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* IN THE HIGH COURT OF DELHI AT NEW DELHI

763/2022

+ C.O. (COMM.IPD-TM) 18333/2022 ITC LIMITED

Through:

..... Petitioner

18332/2022,

Deemondante

Mr. Arvind K. Nigam & Mr. Rajshekhar Rao, Sr. Advocates with Mr. Afzal B. Khan, Mr. Samik Mukherjee, Mr. Debjyoti Sarkar, Mr. Vishal Nagpal & Mr. Manosij Mukherjee, Advocates.

Date of Decision: 14th November. 2022

I.A.

and

versus

CENTRAL PARK ESTATES PRIVATE LIMITED & ANR.

D & AN	Π.	Kespondents
	Through:	Mr. Peeyoosh Kalra and Ms. Nikita
		Anand, Advocates.
	XX / ICC X X	

WITH

+ C.O. (COMM.IPD-TM) 764/2022 and I.A. 18334/2022, 18335/2022 ITC LIMITED Petitioner

Through: Mr. Arvind K. Nigam & Mr. Rajshekhar Rao, Sr. Advocates with Mr. Afzal B. Khan, Mr. Samik Mukherjee, Mr. Debjyoti Sarkar, Mr. Vishal Nagpal & Mr. Manosij Mukherjee, Advocates.

CENTRAL PARK PRIVATE LIMITED & ANR. Respondents Through: Mr. Peeyoosh Kalra and Ms. Nikita Anand, Advocates. (M:9810651177)

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WITH

CS (COMM) 781/2022 and I.A. 18326/2022, 18327/2022

..... Plaintiff

Through:

Mr. Arvind K. Nigam & Mr. Rajshekhar Rao, Sr. Advocates with

ITC LIMITED

Mr. Afzal B. Khan, Mr. Samik Mukherjee, Mr. Debjyoti Sarkar, Mr. Vishal Nagpal & Mr. Manosij Mukherjee, Advocates. (M:9881880037)

versus

CENTRAL PARK ESTATES PRIVATE LIMITED & ANR. Defendants Through: Mr. Peeyoosh Kalra and Ms. Nikita Anand, Advocates.

CORAM: JUSTICE PRATHIBA M. SINGH

Prathiba M. Singh, J.(Oral)

1. This hearing has been done through hybrid mode.

2. The present suit has been filed by ITC Limited/Plaintiff against Central Park Estates Pvt. Ltd. and St. Jerome Hospitality Management Services Pvt. Ltd./Defendants seeking protection of the Plaintiff's trademark 'BUKHARA' used in respect of restaurant and other hospitality services.

3. The Plaintiff commenced its hospitality business in the year 1975 and has since then started managing and operating several hotels across the world. The Plaintiff is stated to be one of India's foremost private sector companies with business spanning across diverse sectors such as Fast-Moving Consumer Goods (FMCG), Hotels, Paperboards and Packaging, Agri-Business and Information Technology. The Plaintiff is also stated to be ranked among Asia's 50 best performing companies compiled by Business Week apart from being recognized by Forbes as one of the World's Top 250 best regarded companies in 2019.

4. The mark 'BUKHARA' was adopted by the Plaintiff for its restaurant at ITC Maurya Hotel in Chanakyapuri, New Delhi in late 1970s. The said

restaurant provides various cuisines which are inspired from the North-West frontier region of India. Over the years, the restaurant has acquired an enormous reputation owing to various preparations which it had started serving to its customers. The 'BUKHARA' restaurant is also known for its interiors, decor, layout, arrangement of the restaurant, the cutlery in which the food is served, the wooden menu cards and the rustic look which it has maintained over the years. The restaurant uses traditional methods of cooking such as a clay oven or *tandoor*. Some of the dishes served in the 'BUKHARA' restaurant are globally acclaimed by food critics and the trade. 5. The 'BUKHARA' restaurant is stated to have been visited by various world-renowned celebrities, Presidents, and heads of States. Various chefs of global repute have also worked at the Plaintiff's restaurant. Over the years, the restaurant has also been listed on various food delivery platforms, third-party service/information provider websites such as Eazy Diner, etc. The Plaintiff also maintains many websites such as www.itcportal.com, and www.itchotels.in, that provide information about the Plaintiff's hotel business in India and across the world, and reflect the use of the trade mark 'BUKHARA' by the Plaintiff. The sales of the 'BUKHARA' restaurant are over 20 crores in the last financial year. The mark 'BUKHARA' has been registered in India since 1985 both in word form, as also in logo form. The details of the said registrations are set out as under:

Mark	Trademark No.	Date of Application	Class
Bukhara	436907	23rd April, 1985	30
BUKHARA	946009	8th August, 2000	29
BUKHARA	946010	8th August, 2000	30
Bukhara	1280021	22nd April, 2004	42 (now Class 43)
BUKHARA	5373001	16th March, 2022	21
BUKHARA	5373002	16th March, 2022	25

6. The Plaintiff's unique decor and stylized font is also reflected in various items used in the restaurant, illustratively as under:



7. The said restaurant has also acquired a large number of awards as set out in the plaint, some of which are enumerated below:

- (i) The 2004 edition of the famous Restaurant magazine had voted "BUKHARA" as the "The Best Restaurant in Asia!"
- (ii) Rated as the best restaurant in Asia and the finest Indian restaurant in the world by the Association of British Travel Agents (ABTA) in the April 2004 issue of its magazine 'Business & Travel';
- (iii) Rated as the Best Restaurant in Asia, Best Indian Restaurant in the World in the years 2006 and 2007;
- (iv) BUKHARA received the "India's best Hotel Restaurant Award" by Travel & Leisure in the year 2016;
- (v) Condé Nast Traveller & Himalayan Top Restaurant Awards 2019 included BUKHARA in the list of India's top 50 restaurant;
- (vi) Asia's first 'Golden Fork Award', by the International Food and Wine Writers Guild and Durn Pukht restaurants brands;
- (vii) Rated among the TOP 50 restaurants in the world at the S.
 Pelligrino Top Restaurants of the world for 4 consecutive years; and
- (viii) Rated in the Top 50 Restaurants in India by Conde Nast Traveller.

