

(2014) 09 DEL CK 0212

Delhi High Court

Case No: I.A. No. 3412/2010 in CS(OS) No. 480/2010

NRB Bearings Limited

APPELLANT

Vs

Windsor Export

RESPONDENT

Date of Decision: Sept. 22, 2014

Acts Referred:

- Civil Procedure Code, 1908 (CPC) - Order 29 Rule 1, Order 39 Rule 1, Order 39 Rule 2, Order 7 Rule 11, 151
- Trade and Merchandise Marks Act, 1958 - Section 27, 29
- Trade Marks Act, 1999 - Section 2, 2(1)(m)

Hon'ble Judges: Manmohan Singh, J

Bench: Single Bench

Advocate: Darpan Wadhwa, Arnav Kumar, Malavika Lal, Aditi Mohan and Roshni Namboodiry, Advocate for the Appellant; Manu T. Ramachandran, Advocate for the Respondent

Judgement

Manmohan Singh, J.

By this order, I propose to decide the pending interim application being I.A. No. 3412/2010 filed by the plaintiff under Order XXXIX, Rules 1 and 2 read with Section 151 CPC in a suit for permanent injunction restraining defendant from using the website name nrbearing.com.

2. The case of the plaintiff is that plaintiff is a renowned company in the business of manufacturing needle roller bearings, ball bearings and various other types of roller bearings which are used in the automotive industry and all other engineering industries to reduce friction, for the more than 44 years at the time of filing of the suit.

3. The plaintiff was incorporated as Needle Roller Bearing Co. Ltd. but changed its name to NRB Bearing Ltd. in April 1990. The profit of the plaintiff for the year ending 31st March, 2009 is stated to be Rs. 53.45 crores and expenditure on advertisement

is stated to be more than Rs. 82.47 lacs.

4. The plaintiff is stated to be owner of the trademark NRB which was first time registered in favour of the plaintiff on 27th May, 1965. Subsequently, "NRB" has been registered in favour of the plaintiff in different classes. Details of various trademark registrations in favour of the plaintiff obtained from time to time is given in Paras 6-12.

5. The plaintiff created a domain name "nrbbearings.com" on 28th August, 1997 which was to expire on 27th August, 2013. Plaintiff intended to renew the domain name for further periods.

6. It has been stated that the plaintiff has huge name in the market of ball bearings and NRB bearings are world renowned. The consumers always associate NRB bearing to plaintiff's products.

7. It is the case of the plaintiff that its attention was drawn to the defendant company which has been incorporated only in the year 2011. The defendant had, according to the plaintiff, adopted an identical trade mark and also an identical corporate name. On the receipt of the said information the plaintiff addressed two notices dated 31st October 2012 and 27th November 2012 to the defendant, out of which though the first notice dated 31st October 2012 was served on the defendant, second returned as unserved.

8. It is the case of the plaintiff that the plaintiff came to know that defendant is also purporting to sell the ball bearings and related products under the plaintiff's name on defendant's website which is deceptively named as "nrbearing.com".

9. It is stated that defendant has fraudulently named its website by deleting the letter "b" which appears two times in the plaintiff's domain name. Both the marks are deceptively similar and the defendant is seeking to use the plaintiff's domain name to pass off its goods as that of the plaintiff and ride upon the plaintiff's reputation and goodwill through misrepresentation as per the impugned domain name. Defendant has its own name "Windsor" but only to attract innocent customers, the defendant has kept the name of its website in confusing manner, trying to show that there is some connection between the plaintiff and the defendant's products. Such illegal use of plaintiff's trademark and company name is damaging the reputation and goodwill of plaintiff on one hand and seeking to confuse and mislead the customers on the other hand.

10. The plaintiff has prayed that the defendant therefore be restrained by permanent injunction from in any manner using the trademark NRB Bearings in any form deceptively, confusingly or otherwise would not affect the defendant in any manner as the defendant in its own website is seeking to advertise its goods from various websites namely www.bushbearing.com, www.hydraulingpumps.in, www.axlehub.com, www.circlip.biz, and www.autobolts.com.

11. On the other hand, it is the case of the defendant that the present suit is liable to be dismissed as ingredients of infringement and passing off are not made out against defendant and the suit is filed without authorization and is liable to be dismissed under Order 7 Rule 11 read with Order 29 Rule 1 CPC.

