

IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH

FAO-COM-2-2022 (O&M).
Date of Decision:- 21.03.2023.

PERNOD RICARD INDIA PRIVATE LIMITED

.....Appellant

Versus

UNITED SPIRITS LIMITED

.....Respondent

CORAM: HON'BLE MR. JUSTICE AUGUSTINE GEORGE MASIH
HON'BLE MR. JUSTICE ALOK JAIN

Argued by: Mr. M.L. Sarin, Senior Advocate with
Mr. Himmat Singh, Ms. Mamta Jha and
Mr. Nakul Sharma, Advocates for the appellant.

Mr. Chetan Mittal, Senior Advocate with
Mr. Amit Jhanji, Senior Advocate with
Mr. Gurpreet S. Kahlon, Mr. Himanshu Gupta,
Ms. Nikita Garg, Ms. Aarti Aggarwal, Mr. Uday Vir Rana and
Ms. Sehej Sandhawalia, Advocates for the respondent.

ALOK JAIN, J.

1. The present appeal arises out of the order dated 17.01.2022, whereby, the learned Court below has dismissed the application under Order 39 Rule 1 and 2 of CPC, filed by the appellant, *inter alia*, praying for restraining the defendants from infringing the trademark "**Blenders Pride**" by using, manufacturing and selling the goods under the alleged Trademark "**Royal Challenger American Pride**".

2. The brief facts of the case, as narrated by learned Senior counsel for the appellant, are that the Trademark "**Blenders Pride**" was adopted by the predecessor of the appellant-Company namely, the

Seagrams Company Limited in the year 1973, for which it had obtained registration of the Trade Mark "**Blenders Pride**" vide Trademark Registration No.623365 in Clause 33, which relates to and deals in respect of wines, spirits and liquors. The said registration was dated 25.03.1994 and, thereafter, the predecessor of the appellant-Company launched a whiskey under the Trademark "**Blenders Pride**" in India.

3. Cutting short the long history of success of the said product in the market, learned Senior counsel for the appellant submits that by the year 2019, the appellant-Company was generating annual sales of ₹ 1770 crores per annum, however, in the year 2019, the respondent United Spirits Limited (USL) filed an application No.4300764 seeking registration of the Trademark "**Challenger American Pride**" for the goods falling under Classes 32 and 33. Thereafter, the respondent applied for the approval of the label with the competent authorities at Mohali in Punjab and the appellants, coming to know about it, immediately filed their objections. In furtherance to protect their Trademark, the appellants also filed an application for cancellation of the Trademark Registration No.4300764 on 06.11.2020. Taking further steps to protect their rights, the appellants filed a suit before the Commercial Court, Mohali, *inter alia*, praying for:-

"27. In the light of above facts and circumstances, and in the interest of justice, the Plaintiff most respectfully prays that this Hon'ble Court may be pleased to grant the following reliefs:

a) a decree for permanent injunction restraining the

Defendant, by itself or through its directors, group companies, associates, divisions, assignees in business, licensees, franchisees, agents, distributors and dealers from using manufacturing, selling, offering for sale directly or indirectly, the goods under the impugned ROYAL CHALLENGE trade mark AMERICAN PRIDE as applied for before the Excise Office, Punjab or any other trade mark/label containing the impugned trade mark AMERICAN PRIDE in any manner whatsoever or any other trade mark/label/logo which is identical with/deceptively similar to the trade mark BLENDERS PRIDE of the Plaintiff as may amount to infringement of trade mark registrations as mentioned hereinabove;

b) a decree for permanent injunction restraining the Defendant, by itself or through its directors as the case may be, assigns in business, sister concerns, associates, agents, dealers, stockists etc. from selling, offering for sale, advertising in any manner including on the internet, the goods under the impugned trade mark AMERICAN PRIDE applied for before the Excise Office, Punjab or any other trade mark/label/logo containing AMERICAN PRIDE in any manner whatsoever or any other trade mark/label/logo which is identical with/deceptively similar to the trade mark BLENDERS PRIDE of the Plaintiff which may lead to confusion or deception amounting to passing off of the goods/business of the Defendant for those of the

Plaintiff;

c) an order for rendition of accounts of profits illegally earned by the Defendant from manufacture and sale of ROYAL CHALLENGE goods under the impugned mark AMERICAN PRIDE and a decree for the amount so found due may be passed or, in the alternative, damages as may be ascertained by this Hon'ble Court and a decree of damages as ascertained may be passed in favour of the Plaintiff and against the Defendant;

d) a decree of delivery up of all the stock of infringing materials, packaging, labels, printing materials, printing cylinders, blocks, dyes, articles etc. to an authorized representative of the Plaintiff for destruction of infringing products may be passed in favour of the Plaintiff and against the Defendant;

e) an order for costs in the proceedings;

f) any further order as this Hon'ble Court may deem fit and proper in the facts and circumstances of the present case;”

4. Along with the said suit, the appellant also filed an application seeking interim protection and restrain of their goodwill and reputation allegedly to be used by the respondents. Learned Senior counsel for the appellants has further submitted that the Additional Commissioner (Excise), Mohali, allowed the label with the following findings:-

“Thus, the Committee is of the opinion that the brand “Royal Challenge American Pride” fulfills all the

conditions for brand registration under the Punjab Distillery Rules, 1932, however, the Committee recommends the size and font of the brand “Royal Challenge American Pride” should be same and consistent on the label”.

