



\$~16

\* **IN THE HIGH COURT OF DELHI AT NEW DELHI**  
+ **CS(COMM) 553/2022**

**NEW BALANCE ATHLETICS INC.** ..... Plaintiff  
Through: Mr. Dushyant Mahant, Mr.  
Urfee Roomi, Ms. Janaki Arun, Mr. Ritesh  
Kumar and Mr. Anubhav Chhabra, Advs.

versus

**SALMAN KHAN & ANR.** ..... Defendants  
Through: Mr. Harsh Vardhan Singh, Adv.  
for D-1  
Mr, Animesh Rastogi, Adv. for D-3




**CORAM:**  
**HON'BLE MR. JUSTICE C.HARI SHANKAR**

**JUDGMENT (ORAL)**  
**09.10.2023**


%

**CS(COMM) 553/2022, I.A. 12751/2022 (Order XXXIX Rules 1 and 2 of the CPC) and I.A. 19696/2023(Order VIII Rule 10 of the CPC)**

1. The plaintiff is the proprietor of the following registrations:

S.No.	Mark	Reg. No.	Class /es	Registration Date	Renewed Until
1.	NEW BALANCE	472336	25	May 18, 1987	May 18, 2028
2.	NEW BALANCE	525511	18	March 2, 1990	March 2, 2024
3.		472334	25	May 18, 1987	May 18, 2028
4.		525286	18	February 27, 1990	February 27, 2024
5.		706035	18	May 20, 1996	May 20, 2026



6.		1637760	25	January 3, 2008	January 3, 2028
----	---	---------	----	-----------------	-----------------

2. For the sake of convenience, these marks would be referred to as the “NB Marks”.

3. The plaintiff claims to have commenced using the mark “NEW BALANCE” in the US, for footwear and readymade clothing in 1951 and in India since 1986. The use of the abbreviated “NB” marks, by the plaintiff, commenced in the US in 1974 and in India 1986.

4. The footwear and readymade clothing bearing NB marks of the plaintiff are sold in over 120 countries including India. The plaintiff claims to be employing over 8000 employees worldwide and to have numerous subsidiaries and related entities in several countries including United Kingdom, Hong Kong, Singapore, Australia, New Zealand, Mexico, Canada and South Africa.

5. The plaintiff also operates the website [www.newbalance.com](http://www.newbalance.com).

6. Through sales of products bearing NB marks, the plaintiff claims to have earned, even in the years 2019 and 2020, US \$ 3.4 billion and 2.7 billion respectively. The plaintiff also claims to have spent, towards advertising of its products using the NB marks, US \$ 341 million in 2019 and 244 million in 2020. As this suit was filed in 2022, the figures available are till 2020.




7. The plaintiff also possesses registration for the domain name newbalance.com, which resolves to the plaintiff's website www.newbalance.com. The plaintiff also claims to be owning over 300 country code domain names including domain name which incorporates the plaintiff's marks such as nbathletics.com, nbchicago.com, nbdetroit.com, newbalanceathletics.com, newbalance.co.in, newbalancecanada.com, newbalance.dk, newbalancemexico.com and newbalance.co.uk.

8. The plaintiff also has its social media presence on Facebook, Twitter, Instagram, YouTube and LinkedIn.

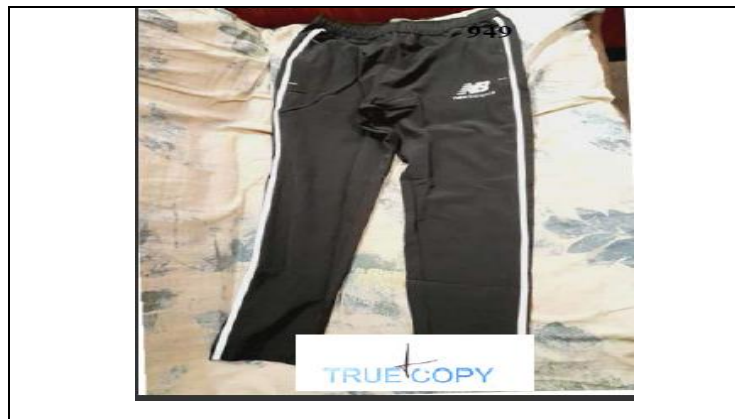
9. Other assertions, to vouchsafe the reach and reputation of the plaintiff, are forthcoming in the plaint, including sponsorships granted by the plaintiff.

10. The plaintiff has also placed on record orders passed by this Court protecting the plaintiff's NB marks from infringement and passing off.

11. The defendants are selling counterfeit readymade garments using the plaintiff's  mark, in some cases, even using the plaintiff's name NEW BALANCE below the mark. A photograph of counterfeit tracksuit, which bears the plaintiff's mark and has manufactured and sold by the defendants, is thus provided in para 42 of the plaint:



12. The plaintiff has also placed on record screenshots from e-commerce websites such as Indiamart and Myntra, over which Defendant 1 sells its counterfeit goods, though Mr. Dushyant Mahant submits that Defendants 1 and 2 are both involved in the practice of counterfeiting as they share office premises and they are interlinked entities. The said screenshots are as under:





**13.** During the course of these proceedings, a Local Commissioner was appointed by the Court *vide* order dated 17 August 2022, to visit the premises of Defendants 1 and 2, who were engaged in sale of counterfeit products using the NB marks of the plaintiff. The Local Commissioner's report dated 30 August 2022 confirms that, at the



premises of Defendant 1, various pieces of counterfeit sports apparel including apparel bearing the plaintiff's marks were found. The report also indicates that Defendant 1 is primarily engaged in making and selling counterfeit goods. The report also provided photographs of such products, which were inventorized and handed over to Defendant 1 on *superdari*.