12. It is stated that the trademark/domain name of both the plaintiff and the defendant are different and the plaintiff has no exclusive right in the letters/word "NRB/NR" per se which are abbreviations of Needle Roller Bearing/Needle Rollers and the said terms are publici juris. Defendant's domain name is nrbearings.com and said domain name of the defendant is used in accordance with honest business practice for identification of Needle Roller Bearing business of the defendant and the said use is not likely to cause any deception or confusion in the market.

13. It is stated that even though the plaintiff has been using the abbreviation NRB or NRB Bearing in a stylised label/logo form as trademark, such use of the term NRB or NRB Bearing does not confer on the plaintiff any exclusive right to the generic abbreviation NR or NRB and/or NR bearing(s) especially in relation to describing and carrying the business of Needle Roller Bearing. It is stated that there are various domain names incorporating the NRB and/or NR and also NRB is being used by other Needle Roller Bearing manufacturers/traders.

14. The word NR/NRB or NRB Bearing is devoid of any distinctive character in relation to the business of Needle Roller Bearing which terms are not only descriptive but also publici juris. Also, the plaintiff has not acquired any secondary meaning to the letter NR or bearing per se to claim any distinctiveness of goods/services of plaintiff.

15. It is stated that the defendant is a leading manufacturing export house for automobiles spares, agro machineries, pumps, and diesel engines established in 1996 and recognised by Govt. of India. The defendant is recognised by its customers particularly from Europe, Middle East, North West Africa. The defendant has one of the best manufacturing unit generating auto part manufacturing facility and is supplying to well known international entities and caters the needs of OEM both in direct and aftermarket in the world.

16. The plaintiff's trademark is NRB Bearing and the defendant is using the domain name nrbearing.com, both are different and capable of indicating independent source of each other. Defendant's domain name is an arbitrary juxtaposition of NR which is the abbreviated form of "Needle Rollers" and the word "bearing" which is publici juris and bonafidely describe the character or quality of goods/services of defendant.

17. Plaintiff also filed the interim application being I.A. No. 3412/2010 under Order XXXIX, Rules 1 and 2 read with Section 151 CPC alongwith the suit. Pleadings with respect to the application as well as the suit are complete. Issues in the matter were framed vide order dated 26th February, 2013. The matter was listed for plaintiff's

evidence before the Joint Registrar on 26th August, 2014 and was listed before Court for hearing of the application being I.A. No. 3412/2010.

18. Before deciding the issue at hand on merits, it is pertinent to discuss the definition of "Mark" under the Trade Marks Act (hereinafter referred to as "the Act"). u/s 2(1)(m) of the Act, "Mark" is defined to include letters and numerals. However, letters and numerals can acquire distinctiveness on account of high degree of goodwill, reputation and long user. This fact is not denied by the defendant that the letters NRB is a registered trademark of the plaintiff. It is being used for the last many decades and has worldwide goodwill and reputation. In view of evidence placed on record by the plaintiff and statement made in the pleadings, it is established prima facie that letters NRB is a well known trademark and the same is highly distinctive with the goods and business of the plaintiff alone.

19. In *West (T/A Eastenders) vs. Fuller Smith and Turner Plc.* (2003) FSR 44, the Court of Appeal held by the date of registration of the trade mark ESB had acquired a distinctive character to the average consumer as denoting the product of the respondent, the letters had become distinctive by use. It was also held that the defendant failed to establish that the letters ESB were a sign or indication customary in the current language or established practices of the trade.

20. With regard to similarity of two sorts of letter marks i.e. NRB or NR, it is settled propagation of law that if the mark is not similar but near resembles another mark, the same is likely to create confusion and deception. See definition of "deceptively similar" u/s 2 of the Act which reads as under:

"(h) deceptively similar- A mark shall be deemed to be deceptively similar to another mark if it so nearly resembles that other mark as to be likely to deceive or cause confusion"

21. In *"Esso" TM* (1972) RPC 283 (Ch.D) , it was observed that words which are phonetically equivalent to one or more letters are treated in the same manner as letter marks and are not accepted unless there is evidence of distinctiveness, e.g., "Bee" (B) ; "Ogee" (O.G.) ; "Eanco" ; "Empty" (M.T.) ; "Envee" (N.V.) ; "Cepea" (C.P.A.) ; "Embekay" (M.B.K.) ; "Cutie-lamp" (Q.T.) ; "Esso" (S.O.) .

