BANSAL, J. (Oral)

**C.O. (COMM.IPD-TM) 568/2022, C.O. (COMM.IPD-TM) 571/2022,
C.O. (COMM.IPD-TM) 578/2022 & C.O. (COMM.IPD-TM) 592/2022**

1. The present rectification petitions have been filed on behalf of the petitioner seeking cancellation/removal of the following marks registered in the name of the respondent no.1, from the Register of Trade Marks:

- i.  under registration no. 2011497 in class 43
- ii.  under registration no. 1494245 in class 42
- iii.  under registration no. 1615231 in class 29

iv. BURGER KING under registration no. 1494246 in class 42

2. The rectification petitions were filed before the IPAB and the same have been transferred to this Court pursuant to the enactment of the Tribunal Reforms Act, 2021. The rectification petitions have been contested on behalf of the respondent no.1 by filing a counter-statement.

3. Earlier, the respondent no.1, Burger King Corporation, had instituted a suit being CS(COMM) 2200/2014 in the year 2014(later renumbered as CS(COMM) 229/2018), *inter alia*, against the petitioner herein, Mr. Virender Kumar Gupta, who was the defendant no.2 in the suit. In the aforesaid suit, the respondent no.1 had sought a decree of permanent injunction against the petitioner herein and other defendants restraining them from infringing the trademark 'BURGER KING' as well as passing off their goods as that of the respondent no.1.

4. In the aforesaid suit, the petitioner herein had sought to raise an issue with regard to invalidity of the registrations of the trademark 'BURGER KING' of the respondent no.1 herein. Vide judgment dated 6th March, 2023 passed in the said suit, I had held that the plea raised by the defendant in the suit with regard to invalidity of the registrations granted in favour of the plaintiff in respect of its trademark 'BURGER KING' and other formative marks, is *prima facie* not tenable and therefore, no issue with regard to validity of registrations of the trademarks of the plaintiff is liable to be framed in the suit.

5. Placing reliance on the judgment of the Supreme Court in ***Patel Field Marshal Agencies v. P.M. Diesels Ltd***, (2018) 2 SCC 112, it was observed that the jurisdiction with regard to rectification of a mark under Section 124

Trademarks Act, 1999 can be exercised only upon finding of the Civil Court as regards the *prima facie* tenability of the plea of invalidity. Relevant paragraphs of the judgment in the aforesaid suit are set out below:

“12. I am in agreement with the submission of the plaintiff that the finding of prima facie tenability is a statutory safeguard to ensure that the defendants do not file rectification proceedings as a counter blast to the infringement actions against them, unless their plea of invalidity is prima facie tenable. If this were not so, the defendants would be permitted to challenge the registrations of the plaintiff by filing rectification petitions on frivolous and untenable grounds. It is for this reason that the legislature has placed the safeguard of prima facie tenability in cases where the rectification proceedings are filed after a suit for infringement has been filed, whereas no such safeguard is there in cases where rectification proceedings have been filed before the suit.

13. In Patel Field Marshal (supra), the Supreme Court observed that where a civil suit is pending, the jurisdiction can be exercised by a statutory authority only on account of finding of the Civil Court as regards the prima facie tenability of the plea of invalidity. It was further observed that such a finding is a basic requirement so that false, frivolous and untenable claims of invalidity are not raised.”

6. The petitioner has filed an appeal against the aforesaid judgment before the Division Bench of this Court. However, the said appeal was withdrawn by the petitioner on 18th April, 2023 with liberty to file a Special Leave Petition before the Supreme Court.

7. Since the rectification petitions were admittedly filed after filing of the aforesaid suit, in terms of the judgment in *Patel Field Marshal* (supra), the rectification petitions could only be filed upon finding of the Civil Court

as regards the *prima facie* tenability of the plea of invalidity.

8. In view of my aforesaid findings in the judgment dated 6th March, 2023 in CS(COMM)229/2018, the rectification petitions are not maintainable. Consequently, the rectification petitions are dismissed.

AMIT BANSAL, J.

APRIL 21, 2023

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