8. As per the plaint, it is claimed that the word 'BUKHARA' has acquired the status of a well-known trademark.

9. In the present suit, the Plaintiff is aggrieved by the Defendants' adoption of the mark 'BALKH BUKHARA' for its restaurant in Central Park Resorts, Sec-48, Gurgaon. The Plaintiff learnt of the use of the said mark sometime in October, 2022 and upon enquires being made, it learnt

that Defendant No.1 has obtained registrations of the marks 'BALKH BUKHARA RESTAURANT' and 'BALKH BUKHARA' logo form under Trademark Nos. 3839762 and 4010765, both on 'proposed to be used' basis. The Plaintiff then conducted enquiries and also had certain representatives visit the said restaurant which revealed that the Defendants had imitated the following aspects of the Plaintiff's 'BUKHARA' restaurant including – name, logo and font, interiors of the restaurant, décor, seating style, staff uniform, bib/apron, utensils, wooden menu and the whole look and feel of the restaurant. Even the logo form and the font were identical, as are set out below:



10. The images of the various elements which are stated to have been imitated by the Defendants are also set out below:



2022/DHC/005190



11. Accordingly, the Plaintiff prays for a decree of permanent injunction against the Defendants apart from damages and other reliefs. The reliefs sought in the plaint are as under:

"63. In view of the abovementioned facts and circumstances, it is most respectfully prayed that this Hon'ble Court may be pleased to:

a. A decree of permanent injunction restraining the Defendants. their officers, directors, associates. licensees. servants. agents, assigns, distributors, marketers, suppliers, and all others in active concert or participation with them, as well as successors-inbusiness and legal representatives or anyone claiming through or under them, from manufacturing, selling, offering for sale, advertising, directly or indirectly using the trade mark/name BUKHARA or



trade marks "BUKHARA" or **BUKHARA** resulting in the infringement of the Plaintiffs' rights in the registered trade Marks;

b. A decree of permanent injunction restraining the Defendants, their officers, directors, associates, licensees, , servants, agents, assigns, agents, distributors, marketers, suppliers, and all others in active concert or participation with them, as well as successors-in-business, legal representatives or anyone claiming through or under them, from in any manner passing off the Plaintiff's trade marks "BUKHARA" or

BUKHARA and enabling others to pass off the the Plaintiff's trade marks "BUKHARA" or

BUKHARA by use of the Impugned Mark – BALKH BUKHARA and

mark/name deceptively similar to the Plaintiff's trade marks;

c. A decree of permanent injunction restraining the Defendants, their officers, directors, associates, licensees. • servants, agents, assigns. agents. distributors, marketers, suppliers, and all others in active concert or participation with them, as well as successorss-in-business, legal representatives or anyone claiming through or under them, from in any the Plaintiff's "BUKHARA" manner or

BUKHARA

and enabling others to pass off the Plaintiff's trade marks "BUKHARA" or

BUKHARA by the use of theme, interiors, ayout, menu, bibs/aprons, décor, look and feel which

layout, menu, bibs/aprons, décor, look and feel which is identical/deceptively similar to the Plaintiff's BUKHARA restaurant;

d. An order declaring the Plaintiff's iconic trade mark 'BUKHARA' as a well-known trade mark;

e. Delivery up upon on oath of all infringing materials, machineries, equipment, dyes, blocks, moulds, foils, printing drums, used to infringe the Plaintiff's trade mark 'BUKHARA' and other materials of the Defendants bearing the Impugned Marks and/or any mark/label similar thereto as mentioned in the aforesaid paragraphs for the purpose of destruction and/or erasure;

f. An order for rendition of accounts of profits directly or indirectly earned by the Defendants from the infringing activities and wrongful conduct, and a decree for the amount so found due to be passed in favour of the Plaintiff;

g. A sum of \gtrless 2,00,02,000/- as a decree of estimated damages as valued for the purposes of this suit towards loss/dilution/damage of sales, revenue, brand value, reputation, goodwill and overall business identified with the Plaintiff's registered trademarks or such amount which may be proved during the course of trial;

h. An order as to the costs of the present proceedings; and/or

i. Any further order(s) as this Hon'ble Court may deem fit and proper in the facts and circumstances of the case and in the interests of justice."

12. The Plaintiff has also sought to reserve its right to initiate a separate action against the Defendants for copyright infringement of its artistic work comprising the BUKHARA device, such as its stylized font.

13. Further, the Plaintiff has also sought cancellation of the Defendants' two marks through two cancellation petitions, the details of which are as under:

Petition	Mark	Trade Mark No.	Date of Application	Class
C.O. (COMM. IPD-TM) 763/2022	BALKHBUKHARA RESTAURANT (Word)	3839762	22 nd May, 2018 On a Proposed to be Used Basis	43 For arranging, booking, rentals and reservations of temporary accommodation; Hotel, motel, banqueting and catering services; Rental of rooms for holding functions, conferences,
C.O. (COMM. IPD-TM) 764/2022	BALKH BUKHARA AUTHENTIC AFGHANI CUISINE (Device) BALKH BUKHARA Authenic Afghani Cuisine	4010765	29 th November, 2018 On a Proposed to be Used Basis	conventions, exhibitions, and meetings; Cafés; Hospitality services (food, drink and accommodation); Cocktail, Wine Lounge & Bar services; Night club, Club services, Preparation of meals and Restaurant services, Hotel resort services, namely providing food and lodging that specialize in promoting patrons' general health and well-being.

14. It is the Plaintiff's case that, owing to the reputation of the mark 'BUKHARA' and the various registrations, the registration of these marks by the Defendants are liable to be rectified under Section 57 of the Trade Marks Act, 1999 (*hereinafter "Act"*).

15. All these three proceedings were listed before this Court on 11th November, 2022. On the said date, upon perusing the record, the following order was passed in the suit:

"10. The present suit has been filed seeking permanent injunction restraining infringement of the Plaintiff's trademark 'BUKHARA', as also reliefs for passing off, rendition of accounts, damages, delivery up, etc., against the Defendants.

11. Mr. Peeyoosh Kalra, ld. Counsel appearing

for the Defendants, submits that he may be supplied a copy of the paper book in this matter. He further seeks an adjournment to be able to obtain instructions.

12. Accordingly, copy of the paper book has been supplied to Mr. Kalra today.

13. List on 14th November, 2022.

I.A. 18327/2022 (for appointment of local commissioner)

14. This is an application seeking appointment of a Local Commissioner for preparing an inventory and producing samples of various items bearing the impugned mark 'BALKH BUKHARA'.