This Court in [M/s. Vrajlal Manilal and Co. Vs. Adarsh Bidi Co.,](#) held the numerals "22", and "122", as used by the parties to be deceptively similar.

22. So far as the issue of protection of domain names is concerned, the law relating to the passing off is well settled. The principle underlying the action is that no one is entitled to carry on his business in such a way as to lead to the belief that he is carrying on the business of another man or to lead to believe that he is carrying on or has any connection with the business carried by another man. It is undisputed fact that a domain name serves the same function as the trade mark and is not a mere address or like finding number on the Internet and, therefore, is entitled to

equal protection as a trade mark. A domain name is more than a mere Internet Address for it also identifies the Internet site to those who reach it, much like a person's name identifies a particular person, or as more relevant to trade mark disputes, a company's name identifies a specific company.

23. Domain names are entitled to the protection as a trade mark and the trade mark law applies to the activities on internet. The mere fact that petitioner has no registered domain name by itself may not stand in the way of a passing off action. The following are the decisions in which the domain name is protected by the Courts:

a) In *Marks and Spencer v. One in a Million*, (1998) FSR 265, it was held that any person who deliberately registers a domain name on account of its similarity to the name, brand name or trade mark of an unconnected commercial organization must expect to find himself on the receiving end of an injunction to restrain the threat of passing off, and the injunction will be in terms which will make the name commercially useless to the dealer. It was held in that decision that the name MARKS and SPENCER could not have been chosen for any other reasons than that it was associated with the well known retailing group. The decision further goes on to say that when the value of the name consists solely in its resemblance to the name or trade mark of another enterprise, the court will normally assume that the public is likely to be deceived, for why else would the defendants choose it ? It was also stated that someone seeking or coming upon a website called <http://marksandspencer.co.uk> would naturally assume that it was that of the plaintiffs.

b) In *Acqua Minerals Ltd. vs. Pramod Borse and another*, 2001 PTC 619, while considering an injunction sought to restrain the defendants from using the mark BISLERI or BISLERI.COM the court observed that so far as the Registering Authority of the domain name is concerned it agrees for registration of domain only to one person. That is on first come first serve basis. If any person gets the domain name registered with the Registering Authority which appears to be the trade name of some other person, the Registering Authority has no mechanism to inquire whether the domain name sought to be registered is in prior existence and belongs to another person. The court referring to Rule 4 of the Domain Name Registration Policy observed thus :

"Unless and until a person has a credible explanation as to why did he choose a particular name for registration as a domain name or for that purpose as a trade name which was already in long and prior existence and has established its goodwill and reputation there is no other inference to be drawn than that the said person wanted to trade in the name of the trade name he has picked up for registration or as a domain name because of its being an established name with widespread reputation and goodwill achieved at huge cost and expenses involved in the advertisement."

c) In [Rediff Communication Limited Vs. Cyberbooth and another,](#) the Bombay High Court, while granting an injunction restraining the defendants from using the mark/domain name "RADIFF" or any other similar name, it was held that when two similar domain names are considered there is every possibility of internet user being confused and deceived in believing that both domain names belong to one common source and connection although the two belong to two different persons. Once the intention to deceive is established, the court should not make further enquiry about the likelihood of confusion. If it is found that a man's object in doing that which he did was to deceive, that he had an intention to deceive the Court, will very much infer that his object has been achieved, if the facts tend to show that, that is the case and to say that his intention to deceive ripening into receipt gives ground for an injunction.

d) In [Living Media India Limited Vs. Jitender V. Jain and Another,](#) the plaintiff was a producer of a news program under the name and style AAJ TAK while the defendant's adopted the name KHABAREIN AAJ TAK in respect of newspapers. The mark of the defendants was an exact reproduction of the plaintiff's mark. The court observed that while the words "Aaj" and "Tak" may be individually descriptive and may not be monopolized by any person, but their combination does provide protection as a trade name if it has been in long, prior and continuous user and it gets identified with such persons.

e) In [Satyam Infoway Ltd. Vs. Sifynet Solutions Pvt. Ltd.,](#) where the domain names www.sifynet, www.sifymall.com, www.sifyrealestate.com of the appellant; and www.siffynet.net and www.siffynet.com of the respondent were in question, it was observed by the Supreme Court as under:

"16. The use of the same or similar domain name may lead to a diversion of users which could result from such users mistakenly accessing one domain name instead of another. This may occur in e-commerce with its rapid progress and instant (and theoretically limitless) accessibility to users and potential customers and particularly so in areas of specific overlap. Ordinary consumers/users seeking to locate the functions available under one domain name may be confused if they accidentally arrived at a different but similar web site which offers no such services. Such users could well conclude that the first domain name owner had mis-represented its goods or services through its promotional activities and the first domain owner would thereby lose their custom. It is apparent therefore that a domain name may have all the characteristics of a trademark and could found an action for passing off."