5. The appellant-Company also filed an application for registration of the Trademark **“Pride”** with the competent authorities and the said application is pending. During the interregnum, the respondents filed a fresh Trademark application for **“American Pride”** and named therein that the same is being used since 01.10.2021. On the above grounds, the appellant’s Company sought interim injunction, which was dismissed by the learned Commercial Court vide the impugned order dated 17.01.2022.

6. Learned Senior counsel for the appellant has opened his arguments by elaborating the goodwill and international presence of the appellant-Company. He emphasized that the Company has an annual sales of ₹ 2000/- crores in the year 2018-19 and has been diligently protecting its Registered Trademark since the year 1994. He has categorically stated that the respondents are infringing their Trademark by using the structurally and phonetically similar Trademark **“American Pride”** in addition to an identical product namely, Indian Made Foreign Liquor (IMFL). Learned Senior counsel for the appellant has submitted that the learned Court below has fell in error by wrongly barring the Trademark. He submits that although the respondents had applied for registration of the Trademark **“Royal Challenge American Pride”** and was granted approval by the

Excise Commissioner for such use, however, it used "**American Pride**" as an independent Trademark. Using these two words prominently so, therefore, the comparison ought to have been made between the "**American Pride**" and "**Blenders Pride**" and, thereafter, the Court should have dwelled upon and viewed the goodwill and reputation of the appellant-Company and its effect, with use in relation to identical goods.

7. To substantiate his arguments, learned Senior counsel for the appellants has relied upon the screen shots of the online advertisement of the respondents and the photographs of the bottles especially, the respondent's "**American Pride**" which was launched in Goa. He reiterates that the respondent's Trademark was registered as "**Royal Challenge American Pride**" but is emphasizing that the word "**Royal Challenge**" is not predominantly used, which is causing infringement in his Trademark. He further submits that the learned Court below has failed to appreciate that the respondent's Trademark registration for "**Royal Challenge American Pride**" has been sought to be cancelled by way of filing a cancellation before the competent authorities.

8. Learned Senior counsel for the appellant further submitted that the learned Court below has failed to consider the established test of deceptive similarity. It is submitted that the learned Commercial Court has disregarded the test of structural similarity between the word-marks, if judged from the standpoint of a consumer of an average intelligence and imperfect re-collection. The learned Court below has made a side by side comparison of only photographs, which is not a permissible test of

deceptive similarity. He submits that the consumer recalls the brand by its overall imperfect re-collection and the consumer would not have the benefit of side by side comparison. To summarize this issue, he submits that the competing Trademarks are, in fact, two word marks and the second word which is the dominant component of both the Trademarks is the word **“Pride”** and moreso, both the Trademarks being used in the same/identical product i.e. IMFL, which is being sold in retail outlets, therefore, there is every likelihood of deception to a common man.

9. Learned Senior counsel for the appellant relies upon the judgment of the Hon’ble Supreme Court in the case of **Amrit Dhara and Laxman Dhara AIR 1963 SCC 449**, wherein, it recorded that an average consumer will not analyze the semantic differences between Amrit and Laxman but would rather go by the overall structure and phonetic similarity of the two names. He further relies upon the various judgments in which identical issue was there such as **Imperial Blue Vs. Rhizome’s Imperial Gold, Jorney Walker Vs. Captain Walker and Pete Walker, Second Deer Vs. Double Deer and Field Marshal Vs. Sone Marshal**, wherein the learned Courts below have analyzed the structural similarity. Therefore, applying the same principles, the Trademark **“Blenders Pride”** and **“American Pride”** are also structurally and phonetically similar as both contain identical second component **“Pride”** in the same structure, place and manner for an identical product, namely, Indian Whiskey.

10. The next argument raised by the learned Senior counsel for the appellant is that the learned Court below has not made any assessment of

injurious association. Learned Senior counsel for the appellant has relied upon Section 29 (2) of the Trademarks Act to submit that in case of an infringement on account of use of a deceptively similar Trademark, it is not limited to a likelihood of confusion on part of the public but also includes the words “*likelihood of injurious association*”. He submits that the infringement exists where the respondent’s mark either (i) causes confusion in the minds of the public (ii) leads the public to believe the existence of an association between the respondent and the Registered Trademark of the appellant and, therefore, the respondent-company is infringing the Trademark, which is likely to cause an impression in the minds of the general public viz-a-viz “*association of the appellant with the respondent’s product*”.

11. The next issue raised by the learned Senior counsel for the appellant is that the learned Court below has discarded the principle of *quia timet action*. It is submitted that even for the sake of arguments, it is stated that the respondents have not yet launched the said product in the markets even then, the suit was maintainable by applying the above said principle to protect the loss which could have been caused by respondent keeping in mind the clear intention of the respondent to infringe the Trademark of the appellant which would have resulted in loss of the market share and revenue, apart from the goodwill.

12. On the above four grounds, learned Senior counsel for the appellant has summarized that the application under Order 39 Rule 1 and 2 of CPC, deserves to be allowed and the impugned order deserves to be set

aside and further appropriate orders be passed restraining the respondents from using the Trademark “**Royal Challenger American Pride**”.