15. Since Mr. Kalra, ld. Counsel is appearing for the Defendants today, he submits on instructions, that his client would produce the menu cards, promotional material, stationery, photographs of the bibs/aprons, photographs of utensils/ containers, packaging material, etc., of the Defendants' restaurant 'BALKH BUKHARA', for perusal of the Court on Monday i.e. 14th November, 2022."

16. Similarly, the following order was passed on 11th November, 2022 in the rectification petitions:

"4. These are two rectification petitions seeking removal of the trademark registration of the mark 'BALKHBUKHARA RESTAURANT' under No.3839762 and the mark 'BALKH BUKHARA' under No.4010765, both in Class 43, registered by Respondent No.1.

5. *Mr. Peeyoosh Kalra, ld. Counsel appearing* for Respondent No.1, submits that he may be supplied copies of the paper books in these matters. He further seeks an adjournment to be able to obtain instructions.

6. Copies of the paper books be supplied today to Mr. Kalra by the ld. Counsel for the Petitioner."

17. Today, Mr. Kalra, ld. Counsel has sought instructions from his clients. He submits that the mark BUKHARA has not been earlier protected by US Courts. He however submits under instructions of Mr. Amit Paliwal, Manager (Legal), who is also present in Court, that the Defendants do not intend to use the mark 'BALKH BUKHARA' or any other mark consisting of the word and mark 'BUKHARA' for their restaurant, hotel, or other hospitality related services. It is, further, submitted that the Defendants have no objection if the suit is decreed. Insofar as some of the other elements forming part of the restaurant's look and feel, the counsels for the parties have consulted each other and have finally agreed for a decree in the terms set out below.

18. Heard and perused the record. In so far as the prayers seeking reliefs against the Defendants are concerned, considering that the parties have amicably arrived at an agreement, the suit shall stand decreed in the following terms:

- (i) The Defendants and all others acting for and/or on their behalf, shall stand restrained from using the mark 'BALKH BUKHARA' or any other mark which is identical or deceptively similar to the Plaintiff's mark 'BUKHARA' for their restaurant, hotel or other hospitality related services.
- (ii) The suit shall accordingly be decreed in terms of paragraph (a) and (b) of the prayers in the plaint at paragraph 63.
- (iii) Insofar as prayer (c) is concerned, the Defendants are agreeable to change the menu card, the jacket as part of the uniform of the Defendants' restaurant servers, and the copper glass, which are similar to the Plaintiff's items. Insofar as the other elements of

the restaurant are concerned, the Defendants agree to change and remove the name and word 'BUKHARA' from the restaurant, the display board, any promotional items, boards, websites, and the other items including napkins, menu cards, uniforms, invoices, stationery, and any other places within its restaurant where such mark appears, on or before 31st December, 2022.

(iv) The Defendants are also agreeable for the mark 4010765 in Class 43 being rectified/cancelled. In so far as the registration 3839762 in Class 43 for the word mark 'BALKHBUKHARA RESTAURANT' is concerned, the Defendants are agreeable to delete the word 'BUKHARA' from the same. The Defendants are permitted to retain registration for the word/mark 'BALKH' which forms part of the trademark registration 3839762. If, however, the Defendants wish to modify the mark to add any other word along with 'BALKH', then, upon the requisite forms being filed, the said mark shall be readvertised in the trademark journal.

19. In terms of the above order, the Defendants shall file the requisite applications/forms for implementing both these undertakings with respect to their trademark registrations, within four weeks of the present order. The Registrar of Trademarks shall take the necessary action within two weeks thereafter.

<u>'BUKHARA' – Well-known Mark</u>

20. Apart from these reliefs, the Plaintiff has also sought declaration of its mark 'BUKHARA' as a well-known mark under Section 2(zg) of the Act.

The Plaintiff has submitted various documents illustrating the repute and well-known status of the mark.

21. Notably, in this regard, Mr. Kalra, ld. Counsel, submits that the mark 'BUKHARA' has not been earlier protected by US Courts. Reference is made to an article relating to a case which was decided in the Second Circuit Court wherein the Court refused to grant an injunction protecting the mark 'BUKHARA'.

22. This Court has heard the parties and perused the record. At the outset, this Court notes the history of recognition of well-known marks in India. The attribute of certain trademarks or names attaining the status of well-known marks has been acknowledged and recognised by Courts in India for the last two-three decades. Illustratively, marks such as 'APPLE', 'WHIRLPOOL', 'BENZ' etc., have been recognised as 'well-known' marks even before the said marks were actually used on a commercial scale in India. The said concept of according recognition for 'well-known' marks was finally incorporated statutorily in the Trade Marks Act, 1999, thus strengthening the recognition granted to such marks. The current provisions under Indian law that statutorily recognize well-known mark as under:

"(zg) "well known trade mark", in relation to any goods or services, means a mark which has become so to the substantial segment of the public which uses such goods or receives such services that the use of such mark in relation to other goods or services would be likely to be taken as indicating a connection in the course of trade or rendering of services between those goods or services and a person using the mark in relation to the first-mentioned goods or services." 23. Section 11(2) of the Act provides protection to well-known trademarks, in the following terms:

"Section 11. ... (2) A trade mark which— (a) is identical with or similar to an earlier trade mark; and (b) is to be registered for goods or services which are not similar to those for which the earlier trade mark is registered in the name of a different proprietor, shall not be registered, if or to the extent, the earlier trade mark is a well-known trade mark in India and the use of the later mark without due cause would take unfair advantage of or be detrimental to the distinctive character or repute of the earlier trade mark."

24. Pertinently, Section 11(6) lays down the factors to be considered for declaration of a mark as a 'well-known mark'. Section 11(6) reads as under:

"(6) The Registrar shall, while determining whether a trade mark is a well-known trade mark, take into account any fact which he considers relevant for determining a trade mark as a well-known trade mark including— (i) the knowledge or recognition of that trade mark in the relevant section of the public including knowledge in India obtained as a result of promotion of the trade mark; (ii) the duration, extent and geographical area of any use of that trade mark; (iii) the duration, extent and geographical area of any promotion of the trade mark, including advertising or publicity and presentation, at fairs or exhibition of the goods or services to which the trade mark applies; (iv) the duration and geographical area of any registration of or any application for registration of that trade mark under this Act to the extent that they reflect the use or recognition of the trade mark; (v) the record of successful enforcement of the rights in that trade mark, in particular the extent to which the trade mark has been recognised as a well-known trade mark by any court or Registrar under that record."