"29. Apart from the close visual similarity between "Sify" and "Siffy", there is phonetic similarity between the two names. The addition of "net" to "Siffy" does not detract from this similarity."

"31. What is also important is that the respondent admittedly adopted the mark after the appellant. The appellant is the prior user and has the right to debar the respondent from eating into the goodwill it may have built up in connection with the name."

f) In [Yahoo!, Inc. Vs. Akash Arora and Another,](#) it was observed as under:

"11. In Marks and Spencer Vs. One-in-a-Million; reported in 1998 FSR 265, it was held that any person who deliberately registers a domain name on account of its similarity to the name, brand name or trademark of an unconnected commercial organisation must expect to find himself on the receiving end of an injunction to restrain the threat of passing off, and the injunction will be in terms which will make the name commercially useless to the dealer. It was held in the said decision that the name "marks and spencer" could not have been chosen for any other reason than that it was associated with the well-known retailing group. The decision further goes on to say that where the value of a name consists solely in its resemblance to the name or trade mark of another enterprise, the Court will normally assume that the public is likely to be deceived, for why else would the defendants choose it? It was also said that someone seeking or coming upon a website called <http://marksandspencer.co.uk> would naturally assume that it was that of the plaintiffs. Thus, it is seen that although the word "services" may not find place in the expression used in Sections 27 and 29 of the Trade and Merchandise Marks Act, services rendered have come to be recognised for an action of passing off. Thus law of passing off is an action under the common law which also is given a statutory recognition in the Trade Mark Act. Thus in the context and light of the aforesaid decisions and the development in the concept of law of passing off, it is too late in the day to submit that passing off action cannot be maintained as against services as it could be maintained for goods.

12. The services of the plaintiff under the trademark/domain name "Yahoo!" have been widely publicized and written about globally. In an Internet service, a particular Internet site could be reached by anyone anywhere in the world who proposes to visit the said Internet site. With the advancement and progress in technology, services rendered in the Internet has also come to be recognised and accepted and are being given protection so as to protect such provider of service from passing off the services rendered by others as that of the Plaintiff. As a matter of fact in a matter where services rendered through the domain name in the Internet, a very alert vigil is necessary and a strict view is to be taken for its easy access and reach by anyone from any corner of the globe. There can be no two opinions that the two marks/domain names "Yahoo!" of the plaintiff and "Yahooindia" of the defendant are almost similar except for use of the suffix "India" in the latter. The degree of the similarity of the marks usually is vitally important and significant in an action for passing off for in such a case there is every possibility and likelihood of confusion and deception being caused. When both the domain names are considered, it is

crystal clear that the two names being almost identical or similar in nature, there is every possibility of an Internet user being confused and deceived in believing that both the domain names belong to one common source and connection, although the two belong to two different concerns."

24. The only argument addressed by the learned counsel for the defendant is that the two marks/domain names are not similar. The defendant has adopted letter NR bonafidely and there is no confusion and deception. The said submissions have no force in view of settled law. Even if the mark/domain is adopted bonafidely, but it is similar to the mark of the other party and creates confusion and deception, the case of passing off is made out. No actual deception is necessary. The Supreme Court in the case of [Laxmikant V. Patel Vs. Chetanbhat Shah and Another,](#) in the relevant para 10 held as under:-

"The law does not permit any one to carry on his business in such a way as would persuade the customers or clients in believing that his goods or services belonging to someone else are his or are associated therewith. It does not matter whether the latter person does so fraudulently or otherwise. The reasons are two. Firstly, honesty and fair play are, and ought to be, the basic policies in the world of business. Secondly, when a person adopts or intends to adopt a name in connection with his business or services which already belongs to someone else it results in confusion and has propensity of diverting the customers and clients of someone else to himself and thereby resulting in injury.

In this case, the Apex Court further observed that:

Where there is probability of confusion in business, an injunction will be granted even though the defendants adopted the name innocently.