13. To substantiate his arguments, learned Senior counsel for the appellant has relied upon the following judgments:-

- *Austin Nichols & Co. Inc. Vs. Arvind Behl and Another [2006 (32) PTC 133 (Del.)]*, to contend that the appellant is well established having a goodwill and reputation attached to its trade mark. He contends that a commensurate purchaser may buy and consume whiskey manufactured by the defendants under a mistaken impression. **[Relevant Para 56]**.
- *Kaviraj Pandit Durga Dutt Sharma Vs. Navratna Pharmaceutical Laboratories [AIR 1965 SC 980]*, to contend that 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 defendant’s mark is so close either visually, phonetically or otherwise and the court reaches the conclusion that there is imitation, no further evidence is required. **[Relevant Para 28]**.
- *Amritdhara Pharmacy Vs. Satya Deo Gupta [AIR 1963 SC 449]*, to contend that on an application to register, the Registrar or an opponent may object that the Trade mark is not registrable by reason of Clause (a) of Section 8, or sub-

section (1) of Section 10, as in this case. In such a case the onus is on the applicant to satisfy the Registrar that the trade mark applied is not likely to deceive or cause confusion. In case in which the tribunal considers that there is doubt as to whether deception is likely, the application should be refused. [Relevant Para 7]

- ***Ruston & Hornsby Ltd. Vs. Zamindara Engineering Co. [1969 (2) SCC 727]**, wherein, it was held that there is a deceptive resemblance between the word “RUSTON” and the word “RUSTAM” and therefore the use of bare word “RUSTAM” constituted infringement of the plaintiff’s trade mark “RUSTON”. [Relevant Para 8]*
- ***Con Products Refining Co. Vs. Shangrila Food Products Ltd. [AIR 1960 SC 142]**, to contend that in deciding the question of similarity between the two marks, we have to approach it from the point of view of a man of average intelligence and of imperfect recollection. To such a man the overall structural and phonetic similarity and the similarity of the idea in the two marks is reasonably likely to cause a confusion between them. [Relevant Para 18]*
- ***Heinz Italia & Anr. Vs. Dabur India Ltd. [2007 (35) PTC 1 SC]**, to contend that principle of phonetic “similarity” cannot be ignored and the test is as to whether a particular mark has obtained acceptability in the market so as to*

confuse a buyer as to the nature of produced he was purchasing. [Relevant Para 11].

- ***Rhizome Distilleries Pvt. Ltd. Vs. Union of India & Others [2016 (65) PTC 132 (Mad) (DB)], to contend that whether there is deceptive similarity between two marks, the same should not be placed side by side and by doing so may exhibit many and various difference and the test would be, a person acquainted with one mark and not having the two side by side for comparison might will be deceived. [Relevant Para 36].***
- ***Pankaj Goel Vs. Dabur India Ltd. [2008 (38) PTC 49 (Del.) (DB)] to contend that to establish the plea of common use, the use by other persons should be shown to be substantial. [Relevant Para 22]***
- ***Diageo Brands B.V. V. Khoday Breweries Ltd. [MANU/DE/2091/2014], to contend that a part of the trade mark, which is likely to confuse the consumer will also amount of infringement of the trade mark. [Relevant Para 57].***
- ***Laxmikant V. Patel Vs. Chetanbhat Shah and Anr. [AIR 2002 SC 275], to contend that an injunction against the infringement of trade mark can be granted by the Court in appropriate cases. [Relevant Para 17]***

14. *Per contra*, Mr. Chetan Mittal, learned Senior Counsel for

respondent, assisted by Mr. Himanshu Gupta and Ms. Sehej Sandhawalia, has opened his argument by referring to Class 32 and 33 of the Trade Marks Act, 1999, which is reproduced hereinbelow:-

Class 32 : Beers, Mineral Water, other non-alcoholic drinks

Class 33 : Wines, Spirits and Liqueurs.

15. Learned Senior counsel for the respondent has opened his defence by attacking that the appellant cannot stress upon a single word **“Pride”** under the provisions of the Act and to substantiate his argument, he relies upon Section 15 (1) and 15 (2) of the Trade Marks Act, 1999 which reads as under:-

“15. Registration of parts of trade marks and of trade marks as a series. – (1) Where the proprietor of a trade mark claims to be entitled to the exclusive use of any part thereof separately, he may apply to register the whole and the part as separate trade marks.

(2) Each such separate trade mark shall satisfy all the conditions applying to and have all the incidents of, an independent trade mark.”

16. Learned Senior counsel for the respondent submits that the protection of the trade mark will come into play for a complete trade mark and not to any word therein, until and unless, the proprietor has applied the trade mark as a whole as well as in parts as separate trademark. In the present case, the appellant has never been granted, nor even ever applied for the word **“Pride”** as a separate trademark and, therefore, the entire suit

itself deserves to be dismissed as there is no infringement, moreso, the word **“Pride”** is a noun and, hence, cannot be registered being a generic word. Learned Senior counsel has further taken this Court to the provisions of Section 17 and 18 of the Trade Marks Act which reads as under:-

17.Effect of registration of parts of a mark: (1) When a trade mark consists of several matters, its registration shall confer on the proprietor exclusive right to the use of the trade mark taken as a whole.

(2) Notwithstanding any thing contained in sub-section (1), when a trade mark (a) contains any part-----

(i) which is not the subject of a separate application by the proprietor for registration as a trade mark: or

(ii) which is not separately registered by the proprietor as a trade mark : or

(b) Contain any matter which is common to the trade or is otherwise of a non - distinctive character. the registration thereof shall not confer any exclusive right in the matter forming only a part of the whole of the trade mark so registered

18. Application for registration.—

(1) Any person claiming to be the proprietor of a trade mark used or proposed to be used by him, who is desirous of registering it, shall apply in writing to the Registrar in the prescribed manner for the registration of his trade mark.

(2) A single application may be made for registration of a trade mark for different classes of goods and services and fee payable therefor shall be in respect of each such class of goods or services.