25. Section 29(4) of the Act further protects well-known marks against dilution and unfair advantage. The said provision reads as under:

"(4) A registered trade mark is infringed by a person who, not being a registered proprietor or a person using by way of permitted use, uses in the course of trade, a mark which—

(a) is identical with or similar to the registered trade mark; and
(b) is used in relation to goods or services which are not similar to those for which the trade mark is registered; and
(c) the registered trade mark has a reputation in India and the use of the mark without due cause takes unfair advantage of or is detrimental to, the distinctive character or repute of the registered trade mark."

26. Rule 124 of the Trademark Rules, 2017, provides for declaration of well-known status by way of an application, without the requirement for any proceedings or rectification.

27. On the recognition of "famous marks", J. McCarthy in McCarthy on

Trademarks and Unfair Competition, Vol.5, §29:62 has observed as under:

"Although the basis of the modern treaties and domestic laws providing protection for famous and well-known marks is derived from the Paris Convention, the scope of protection afforded to famous marks is different in each country. <u>Article 6 bis the</u> <u>Paris Convention is the cornerstone of international</u> <u>protection of famous works.</u>

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First, NAFTA extends protection to service marks. Second, in determining whether or not a mark is famous, the standard used is how well the mark is known in the relevant sector of the public, not necessarily the general public. <u>Thus, knowledge of the</u> famous or well-known mark can be the result of actual use or promotion of the trademark only in a particular segment of trade.

Like NAFTA, the GATT TRIPs agreement extends protection to both goods and service marks even if the mark has not been registered in a member country. Also like NAFTA, the mark need only be famous in a relevant segment of the public. The special provisions of TRIPs Art. 16(3) apply to give protection beyond that of the Paris Convention. The famous marks rule applies even if the goods or services to which the allegedly infringing mark is being applied are not similar to the goods or services for which the famous marks has become well-known. This is subject to three conditions: (1) the famous mark must be registered; (2) there must be such a connection between the respective foods or services that confusion is likely; and (3) it must be likely that the interest of the owner of the registered trademark will be damaged by such infringing use."

28. In so far as the judicial approach to recognition of well-known marks is concerned, Indian jurisprudence has widely recognized even transboundary reputation of foreign marks and accorded them the status of well-known marks under common law, well before this provision was statutorily incorporated.

29. One of the first judgements recognising a foreign mark as a wellknown mark, despite absence of commercial use of the mark was rendered by Hon'ble Mr. Justice Mahinder Narain in *Apple Computer Inc. v. Apple Leasing & Industries [Suit No.2751 of 1989, decided on 4th May, 1991].* In this case, Apple Inc., a US-based company in the business of personal computers, sought protection of its mark against use by the defendant for a completely unrelated service viz., leasing and providing computer education. The observations of the ld. Single Judge in the said decision are as under:

"159. I am in agreement with the view expressed by the Ontario Supreme Court with respect to the need to carry on business in the jurisdiction in a particular territory as also regarding the meaning of goodwill in passing-off matters. In other words, it is not necessary in the context of the present day circumstances, the free exchange of information and through newspapers, magazines, video, television, movies, freedom of travel between various parts of the world to insist that a particular plaintiff must carry on business in a jurisdiction in a jurisdiction before improper use of its name or mark can be restrained by the court. Similarly, I am also in agreement with the view expressed regarding the meaning of goodwill in passing-off cases. In passing-off cases, the main consideration is the likelihood of con- fusion and consequential injury to the plaintiff, and the need to protect the public from deception, deliberate or otherwise. Where such confusion or deception is prima facie shown to exist, protection should be given by courts to the name or mark or goodwill of the plaintiff. The reason why all traders and manufacturers of goods, and providers of services, wish to protect their name and build up their name is that they want their name or market to have an impact upon anyone who has need their goods or services. That impact may take diverse forms, but one of them would certainly be that a name or mark would recall to the mind of a potential consumer or user of such services, the source from where the goods originate, or the person who provides the services. This is the impact of advertising and publicity by whatever means, including word of mouth,

and the build-up of reputation. It would not be right for courts to permit the persons who have spent considerable time, effort, money and energy in building up a name, sufficient to have an impact to lose control over such an impact by improper use of the very same or colourably similar name by another unauthorisedly or even dishonestly.

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189. I agree with the contentions of Mr. Shankardas that the basic judgment which has been relied upon by Mr. Chagla in the instant case, is the principles laid down in Budweiser's case, that unless there is business activity in the local jurisdiction in the place where passing off is alleged to be taking place, passing off action cannot be maintained. In the instant case, there is business activity as 'evidence by the invoices which have been shown. The business activity may be low and that is due to the fact that there are restrains on free trade in computers in India, and the plaintiff is a foreign manufacturer. In any case, the view which is current in the Bombay High Court judgment, the Australian Judgment, the New Zealand judgment the judgment of the Irish Supreme Court, the Canadian judgment, all indicate that there is a new trend of protecting reputation....

190. I also agree with what is being stated by Mr. Shankardas with regard to balance of convenience. It cannot be doubted that the plaintiff has done some business in India. It may be that value of business done by the defendant is more. that would not be a reason for saying that the defendant should be permitted to continue perpetuate association which is not desired by the plaintiff. It is simple enough matter for the (sic) defendant to advertise, as they continue to do, that the name of (sic) computer education business/service has been altered, and so altered the word "Apple is removed there from...

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197. In the facts and circumstances of the case, I think that the plaintiff have a good prima facie case, and the balance of convenience is also in favor of the plaintiff for restraining the defendants from using the words "Apple" or "Apple Computers", in the course of the trade of computer education which is being organized by the defendant."

30. Notably, the ld. Division Bench upheld this order and finally, in *SLP(C) No. 008148/1992* titled *Apple Computer Inc. v. Apple Leasing & Industries*, the matter was settled vide order dated 16th December, 1992. Therein, the ld. Single Judge's observations were not modified.