25. In a similar situation, this Court in the case of [Info Edge \(India\) Pvt. Ltd. and Another Vs. Shailesh Gupta and Another,](#) where the plaintiff was carrying business under the domain name "Naukri.com" and the defendant had began to use a domain name "Naukri.com", held that if two contesting parties are involved in the same area, then there is a grave and immense possibility for confusion and deception and both the marks were deceptively similar. While granting a temporary injunction in favour of the plaintiff, the Court observed as under:

"27. The defendant has employed minor mis-spelling of the plaintiff's mark, although it has another such mark available to it, which is also a registered domain name. Therefore, the said action indicates and establishes dishonest intention on the part of the defendant. That appears to have been done with bad faith in order to gain advantage of spelling error made by the internet user while attempting to enter into the plaintiff's internet address on their web-browser. The very purpose of having two registered domain names by the defendant only establishes the dishonest intention and bad faith on the part of the defendant. The real intention behind registering the domain names for the same purpose, of which one is

deceptively similar to the domain name of the plaintiff, is to attract or induce the internet user to come to the website of the defendant first by mis-spelling the plaintiff's mark and domain name and, thereafter, taking the said internet user to the domain name of the defendant, which is jobsourceindia.com. The defendant's choice of slightly mis-spelt version of the plaintiff's domain name was deliberate in order to suit the business activities of the defendant and for the purpose of diverting traffic of the internet users to websites unrelated to the plaintiff. The traffic of the internet users to the plaintiff's domain name is sought to be diverted to the domain name and website of the defendant by confusing the internet users as to sponsorship or affiliation with a website that defendant operates for commercial gain. Such intention is deceitful and dishonest, apart from being an action on bad faith."

"29. Both the domain names "Naukri.com" of the plaintiff and "Naukri.Com" of the defendant, depicting the nature and type of business activity they carry on are identical or confusingly similar trade mark or service marks. It is also a possibility for an internet user while searching for the website of the plaintiff to enter into the website of the defendant through only a small mis-spelling of the domain name and, in fact, such incident has occurred in the case of the plaintiff itself vis-à-vis the defendant in proof of which a documents is also placed on record. Such diversion of traffic with the sole intention of ulterior gain in the similar business activity by a competitor, requires protection. A court discharging equitable justice should come in aid and for protection of the honest user as opposed to a dishonest user acting on bad faith.

30. The website using the domain name, similar to that of the plaintiff, for commercial purposes, would lead to an inference that the domain name was chosen intentionally to attract internet users of the plaintiff. This is also established in view of the minor spelling variant to a well-known mark, without any Explanation and the same definitely creates a prima facie inference of bad faith within the meaning of paragraph 4(b) (iv) to the aforesaid Policy, which was adopted by the Internet Corporation for Assigned Names and Numbers (ICANN) , on August 26, 1999."

26. Defendant has referred only to one case i.e. [Plus Inc. Vs. Consim Info Private Limited and Network Solution Inc.,](#) . However, the decision referred by the learned counsel of the defendant does not help as the facts in the present case are materially different. The plaintiff's mark NRB in the present case is highly distinctive; it has acquired residual goodwill and reputation. The plaintiff is the earlier user. It is a registered trademark. Its validity has not been challenged by the defendant by filing of rectification. Hence, mere defences raised by the defendant are moonshine and flimsy which are against the law.

27. Considering the above, the facts of the case and settled law, this Court is of the considered view that the defendant is infringing the legal right of the plaintiff by using a deceptively similar mark as a part of its domain name.

28. Under these circumstances, the plaintiff has made a strong prima facie case for grant of injunction. The balance of convenience also lies in favour of plaintiff and against the defendant. In case the interim orders are not issued, the plaintiff would suffer irreparable loss and injury in view of nature of business of the parties. If the website of the plaintiff is accessed by the customer who may also be confronted with the webpage of the defendant where the deceptively similar domain name appears, the confusion and deception thus is quite large which cannot be avoided.

29. In the light of aforesaid reasons, during the pendency of the suit, the defendant is restrained from using the domain name "nrbearings.com" or any other similar name like NRB or NRB Bearing or these words in any combination. The defendants are also restrained from in any way using the trade name NRB Bearing deceptively or confusingly or in any other similar fashion in any mode whether electronic, print, advertisement, label, any type of affixation.

30. Application being I.A. No. 3412/2010 is disposed of accordingly.