(3) Every application under sub-section (1) shall be filed in the office of the Trade Marks Registry within whose territorial limits the principal place of business in India of the applicant or in the case of joint applicants the principal place of business in India of the applicant whose name is first mentioned in the application as having a place of business in India, is situate: Provided that where the applicant or any of the joint applicants does not carry on business in India, the application shall be filed in the office of the Trade Marks Registry within whose territorial limits the place mentioned in the address for service in India as disclosed in the application, is situate.

(4) Subject to the provisions of this Act, the Registrar may refuse the application or may accept it absolutely or subject to such amendments, modifications, conditions or limitations, if any, as he may think fit.

(5) In the case of a refusal or conditional acceptance of an application, the Registrar shall record in writing the grounds for such refusal or conditional acceptance and the materials used by him in arriving at his decision.”

17. It is submitted that where the trademark consists of several marks, its registration shall grant the exclusive right to use the trademark as a whole. In layman language, the complete trade mark granted has to be used and protected as a complete trade mark and the person holding the registration of the trade mark cannot bifurcate the said trade mark on its own. He further states that the procedure for grant of trade mark has been enshrined under **Section 18 (1) and 18 (4)** which reads as under:-

18. Application for registration.—

(1) Any person claiming to be the proprietor of a trade mark used or proposed to be used by him, who is desirous of registering it, shall apply in writing to the Registrar in the prescribed manner for the registration of his trade mark.

XXX---XXX---XXX

(4) Subject to the provisions of this Act, the Registrar may refuse the application or may accept it absolutely or subject to such amendments, modifications, conditions or limitations, if any, as he may think fit.”

18. It is submitted that provisions of Section 18 (4) have to read with Rule 33, wherein, the Registrar, while examining an application is to conduct a search amongst the earlier trademarks which have been registered or applied for registration. In this very Rule, the Registrar can also look into any identical or deceptively similarity of the trade mark applied for. The reason for taking through this entire provision of law is submitted that the appellants never raised an objection or opposition when the respondents

applied for their registered trade mark as “*Royal Challenge American Pride*” in a particular font and size and even the Registrar did not raise any such objection of it being identical or deceptively similar.

19. The next limb of the argument advanced by the learned Senior counsel for the respondent is with regard to infringement of a registered trade mark. He has relied upon the provisions of Section 27 (2) of the Act, which states that nothing in this Act shall be deemed to effect the rights of actions against any person for passing of goods or services, as goods of another person or as services provided by any person or the remedies in respect thereof. He further relies upon Section 28 (1) and (3) of the Act to submit that registration of a trade mark, **if valid**, shall give a registered proprietor of the trade mark the exclusive right to its use. The relevant portion is reproduced hereinbelow:-

“27(2): Nothing in this Act shall be deemed to affect rights of action against any person for passing of goods or services as the goods of another person or as services provided by another person, or the remedies in respect thereof.

“28.Rights conferred by registration:

(1) Subject to the other provisions of this Act, the registration of a trade mark shall, if valid, give to the registered proprietor of the trade mark the exclusive right to the use of the trade mark in relation to the goods or services in respect of which the trade mark is

registered and to obtain relief in respect of infringement of trade mark in the manner provided by this Act

(3) Where two or more persons are registered proprietors of trademarks, which are identical with or nearly resemble each other, the exclusive right to the use of any of those trade marks shall not (except so far as their respective rights are subject to any conditions or limitations entered on the register) be deemed to have been acquired by any one of those persons as against any other of those persons merely by registration of the trade marks but each of those persons has otherwise the same rights as against other persons (not being registered users using by way of permitted use) as he would have if he were the sole registered proprietor.”

20. Now coming to the issue of infringement, learned Senior counsel for the respondent submits that he is protected under Section 29 of the Act, if read co-jointly with Section 28 (3) which deals with the situation where two or more persons are registered proprietors of a trade mark, which are identical with or nearly resemble each other, the exclusive right to the use of any of those trade marks shall not be deemed to have been acquired by anyone of those persons as against the other one. It is submitted that if both the parties are holding a registered trade mark, the issue of infringement will not arise, as the allegation of infringement can only be made against the person, who is not a registered proprietor. The learned

Senior counsel for the respondent submits that as per Section 21 of the Act, the appellants were well within their right to file objections within a period of three months from the date of advertisement and could have filed the opposition which was not done. He further submits that as per the provisions of Section 31 (1) of the Act, the registration of a trade mark is *prima facie* evidence of its validity. He further submits that the petitioner is trying to confuse the rigors of “opposition” viz-a-viz rectification viz-a-viz objection of a trademark. He submits that all these three operate in different spheres and on different principles. He summarizes the same by submitting that an opposition to a trade mark can be made only before the grant of the trade mark under the provisions of Section 21 of the Act, whereas, the rectification and/objection to a registered trade mark will fall under the provisions of Section 57 of the Act before the competent authority. He clarifies that any order under Section 57 of the Act is appealable order before the Appellate Board under the provisions of Section 91 of the Act.

21. The next limb of the argument raised by the Senior counsel for the respondent is with regard to the maintainability of the suit and the counsel for the respondent submits that by virtue of provisions of Section 124 (5) of the Act, a suit for infringement of a trade mark has to be stayed where any proceedings for rectification of the trade mark are pending. He submits that admittedly, the appellants have a rectification application on which is pending before the competent authorities and, therefore, by virtue of their own act and conduct and by implication of Section 124 (5), the suit

itself has to be stayed and, hence, the challenge in the present appeal against the dismissal of an application under Order 39 Rule 1 and 2 deserves to be dismissed.