31. Similarly, the mark 'BENZ' was recognized as well-known on account of its transborder reputation and goodwill, and an injunction was granted against use of the said mark for under-garments, again by Hon'ble Mr. Justice Mahinder Narain of the Delhi High Court, in *Daimler Benz Aktiegesellschaft v. Hybo Hindustan, AIR 1994 Delhi 239*. The relevant extract of the said decision reads:

"14. There are marks which are different from other marks. There are names which are different from other names. There are names and marks which have become household words. "Benz" as name of a Car would be known to every family that has ever used a quality car. The name "Benz" as applied to a car, has a unique place in the world. There is hardly one who is conscious of existence of the cars/automobiles, who would not recognize the name "Benz" used in connection with cars. Nobody can plead in India, where "Mercedes Benz" cars are seen on roads, where "Mercedes" have collaborated with TATAs, where there are Mercedes Benz Tata trucks have been on roads in very large number, (known as Mercedes Benz Trucks, so long as the collaboration was there), who can plead that he is unaware of the word "Benz" as used with reference to car or trucks.

15. In my view, the Trade Mark law is not intended to protect a person who deliberately sets out to take the benefit of somebody else's reputation with reference to goods, especially so when the reputation extends world wide. By no stretch of imagination can it be said that use for any length of time of the name "Benz" should be not objected to.

16. We must keep in mind that the plaintiff company exists in Germany. An insignificant use by too small a product may not justify spending, large amounts needed in litigation. It may not be worth while.

17. However, if despite legal notice, any one big or small, continues to carry the illegitimate use of a significant world wide renowned name/ mark as is being done in this case despite notice dated 09-12-1989, there cannot be any reason for not stopping the use of a world reputed name. None should be continued to be allowed to use a world famed name to goods which have no connection with the type of goods which have generated the world wide reputation.

18. In the instant case, "Benz" is a name given to a very high priced and extremely well engineered product. In my view, the defendant cannot dilute, that by user of the name "Benz" with respect to a product like underwears."

32. This decision was stayed by the ld. Division Bench, however it was later affirmed by the Supreme Court in *Daimler Benz Aktiegesellschaft v*. *Hybo Hindustan, [S.L.P. (C) No. 7450 of 1994, decided on 18th July, 1994]* in the following terms:

"We have heard learned counsel for the parties. <u>Having regard to the facts and circumstances of the</u> <u>case we are of the view that the Division Bench of the</u> <u>High Court was not justified in granting stay of the</u> <u>operation of the order of learned Single Judge during</u> <u>the pendency of the appeal. In these circumstances we</u> <u>set aside the order passed by the Division Bench of the</u> <u>High Court on November 22, 1993, which was</u> <u>continued by order dated December 7, 1993 and has</u> <u>been confirmed by order dated 17th January, 1994</u>. We make it clear that the setting aside of the said interim orders by this Court will not in any way prejudice the appeal of the respondent pending in the High Court.

We, however, request the High Court to take up the appeal and dispose of the same at an early date preferable within 3 months.

It has been pointed out to us by the learned counsel appearing on behalf of the respondent that the considerable quantity of goods has been manufactured by the respondent. Having regard to the aforesaid submission the respondent is permitted to dispose of the existing stock of goods within a period of four weeks. The appeal is disposed of accordingly.

No costs."

33. Thereafter, in decisions involving the mark WHIRLPOOL, including the seminal decision of Hon'ble Justice Lahoti of this Court,¹ upheld by the Division Bench consisting of Hon'ble Justice M. Jagannadha Rao and Hon'ble Justice Anil Dev Singh, in *NR Dongre v. Whirlpool Corporation & Anr., AIR 1995 Delhi 300*, later affirmed by the Supreme Court,² the mark 'WHIRLPOOL' belonging to a US company, was recognized as well-known, despite the mark's registration having lapsed in India once in 1977 and the defendants having obtained registration for the mark thereafter in

¹ 56 (1994) DLT 304

1986. In NR Dongre (supra), the Court observed as under:

"From the aforesaid fads including the extensive advertisements of the goods of the First respondent & its Trade mark 'WHIRLPOOL' and the legal position ad interim hitherto we are prima facie of the opinion that the trade mark 'WHIRLPOOL' has acquired reputation and goodwill in this country and the same has become associated in the minds of the public or potential buyers with the goods of the first respondent. Even advertisement of trade mark without existence of goods in the market is also to be considered as use of the trade mark. It is also not necessary however that the association of plaintiffs mark with his goods should be known all over the country or to every person in the area where it is known best. (See: Fanlder& Co, Ld.vs. O & G. Rushton(1903) 20 Rpc 477) Besides the facts prima facie demonstrable that the first respondent was prior user of the trade mark 'WHIRLPOOL' as it was using the same since 1941, while the appellants themselves claim the adoption thereof from 1986."

34. Therefore, India has had a rich history of recognition of well-known marks, especially foreign marks, even in relation to completely unrelated goods and services, provided the conditions for recognition on the basis of transborder reputation are satisfied. Post the above decisions, statutory provisions, as extracted above, concerning well-known marks were also incorporated in the Act. Even these provisions were aligned with international best practices such as the Agreement on Trade-Related Aspects of Intellectual Property Rights, 1869 U.N.T.S. 299 (1994) (hereinafter "TRIPS") and WIPO's Joint Recommendation Concerning Provisions on the Protection of Well-known Marks, September 20-29,

² N.R. Dongre and Ors. v. Whirlpool Corpn. and Ors., (1996) 5 SCC 714.

1999.

35. A ld. Single Judge of this Court in *Tata Sons Ltd. v. Manoj Dodia*, 2011 (46) PTC 244 (Del), elaborated upon the principles for declaration of a mark as well-known and how transboundary protection is essential to counter unfair competition. The relevant observations in the said decision read as under:

"5. A well known trademark is a mark which is widely known to the relevant general public and enjoys a comparatively high reputation amongst them. On account of advancement of technology, fast access to information, manifold increase in international business, international travel and advertising/publicity on internet, television, magazines and periodicals, which now are widely available throughout the world, of goods and services during fairs/exhibitions, more and more persons are coming to know of the trademarks, which are well known in other countries and which on account of the quality of the products being sold under those names and extensive promotional and marketing efforts have come to enjoy trans-border reputation. It is, therefore, being increasingly felt that such trademark needs to be protected not only in the countries in which they are registered but also in the countries where they are otherwise widely known in the relevant circles so that the owners of well known trademarks are encouraged to expand their business activities under those marks to other jurisdictions as well. The relevant general public in the case of a well known trademark would mean consumers, manufacturing and business circles and persons involved in the sale of the goods or service carrying such a trademark.