**14.** Defendant 1 claimed to have obtained the products from Defendant 3 who produced the infringing products at his factory at Ranhaula. The learned Local Commissioner, therefore, visited the said factory where she encountered Mr. Siddharth Lakhra (Defendant 3) who claimed to be the owner of the said factory. Mr. Siddharth Lakhra, apparently, obstructed the execution of the commission at his premises and also failed to provide, to the learned Local Commissioner, keys of the factory so that the factory could be inspected.

**15.** The fact that infringing goods were being produced by Defendant 3 and sold by Defendant 1, therefore, stands acknowledged.

**16.** Consequent to the report of the learned Local Commissioner, the plaintiff filed IA 18381/2022 under Order I Rule 10 read with Order VI Rule 17 of the CPC to implead Defendant 3 as an additional defendant and to amend the plaint to incorporate the allegations against Defendant 3. Said application was allowed by this Court *vide* order dated 25 January 2023 and the amended plaint filed with the application was taken on record. The defendants were given a chance to file written statements by way of response to the amended plaint.



None of the defendants did so, and the right of the defendants to file written statements by way of response to the amended plaint stands closed on 16 August 2023 by the learned Joint Registrar, as the last opportunity to file the written statement granted by him on 21 July 2023 was allowed to go abegging.

**17.** Mr. Harsh Vardhan Singh, learned Counsel for Defendant 1, while admitting that his client was in fact dealing with the goods bearing the mark of the plaintiff, submits that he had procured the goods from Defendant 3, who was the manufacturer of the goods and that he was only dealing in the goods. He, therefore, submits that he has not indulged in any conscious violation or infringement of the plaintiff's registered trademarks as he was merely a dealer of the goods which were sourced from the manufacturer.

**18.** Needless to say, this can hardly be a difference to a plea of infringement passing off, as sale of goods bearing deceptively similar all counterfeit marks is as much a tort of infringement, or passing off, manufacture of the goods oneself.

**19.** As already noted, none of the defendants have filed any response to the amended plaint. A response to the unamended plaint stands filed only by Defendant 1. Defendants 2 and 3 have, therefore, allowed the amended plaint to go un rebutted.

**20.** In that view of the matter, I am of the opinion that given the overall circumstances of the case and the fact that the allegations in the plaint have not been traversed on affidavit by the defendants, the



suit can be decreed straightway under Order VIII Rule 10 of the CPC instead of keeping it pending.

**21.** The facts noted hereinabove make out a clear case of infringement, by the defendants, of the NB marks of the plaintiff. The case is one of dealing in counterfeit goods. I have already expressed a view in *Louis Vuitton Malletier v. Capital General Store*<sup>1</sup> that counterfeiting is a serious social evil, which erodes brand value which may have been gained over a long period of time and has, therefore, to be dealt with strictly. This view of mine has been accepted by the Division Bench *vide* order dated 10 April 2023 in FAO(OS) (COMM) 65/2023 (*Jawed Ansari v. Louis Vuitton Malletier & Ors.*).

**22.** In view of the aforesaid facts which make out a clear case of infringement and passing off, by the defendants, of their products as the products of the plaintiff, the plaintiff is entitled to a decree as prayed in the suit. Mr. Dushyant Mahant, on instructions, does not press for damages, but presses for actual costs.

**23.** Accordingly, the suit stands decreed in the following terms:

- (i) There shall be a decree of permanent injunction restraining the defendants as well as all persons acting on their behalf from manufacturing, offering for sale, selling, displaying, advertising, marketing, whether physically or virtually, readymade clothing, or in any other allied or cognate goods,

---

<sup>1</sup> (2023) 94 PTC 274





which bear any of the NB marks in respect of which plaintiff holds valid and subsisting trade mark registrations, or any other mark which is confusingly or deceptively similar thereto.

(ii) The goods, which have been seized by the learned Local Commissioner, shall also be delivered up to the plaintiff who shall proceed to deal with the said goods in the manner that the plaintiff deems it appropriate.

(iii) The plaintiff is also entitled to actual costs of the suit for which purpose the matter may be listed before the concerned Taxation Officer of this Court on 8 November 2023, so as to enable the Taxation Officer to compute the actual costs suffered by the plaintiff and award the same. The costs shall be borne jointly and severally by the defendants.

(iv) No orders are passed on any of the prayers in the plaint, as Mr. Mahant does not press the same.

**24.** The suit stands decreed in the aforesaid terms. Decree-sheet be drawn up by the Registry. Miscellaneous applications are also disposed of.

**C. HARI SHANKAR, J.**

**OCTOBER 9, 2023**

rb