22. Learned Senior counsel for the respondent has further taken to the pleadings of the suit and has summarized that the appellant filed a suit for permanent injunction, *inter alia* seeking an order restraining infringement of trademark; passing of unfair competition and for rendition of accounts or in the alternative, damages. The said suit has been filed on the premises that the appellant-plaintiff has claimed itself to be a registered trade mark of the brand "**Blenders Pride**". It is further admitted in the suit that the defendant-respondent is a registered trademark of "**Royal Challenge American Pride**" and the defendants in the adoption of the trade mark "**Royal Challenge American Pride**" has given undue prominence to the word "**American Pride**" and the word "**Royal Challenge**" is in a smaller font and, therefore, it is deceptively similar to its trade mark "**Blenders Pride**". He submits that the plaintiffs in the suit admits to have become a registered proprietor of the said trade mark by a deed of assignment dated 27.06.2018 and has emphatically harped upon, that the distinctive component in the plaintiffs trademark is "**Pride**". Admittedly, in the suit, the plaintiffs have challenged the registration of the defendant's trade mark both under Class 32 and Class 33 and the cancellation petition against the defendant's trade mark, as filed by the plaintiffs before the Intellectual Property Appellate Board, Chennai, is pending and the last limb of his suit relates to the label, which is stated to be misleading, as both the

products deal in whiskey.

23. Counsel for the respondent-defendant has categorically submitted that the preliminary objections have been raised in the written statement and the same are summarized to the extent that the plaintiff's claim on the basis of the word "**Pride**" is misplaced, as it is trite law that it can claim rights on the complete mark and not parts of the mark. It is submitted that the same cannot be dissected or split up into its components or parts. It is further submitted that the plaintiff/appellant has disclaimed its right over the word "**Pride**" in the proceedings before the Registrar of Trademarks. It is further submitted that "**Pride**" is a common English word which is incapable of being monopolized. The likelihood of deception is to be judged by taking into account the type of goods and relevant consumers. It is submitted that the alcohol purchasers are discerning consumers. Apart from other preliminary objections, it was also submitted that the plaintiffs have slept over their rights as they did not file any opposition before the grant of registration of the trade mark in favour of the respondent and taking it further, counsel for the respondent submits that visual representation of two products is apparently different and there is no question of any infringement and both the products are not deceptively similar. It is also submitted that "**Pride**" is a *publici juris* common to the trade as there are 48 variants of trade marks in Class 32 and 33 with the word "**Pride**" and many are registered with the Excise Authorities as well for the purpose of sale and purchase. Moreso, "**Royal Challenge American Pride**" is a variant of defendants existing and well known brand Royal

Challenge and it blends American Bourbon Whiskey with malt spirits matured in charred American oak Casks and select Indian grain spirits. He further submits that “*Pride*” is the representative of the iconic lion logo of the defendant’s Royal Challenge Whiskey.

24. Learned counsel for the respondent has summarized his arguments on the following issues:-

➤ **NO INFRINGEMENT BY VIRTUE OF SECTION**

15,17,28(3) OF THE ACT : Plaintiffs entire case is that ‘PRIDE’ is the distinctive component of their composite mark ‘**BLENDERS PRIDE**’ and they have attained goodwill over it as well. Accordingly, Plaintiff filed the suit for infringement of trade mark as well as of passing off. Since, both Appellant and Respondent have the registered trademark, however, for the purpose of infringement of trade mark, the same is governed by the statutory provisions of the Act. Section 15, 17, 28(3) read section 31 (1) make it abundantly clear that no monopoly can be exercised over the part of the trade mark if it is not separately registered.

➤ **PRIDE COMMON TO TRADE/PUBLICI JURIS**

a. The Defendant has shown in the written statement which has not been denied by the Plaintiff that there are various trade marks which have been registered under class 32 & 33, details of which are as under :-

MCDOWELL’S PRIDE, OWNERS PRIDE, MOTHER PRIDE, AQUA PRIDE, FARMERS PRIDE, INDUS PRIDE... and so on, as mentioned at Page Nos.785 to 812 of paper book (Annexures D-10 to D-

13).

- b. No document annexed by the Plaintiff to show as to how Plaintiff's product is associated with the word PRIDE alone. There is not even an advertisement campaign in that regard to show that PRIDE is being used to associate with plaintiff's product.
- c. PRIDE is a common English word and thus the same cannot be monopolized. Plaintiff itself in the course of its submissions gave the dictionary meaning of the word PRIDE. Dictionary meaning is also given in written statement at para 8 .
- d. Respondent argued that appellant-plaintiff need not to run after every infringer unless it harms its business. Ann D-14 reveals the mark with PRIDE which are in business and selling liquor under the name PRIDE.
- e. D-14 price list of various brands having word pride registered with Excise in Chhattisgarh, Punjab, Rajasthan and West Bengal.

➤ **ESTOPPEL**

The admissions made by the appellant-plaintiff before the Registry, especially when the appellant is claiming a right at the time of registration is important and will debar the appellant-plaintiff from any relief and if not disclosed in the plaint, amounts to material concealment (**Annexure D-3 & D-4 of the Written Statement**). The Reply of the plaintiff at the time of registration of its mark, in response to the objection raised by the Registrar,

in which the Plaintiff gave up any right over the word "PRIDE" and rather claimed right over "BLENDER'S" is an important factor. The relevant portion of Plaintiff's reply in respect of their own admission and claim is reproduced below:-

“We submit that the subject mark is a unique combination of word BLENDER’S and PRIDE which in combination or in isolation have no reference whatsoever with the goods for which registration is sought by the applicants” (Pg.752 of written statement).