6. The doctrine of dilution, which has recently gained momentous, particularly in respect of well known trademarks emphasises that use of a well known mark even in respect of goods or services, which are not similar to those provided by the trademark owner, though it may not cause confusion amongst the consumer as to the source of goods or services, may cause damage to the reputation which the well known trademark enjoys by reducing or diluting the trademark's power to indicate the source of goods or services.

7. Another reason for growing acceptance of transborder reputation is that a person using a well known trademark even in respect of goods or services which are not similar tries to take unfair advantage of the trans-border reputation which that brand enjoys in the market and thereby tries to exploit and capitalize on the attraction and reputation which it enjoys amongst the consumers. When a person uses another person's well known trademark, he tries to take advantage of the goodwill that well known trademark enjoys and such an act constitutes an unfair competition."

36. Thereafter, in 2017, in a case of passing off concerning a foreign mark 'PRIUS', in *Toyota Jidosha Kabushiki Kaisha v. M/s. Prius Auto Industries Limited [Civil Appeal No. 5375-5377 of 2017, decided on 14th December, 2017]*, the Supreme Court confirmed the rejection of injunction by the ld. Division Bench against the foreign plaintiff. Denying protection to the mark PRIUS, this decision turned on similar principles as above, stating that a real market for the foreign product is not necessary, however presence of the plaintiff through its mark within India in a more subtle form is required. Since there was no evidence of use or even advertisements of the said mark in India prior to the defendants' use of the mark in 2001, the injunction was denied.

37. The principles of well-known marks espoused by the decisions above

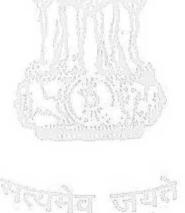
have been subsequently reiterated by Courts, most recently in DHL International GMBH v. DLH Express Services Private Ltd. [CS(COMM) 563/2020, decided on 22nd April, 2022].

38. Keeping these decisions in mind, this Court has perused the plaint and the documents filed by the Plaintiff in support of its long-standing repute, both nationally and internationally. Some relevant documents are as under:

- (i) Documents related to the registrations of the Plaintiff's mark;
- (ii) Extracts from the Plaintiff's website showing the restaurant BUKHARA as its 'award-winning culinary brand';
- (iii) Extracts from websites showing various renowned chefs such as Mr. Alfred Prasad, the youngest Indian chef to receive a Michelin star, having worked at the Plaintiff's restaurant;
- (iv) Photographs and news reports of various dignitaries and celebrities, including Mr. Bill Clinton, Mr. Tony Blair, Ms. Theresa May, Mr. Donald Trump, Mr. Arnold Schwarzenegger, and Mr. Roger Federer, at the Plaintiff's restaurant;
- (v) Extracts from Eazydiner, Zomato, JustDial, and TripAdvisor websites of the Defendant's use of the mark;
- (vi) Certificate of Chartered Associate, Om Nath Mehra & Associates, dated 1st November, 2022, showing revenue generated by the Plaintiff's restaurant between the Financial Years 1978 to 2023 (Upto September, 2022);
- (vii) Invoices of the Plaintiff's restaurant bearing the mark BUKHARA since 2013-2023;
- (viii) Documents evidencing awards, media certificates, etc. received by the Plaintiff's restaurant;

- (ix) Various newspaper articles starting from 1983 highlighting the Plaintiff's restaurant;
- (x) Documents pertaining to Defendants' trademark registrations;
- (xi) Comparative images of the Plaintiff's and Defendants' impugned marks.

39. These documents denote that not only has the mark 'BUKHARA' been intrinsically connected to Indian cuisine, but the Plaintiff's restaurant has also been recognized internationally as a customary stop for foreign celebrities and dignitaries. The Plaintiff has also placed on record various news clippings and pictures depicting a tradition whereby every US President who visits India, visits the Plaintiff restaurant and a special menu is prepared for each such President. Some clippings of the same are as under:





BUKHARA AGAIN: The former U.S. President, Mr Bill Clinton, along with the staff at Bukhara at ITC Hotel Maurya Sheraton and Towers in New Delhi which he visited again on Saturday.

Clinton back to Maurya suite

By Our Staff Reporter

NEW DELH, APRIL 8. "It is good to be back in my suite". That was the former U.S. President, Mr. Bill Clinton's remark as he stepped into Hotel Maurya's Chandragupta suite for the second time in two years.

Arriving in the hotel at around 6-20 p.m on Saturday Mr. Clinton and members of his American-India Foundation were received by Mr. Nakul Anand. Managing Director of the ITC Group.

Mr. Clinton was given a traditional welcome with aarti, tikka and garlands. As eight girs dressed as brides showered petals on him from both directions, he walked into the hotel. Spending a full 10 minutes with the staff and guests, the former U.S. President then spent some time in the suite before leaving for the Prime Minister's residence at 8 p.m.

However, following cacellation of the dinner he was to have with Mr. Atal Behari Vajpayee, Mr. Clinton came back to the hotel and settled for a pleasant evening at "Bukhara", the restaurant where last time he had food and had commented that "You need to get me a stretcher to carry me to my room".

Accompanied by Ms. Jacqueline Lundquist, wife of the outgoing U.S. Ambassador to India, Mr. Rajat Gupta of McKinsey, Mr. Vinod Gupta of Infosys and a couple of women belonging to the American-India Foundation, Mr. Clinton had a sumptuous dinner at the private-dining room.

A connoisseur of Indian food, Mr. Clinton had sikandri naan, tandoori chinga, reshmi kebab, paneer tikka, tandoori aloo, assorted breads which included full family naan and butter naan, among others. For dessert, he opted for firmi and gulab jamun.

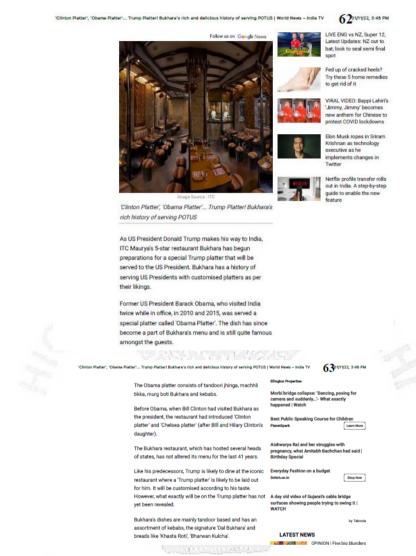
With two cups of black coffee, Mr. Clinton rounded off the meal. While leaving Bukhara, he wrote in the visitor's book. "The second time was just as good as the first."

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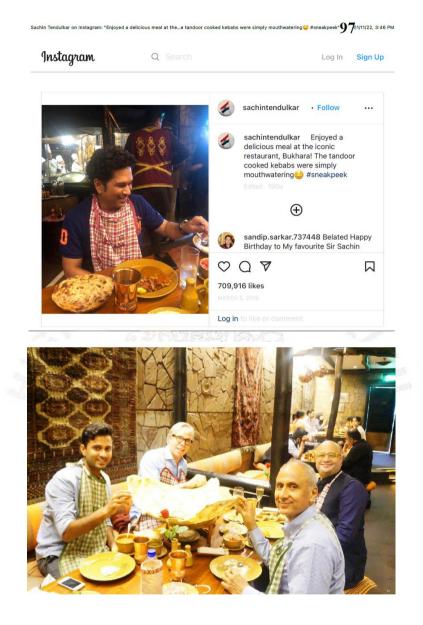


40. Various celebrities have also visited the restaurant over the years. Some photographs are as under:



Bukhara at Bukhara.





Tommy Hilfiger

41. Similarly, various news articles report renowned chefs who had started their career at the Plaintiff's restaurant. Some of them are extracted as under:

2022/DHC/005190

Alfred Prasad Chef - Great British Chefs

3104/11/22, 2:51 PM

Social Media Twitter: <u>@Alfred Prasad</u> Facebook: Alfred Prasad	Alfred Prasad was born in Wardha in central India, his father and mother both influencing his future career in their individual ways. In his father's family, vegetarian cooking was central and Alfred spent hours in his vegetable garden, tending to ingredients before bringing them to the dinner table. His mother's Anglo-Indian background meant that she had great skill in preparing meat and he joined her in the kitchen at every opportunity, helping with preparation and enjoying the results. Extensive travel around India with his parents also exposed him to the incredible breadth of Indian regional cuisine, something he explored further in his training and career.	GRETENTEROUS Products you won't
See all Alfred's Recipes	After completing a diploma in hotel management in 1993, he was hand-picked for advanced chef training during which he worked at two of India's finest and most iconic restaurants – Bukhara, at the Maurya Sheraton in New Delhi, which specialised in northwestern frontier cuisine, and Dakshin at the Park Sheraton in Chennai, which focused on the cuisine of the southern states of India. During his six years with these restaurants he further developed his appreciation for the variety of India's different food cultures, a specialism he has continued to focus on throughout his career.	find in your local supermarket
	In 2001, Alfred moved to the UK to take up the job of sous chef at Tamarind in London's Mayfair. Within a year he was promoted to the restaurant group's director of cuisine, which meant he oversaw four venues – Tamarind, Imil Street and Zaika in London, as well as Tamarind of London in California. He maintained Tamarind's Michelin star for twelve years, in the process becoming the youngest Indian chef to receive a Michelin star at the age of twenty-nine.	
	Alfred's food at Tamarind offered a highly original take on British notions of traditional Indian cooking, described on the restaurant's website as 'delicately balancing creativity and authenticity'. Bringing fresh, seasonal ingredients to life, he sought to 'preserve the purity and flavour of ingredients', enhancing them with subtle spicing and a light touch and eschewing the stereotype that Indian food is heavy and greasy. Drawing on the south Indian coastal cuisine of his upbringing, his eclectic menus featured fresh British seafood such as sea bass and scallops, adapted to Indian flavours, as well as the game and meat more traditional to northwest Indian Mughal cuisine.	
Padma journe updiwałaja. Mys krutka Bebravala	Shri awardee chef Imtiaz Qureshi reco Mulfoldengelan Seyrita 120 Lifestyle Photos Podcast Timepass Sunday Mid-Day Mumb Content Services	SUBSCRIBE al Guide Videos Brand Media Mid-Day Cold
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		More Stories Pop band Vengaboys arrive in Mumbai, all set to rock the stage Mrs Harris Goes to Paris Movie Review
Intiaz Quresh		Lyle. Lyle. Crocodile Mov Review: Bringing on the smiles eventually!
	him holding a hookah, adorning one of the walls of his plush Bandra fore we can congratulate him on winning the Padma Shri — he's the first	Happy Birthday Virat Kohli: Here's a look at some of his top innings

42. Additionally, the Plaintiff's restaurant has received numerous awards recognizing it as the Best Restaurant in Asia, Best Indian Restaurant in the World in the years 2006 and 2007, and "India's best Hotel Restaurant Award" by Travel & Leisure in the year 2016, as discussed above. In light of this overwhelming evidence, the reputation and global distinction earned by the Plaintiff's mark 'BUKHARA' is beyond well-established and the said restaurant has clearly internationalised India's cuisine.

Litigation in the US relating to the Mark BUKHARA

43. At this stage, the US Courts' decisions concerning the 'BUKHARA' mark have also been brought to this Court's notice. There seem to have been two rounds of litigation therein. In a suit filed by ITC against certain exemployees, an injunction was sought against use of the mark 'BUKHARA'. The facts were that ITC had established a BUKHARA restaurant in Manhattan 1986 and in 1987 a franchise agreement was entered into for a BUKHARA restaurant in Chicago. The former restaurant in New York operated for five years. In Chicago, the franchise was cancelled after 10 years. Thereafter, sometime in 1999, some ex-employees of the New Delhi BUKHARA restaurant/Plaintiff restaurant incorporated Punchgini Inc. and started a restaurant called 'Bukhara Grill'. In a suit filed by ITC against these ex-employees, the US Court of Appeals for the Second Circuit held that the principle of territoriality is basic to American trademark law and ownership of a mark in one country would not confer exclusive rights to the said mark in another country. On the question of famous marks and the doctrine of protection thereof, the Court acknowledged that such a doctrine has been recognised in *Maison Prunier v Prunier's Rest. Cafe, Inc.*, 159