“...We further submit that it is a well settled principle that the marks have to be compared in entirety and should not be dissected into separate components for the sake of comparison (page 753 of the written statement)”.

Further plaintiff in respect to different marks containing PRIDE *interalia* gave the following reply:

“MCDOWELL’S PRIDE

When compared as a whole, the cited mark mcdowell’s pride is phonetically, visually as well structurally dissimilar and distinguishable from the subject mark.

PRIDE

When compared as a whole, the presence of the word BLENDER’S in the subject mark distinguishes itself from cited mark ‘PRIDE’ completely.

Plaintiff objected only to those marks which used the word

BLENDERS meaning that plaintiff is claiming BLENDER's as its distinctive component and not PRIDE

“BLENDERS DREAM

We submit that the trade-mark BLENDERS PRIDE was coined and adopted by the applicant's predecessors in business interest and title in the year 1973.

The applicant has filed Notice of Opposition against the registration of the cited mark and the Opposition has been numbered as 722873 and is pending adjudication.”

It is submitted that the entire shape of the bottle, embossment on the bottles etc. is distinct and no confusion can be caused.

25. It is submitted that respondent's Royal Challenge itself is a very famous brand and is in existence since 1886 and came to India much prior to the appellant-plaintiff and the earlier registration in respect of the American Royal Challenge in India under Class 33 is as old as since April 25,2000 and under Class 32, it was registered on 31.03.2003. It is further submitted that there are total 44 registrations in the name of respondent's Royal Challenge brand and various brands of Royal Challenge are sold in Punjab. It is also submitted that there is a brand value and the respondents have earned various awards being one of the finest in the market.

26. It is further submitted that for the purpose of passing off, goodwill had to be shown over the word **“PRIDE”** but no document has been placed on record to prove the same. Rather, some advertisements (Pg. 675 onwards of the paper book) have been placed on record belatedly under

order 7 rule 14 which show the composite word “**BLENDERS PRIDE**” and no prominence/weightage has been given to the word PRIDE. It is also relevant to mention that application under Order 7 Rule 14 is barred by the Commercial Courts Act, 2015 at the very outset and therefore the said documents are at any rate not admissible.

27. The appellant is questioning the use of word “American” which has been explained in the written statement in **para 32**. Respondent’s whiskey is made by blending American bourbon whiskey with malt spirits matured in charred American oak casks indicative of an American spirit in an Indian brand. Word “PRIDE” is representative of iconic logo of lion.

28. The appellant-plaintiff has relied upon an order dated 21.03.2022 passed by the Delhi High Court in the case of Dr. Reddy to contend that the defendant’s trade mark has to be suspended as the plaintiffs therein had filed the opposition. Learned counsel for the respondent relies upon a subsequent order dated 18.05.2022, whereby the Delhi High Court clarified that the order dated 21.03.2022 was passed in cases where opposition was rejected on the ground of limitation and further the opposition proceedings will not effect the merits of the case. Admittedly, in the present case, the appellant-plaintiff did not file any opposition much less within the period of limitation and, therefore, the said order would not come to the rescue of the appellant.

29. It is submitted that this case is to avoid competition as both the parties are big giants in the field of alcohol industry and the whisky “**Royal Challenger American Pride**” of respondent-company is of superior quality

according to the respondent and to avoid competition, appellant-plaintiff they have brought the suit.

It is further submitted that mere manner of writing a word mark is no ground to obtain injunction:

- a. ROYAL CHALLENGE is being written in sufficiently large font and it is not a mere Asterisk. It is coupled with large lion embossment on the bottle which Respondent's logo.
- b. There is RC written even on the cap
- c. Appellants mark is a registered word mark and the same can be depicted in any font and manner
- d. There is no deceptive similarity even if the marks AMERICAN PRIDE is compared with the mark BLENDERS PRIDE as no goodwill right has been acquired by the Appellant over the word PRIDE. Further there is no deceptive similarity between the said marks and Appellant has any way disclaimed its rights in PRIDE **per se**.
- e. Even Mohali Excise authority in its final order dated 25.08.2022 has held that Respondents label can be registered, not necessarily in the same font and size.

30. It is further submitted that, in fact, no application under Order 7 Rule 14 of CPC under commercial courts act. Appellant very cleverly has not annexed the application and only index is given. Further advertisements are not the advertisements released by the Defendant/Respondent.

31. To summarize his arguments, learned counsel for the

respondent has reiterated that the learned court below has rightly declined the grant of any interim stay by a well reasoned and detailed judgment as the appellant has failed to fulfill the three ingredients required under the provisions of Order 39 Rule 1 and 2 of CPC.