Misc 551, 557-58, 288 N.Y.S. 529, 535-36 (N.Y.Sup.Ct.1936) and Vaudable v Montmartre, Inc., 20 Misc 2d 757 [Sup Ct, NY County 1959]. However, the Court then held that under federal trademark law, the viability of famous marks doctrine is uncertain, considering that *Grupo Gigante SA De CV v* Dallo Co., Inc., 391 F3d 1088 was the only decision recognizing the doctrine in federal law. The Court also considered the provisions of TRIPS including Article 16(2) and Article 6bis of the Paris Convention. In this decision being ITC Ltd et. al. v. Punchgini, Inc., et. al., 482 F.3d 135 (2nd Cir. 2007), the Court concluded as under:

"III. Conclusion To summarize, we conclude that:

(1) as a matter of law, ITC abandoned its United States rights in its registered "Bukhara" mark for restaurant services and, therefore, cannot assert a successful claim for trademark infringement under section 32(1)(a) of the Lanham Act or state common law; nor can it continue to maintain the registered mark, which the district court correctly ordered cancelled;

(2) plaintiff cannot assert a successful federal claim for unfair competition because Congress has not incorporated the substantive protections of the famous marks doctrine set forth in Paris Convention Article 6bis and TRIPs Article 16(2) into the relevant federal law, and this court cannot recognize the doctrine simply as a matter of sound policy;

(3) with respect to ITC's state law claim of unfair competition, we defer our ruling on this appeal pending the New York Court of Appeals' response to two questions: (a) whether the famous marks doctrine is recognized under the state's common law of unfair competition and, if so, (b) how famous a mark must be to qualify for such common law protection; and

(4) ITC lacks standing to assert a claim for false

advertising under section 43(a)(1)(B) of the Lanham Act against the defendants."

44. As can be seen from the conclusions of the Court, two questions as set out in para 3(a) and 3(b) were referred to the New York Court of Appeals. These two questions were decided on 13th December, 2007 by the Court of Appeals of New York in *ITC Ltd et. al. v. Punchgini, Inc., et. al., 9 N.Y.3d 467*, which considered the famous marks doctrine in the context of unfair competition and held as under:

"[3] Under New York law, "[a]n unfair competition claim involving misappropriation usually concerns the taking and use of the plaintiff's property to compete against the plaintiffs own use of the same property" (Roy Export, 672 F.2d at 1105). The term "commercial advantage" has been used interchangeably with "property" within the meaning of the misappropriation theory (see Flexitized, Inc. v National Flexitized Corp., 335 F.2d 774, 781-782 [2d Cir. 1964]). What Prunier and Vaudable stand for, then, is the proposition that for certain kinds of businesses (particularly goods/services with highly cachet mobile clienteles), goodwill can, and does, cross state and national boundary lines.

[4] Accordingly, while we answer "Yes" to the first certified question, we are not thereby recognizing the famous or well-known marks doctrine, or any other new theory of liability under the New York law of unfair competition. Instead, we simply reaffirm that when a business, through renown in New York, possesses goodwill constituting property or a commercial advantage in this state, that goodwill is protected from misappropriation under New York unfair competition law. This is so whether the business is domestic or foreign. xxx

[11, 12] If the customers of a New York defendant do not identify a mark with the foreign plaintiff, then no use is being made of the plaintiff's goodwill, and no cause of action lies under New York common law for unfair competition. As a result, to prevail against defendants on an unfair competition theory under New York law, ITC would have to show first, as an independent prerequisite, that defendants appropriated (i.e., deliberately copied), ITC's Bukhara mark or dress for their New York restaurants. If they successfully make this showing, plaintiffs would then have to establish that the relevant consumer market for New York's Bukhara restaurant primarily associates the Bukhara mark or dress with those Bukhara restaurants owned and operated by ITC.

Accordingly, the certified questions should be answered in accordance with this opinion.

Following certification of questions by the United States Court of Appeals for the Second Circuit and acceptance of the questions by this Court pursuant to section 500.27 of the Rules of Practice of the Court of Appeals (22 NYCRR 500.27), and after hearing argument by counsel for the parties and consideration of the briefs and the record submitted, certified questions answered in accordance with the opinion herein."

45. In the second round, after the decision of the New York Court of Appeals, the matter was considered once more by the District Court and finally decided by the US Court of Appeals of the Second Circuit in *ITC Ltd. v. Punchgini, Inc., 518 F.3d 159 (2nd Cir. 2008)*, which held that the evidence on record was insufficient to rase a triable question of fact. The District Court's summary judgment in the second round in favour of the

Defendants was, thus, upheld. In conclusion therefore, ITC was unsuccessful in protecting the BUKHARA mark in the US.

46. A review of these US judgments shows that they turned on two factors:

- (i) That there was no evidence of BUKHARA having enjoyed goodwill and reputation in New York; and
- (ii) That the famous marks doctrine as set forth in Article 6*bis* of the Paris Convention and Article 16(2) of TRIPS has not been incorporated into the relevant federal law.

47. These judgments would not be applicable in the context of India, where it is clear from the record that the mark BUKHARA originated in India, and enjoys substantial goodwill and reputation not only among Indians but also among foreigners who travel to India and carry back the said reputation. India also recognizes transborder reputation and the `well-known mark' doctrines, both in its judicial decisions and in statutes.

48. <u>In view of all these circumstances which are in contrast to the position</u> in the US, and considering the Indian legal position as elaborated above and the enormous fame and goodwill evidenced from the documents placed on record which are not denied by the Defendants, the mark 'BUKHARA' of the Plaintiff is declared as a well-known mark under Section 2(zg) read with Section 11(2) of the Act. The Registrar of Trademarks shall add the same to the List of Well-known Trademarks, upon the Plaintiff completing the requisite formalities. Accordingly, the suit is also decreed in terms of prayer (d) at paragraph 63 of the plaint, in addition to prayers (a), (b), and (c) as specified in paragraph 18 of the above order.

49. CS(COMM) 781/2022 is decreed in the above terms. No other reliefs

are pressed for. All pending applications are disposed of. Decree sheet be drawn accordingly. In so far as the rectification petitions are concerned, *C.O. (COMM.IPD-TM)* 764/2022 is allowed and *C.O. (COMM.IPD-TM)* 763/2022 is disposed of, in terms of paragraph 18 above.

50. Affidavit of compliance be filed by the Defendants by 15th January,2022.

51. The Registry is directed to supply a copy of the present order to the Trademark Registry, at e-mail - llc-ipo@gov.in for compliance.

PRATHIBA M. SINGH JUDGE

NOVEMBER 14, 2022 *dj/ms*

(corrected & released on 24th November, 2022)