32. After hearing learned counsel for the parties and considering the matter from factual aspect as well, the following judgments need to be considered at the outset as qua the issue of the application of provisions of Order 39 Rule 1 and 2 :-

The Hon'ble Supreme Court of India in case titled as **“Narendra Hirawat and Co. Vs. Sholay Media Entertainment Pvt. Ltd. and Anr”, 2022 (2) R.C.R. (Civil) 531** has laid down the following parameters for grant of interim injunction:-

*“18. In the case of **Shah Babulal Khimji v. Jayaben D. Kama and Anr. [(1981) 4 SCC 8]**, a three Judge Bench of this Court had opined that Section [104](#) read with Order [43](#), Rule [1](#) of the Code of Civil Procedure, 1908 applied to a Letters Patent appeal as well. In **Dorab Cawasji Warden v. Coomi Sorab Warden and Ors. [(1990) 2 SCC 117]** grant of mandatory injunction at the interim stage has been left to the sound judicial discretion of the Court. **Metro Marins and Anr. v. Bonus Watch Co. (P) Ltd. and Ors. [(2004) 7 SCC 478]** also follows the principles laid down in the case of **Dorab Cawasji Warden (supra)**. But these two authorities dealt with the question of grant of interim injunction in relation to disputes*

*arising out of transfer of immovable property. Applicability of Rules 1 and 2 of Order 39 of the Code on the question of granting interim injunction has been reconfirmed by a Coordinate Bench of this Court in **Best Seller Retail (India) Private Ltd. v. Aditya Birla Nuvo Ltd. and Ors.** [(2012) 6 SCC 792]. In **Colgate Palmolive (India) Ltd. v. Hindustan Lever Ltd.** [(1999) 7 SCC 1], the principles guiding grant of interim injunction have been summarized as:-*

"24. We, however, think it fit to note herein below certain specific considerations in the matter of grant of interlocutory injunction, the basic being non-expression of opinion as to the merits of the matter by the court, since the issue of grant of injunction, usually, is at the earliest possible stage so far as the time-frame is concerned. The other considerations which ought to weigh with the court hearing the application or petition for the grant of injunctions are as below:

- (i) extent of damages being an adequate remedy;*
- (ii) protect the plaintiffs interest for violation of his rights though, however, having regard to the injury that may be suffered by the defendants by reason therefor;*
- (iii) the court while dealing with the matter ought not to ignore the factum of strength of one party's case being stronger than the other's;*

(iv) no fixed rules or notions ought to be had in the matter of grant of injunction but on the facts and circumstances of each case - the relief being kept flexible;

(v) the issue is to be looked at from the point of view as to whether on refusal of the injunction the plaintiff would suffer irreparable loss and injury keeping in view the strength of the parties' case;

(vi) balance of convenience or inconvenience ought to be considered as an important requirement even if there is a serious question or prima facie case in support of the grant;

(vii) whether the grant or refusal of injunction will adversely affect the interest of the general public which can or cannot be compensated otherwise."

The appellant has not been able to prove any irreparable loss nor there is any balance of convenience and hence, the rigors of Order 39 Rule 1 and 2 of CPC are not met. Therefore, there is no question of grant of any injunction or any order in favour of the appellant.

33. Further the other legal issues raised in the present appeal deserve to be considered in light of the following judgments:-

1. Rich Products Corporation and Anr. Vs. Indo Nippon Food Ltd. (ILR 2010 II Delhi 663), to contend that a registered proprietor may be able to protect a part of registered trade mark if he is able to show it is not common to trade that it has obtained a distinctive character, evidence of distinctive character have to be appraised, firstly mark

remind the consumer of trade origin, secondly sufficiently distinctive character that the mark has become to trade mark. [Relevant para 33.6, 35.1]

2. Ultratech Cement Limited Vs. Dalmia Cement Bharat Limited (2016 SCC Online Born 3574), to contend that proprietor cannot claim monopoly over a part of its mark, as the present case associated with the word “Ultra Tech” but not the word “Ultra” itself. If someone uses the word “Ultra” as a prefix/in combination with other word or features. Plaintiff cannot have any cause to complain. [Relevant Para 10].

3. Kewal Krishan Kumar Vs. Rudi Roller Flour Mills (P) Ltd. 2007 (21) R.C.R.(Civil) 669, to contend that whether there is any phonetical similarity between the two marks i.e. “Shiv Shakti” and “Shiv Shakti Bhog Aata”. Shakti is common in both the trade marks and is descriptive whereas Shiv and Bhog are completely distinctive feature of two marks. Therefore, no likelihood that any one would confuse with the word “Shiv” with “Bhog” . [Relevant Para 9 to 11]

4. Pernod Ricard and India Pvt. Ltd. Vs. Karanveer Singh Chhabra COMMS 3/2020, to the contend that plaintiff’s contention is that the defendant is imitating its two brands “Blenders Pride” and “Imperial Blue”, by using its mark “London Pride”. As per the plaintiff “Pride” is distinctively associated with the plaintiff’s trade mark “Blenders Pride” use thereof by the defendant in “London Pride” and using the trade dress of the plaintiff’s brand “Imperial

Blue” by defendant in “London Pride” is in infringement of the plaintiff’s trade mark right. [Relevant Paras 6, 8, 10, 11 and 12].

5. *Macleods Pharmaceuticals Ltd. Vs. Swissem Healthcare 2019 SCC*

Online Born 1186, Learned counsel for the appellant argued on the point of expression deceptively similarity and phonetic similarities.

[Relevant Paras 33, 34, 35, 41 and 43].

6. *Khoday Distilleries Ltd. Vs. Scotch Whiskey Association 2008 10*

SCC 723, to contend that the test of deceptive similarities to be applied would be different in each case and should depend upon nature and kind of customers who would like to buy the goods.

Liquor consumers are discerning consumers. [Relevant Paras 73 and 74, 82, 83, 96, 97 and 98].

7. *Carlsberg India Pvt. Ltd. Vs. Radico Khaitan Ltd. 2011 SCC Online*

Del 5497, to contend that the manner of writing or depicting the label is not sufficient in grant of injunction.

- *No exclusivity over part of trade mark [Paras 28 and 29]*
- *No uniqueness in mark [Para 45]*

8. *Living Media Ltd. Vs. Alpha Dealcom Pvt. Ltd. 2014 SCC Online*

Del 768, to contend that application under Order 39 Rule 1 and 2 CPC, at this interlocutory stage, plaintiff 1 cannot claim in order to

get an interim injunction against the use of the name or mark

“Nation Today” by defendants that the defendant’s mark “Nation Today” is either identical or deceptively similar to the mark “India

Today”. [Relevant Paras 13 to 19].

9. *Shelke Beverage Private Ltd. Vs. Rasiklal Manikchand Dhariwal*

2010 (51) R.C.R. (Civil) 848, to contend that principal of temporary injunction and ground of appeal strong prima facie case to be made in view of attempt to monopolize [Relevant Paras 12, 17]

Moreover, there is no monopoly in generic term [Para 9]

Registered trade mark do not have superior right against each other [Para 15].

10. *Mohd. Mehtab Khan & Ors. Vs. KHushnuma Ibrahim Khan,*

(2013) 9 Supreme Court Cases 221, to contend that as long as the view of the trial Court was a possible view the appellate Court should not have interfered with the same following the virtually settled principles in this regard. [Relevant Paras 20 to 22].

11. *P.M. Diesels Private Ltd. Vs. Thukral Mechanical Works (AIR*

1988 Delhi 282, to contend that in the present case, both the plaintiff and defendant are the registered proprietors of the trade mark which are identical, namely “Field Marshal”, the provision of Section 28 (3) of the Act would be applicable to the present case and they would be entitled to take action against anyone if the trade mark is infringed but neither the plaintiff, nor the defendant are entitled to take action against each other because both of them are registered proprietors of identical trade mark, through in respect of different types of goods. [Relevant Para 15].

12. *Kerlys Law of Trademarks & Trade Names,* which deals with the

permissible variation. The requirement that sign must be “precisely

identified” and graphical representation must be “precise and unequivocal” are capable of being taken too far. The degree of precision required must depend on the mark itself and its distinctive character. Such a registration covers the word in a very wide range of typefaces. [Relevant Paras 2-036].

34. Accordingly, considering the matter from the factual as well as legal aspect and by applying the ratio of judgments and taking into consideration the provisions of law and applicable to the facts of the present appeal, the bone of contention revolves around primarily the two trade marks i.e. **“Blenders Pride”** on one hand owned by the appellant and **“Royal Challenge American Pride”**, a trade mark duly registered by the respondents on the other hand are on logger heads. In the light of the express provisions whereby the trade mark or a part of trade mark has been infringed, it is a requirement of law as per Section 15 and 17 of the Act that the part of the trade mark has to be registered separately and admittedly in the present case, the appellant is holder of the registered trade mark titled **“Blenders Pride”** collectively, and, therefore, the entire thrust of the argument and the case built up by the appellant that there is infringement by the respondents is only on the basis of a common word **“Pride”**. At the outset, in the absence of any registration of the word **“Pride”** independently and separately, disentitles the appellant to any stay qua the same. Further the act and conduct of the appellant also demonstrates that they themselves have foregone their right and have never objected to the use of the word **“Pride”** separately. Reliance has been placed on multiple litigations

especially the one before the Delhi High Court passed in *“Dr. Reddys Laboratories Limited Vs. Controller General of Patents Designs and Trademarks, passed in W.P. (C)-IPD 4/2022 and CM 27/2022”*, which the appellant consented and did not raise any objection.

35. It is well established principle of law that an ‘opposition’ to a Trademark is distinct from applying for ‘cancellation’ of Trademark. In the first scenario, the opposition can be raised only when an application for Trademark is pending with the authorities, for which there is a dual subscribed system of repeated notifications and, in case, anybody has any objection to the grant of any Trademark, he can file an opposition, whereas, in the present case of cancellation, the deeming factor is that the Trademark already stands approved and registered and only, thereafter, a cancellation of a Trademark can be filed.

36. In the present case, the appellants never filed any opposition, though the learned Senior counsel for the appellant repeatedly tried to demonstrate that the application for cancellation of Trademark has to be treated as opposition to the Trademark.

37. We do not confer to the said argument, as the opposition to a Trademark and the cancellation of a Trademark operate in different spheres and have to be decided on different parameters.

37. With regard to the next issue raised by the counsel for the appellant that there is a passing off qua established brand of the appellants, it is held that the plaintiff-appellant in the suit have sought to restrain the defendant-respondent from:-

“...Permanent injunction restraining infringement of trademark and suit for permanent injunction passing off, unfair competition, and suit for rendition of accounts or, in the alternative, damages.”

38. It is too far stretch at the behest of the appellant that by use of word “Pride”, there could be any misconception or dilution in the mind of the common man on the street, who is the ultimate consumer, which would lead to any confusion. The said parameter having not been met, the appellant has failed to demonstrate as to how he is facing any irreparable loss or injury which could not be compensated in terms of money and as to how the balance of convenience lies in its favour. Both the companies are well reputed and well established in their field and are rather competitors. The similarities of the single word cannot be taken as an infringement and/or passing off and, hence, we do not find any merit in the present appeal and in fact, any interim relief granted to the appellant will adversely affect the open market and might lead to monopolistic trade activity by the appellant.

39. Accordingly, the present appeal stands dismissed.

40. Pending miscellaneous application(s) shall also stand disposed of.

(AUGUSTINE GEORGE MASIH)
JUDGE

(ALOK JAIN)
JUDGE

March 21, 2023.

sandeep

Whether speaking/reasoned:- Yes
Whether Reportable:- Yes