

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

% Order delivered on: September 26, 2014

+ **CS(OS) 2995/2014**

CHRISTIAN LOUBOUTIN SAS Plaintiff
Through Mr.Pravin Anand, Adv. with
Mr.Dhruv Anand and Ms.Udita M.
Patro, Advs.

versus

NAKUL BAJAJ & ORS Defendants
Through None.

**CORAM:
HON'BLE MR. JUSTICE MANMOHAN SINGH**

MANMOHAN SINGH, J. (Oral)

I.A. No. 19126/2014

For the reasons stated in the application, the same is allowed.
The original/certified documents be filed two weeks prior to
admission/denial of the documents.

The application is disposed of.

I.A. No.19127/2014 (u/s 149 r/w 151 CPC)

Court fee has been filed.

The application is disposed of.

CS(OS) 2995/2014

Let the plaint be registered as a suit.

Issue summons to the defendants, on filing of process fee and
registered AD covers within one week, returnable on 17th October,
2014. Dasti in addition.

I.A. No. 19124/2014 (u/O XXXIX R 1 & 2 CPC)

1. Notice for the date fixed.
2. The plaintiff has filed the present suit for infringement of trademarks, publicity rights, passing off, unfair competition, dilution, damages, rendition of accounts & delivery up against the defendants.
3. It has been stated that the plaintiff, a French company which derives its name from Mr. Christian Louboutin, the famous designer, is known for its high end luxury products. The plaintiff is well-known for its women's shoes with its distinctive "Red soles" and has also branched out into handbags and men's' shoes. The details of plaintiff's success, repute and well-known character in association with its products have been mentioned in paragraphs 2 to 12 and 16 of the plaint.
4. It has been stated that the plaintiff has a presence over 60 countries including India. The distribution of the Plaintiff's products is through a limited authorized distribution network including department stores and more than 90 boutiques around the world. All of these are through all high end fashion boutiques like SAKS, SELFRIDGES, HARRODS, etc.
5. With regard to the presence of the plaintiff in India, it has been stated that plaintiff has various registered trademarks in India as enumerated in paragraph 11 of the plaint. More specifically, for the purpose of the present case it has been stated that the plaintiff has trademark registration No. 16644051 in Classes 18 and 25 for the word mark CHRISTIAN LOUBOUTIN.
6. Additionally, the plaintiff's "Red sole" trademark has registrations in many countries around the world. The trademark application for

this mark, being application No. 1922048 in India was published in Journal No. 1566-0 on 10th December, 2012 and the opposition period against the same stands expired.

7. It has been stated that the plaintiff came to know about the defendants in about August, 2014 through one of its customers in India who had received an invitation for an event, Bridal Asia, 2014 being organized at Townhall, Khan Market, New Delhi on 21st August, 2014, where the defendants exhibited/previewed various luxury brands including the plaintiff's brand.

8. Defendant No.1 and defendant No. 2 are stated to be the owners/proprietors of defendant No. 3, an entity involved in the business of offering products of luxury brands, including the products of the plaintiff for sale through its website www.darveys.com. The plaintiff confirmed the infringing activities of the defendants by visiting their website www.darveys.com.

9. It is the case of the plaintiff that the defendants on September 27 – 29 would be exhibiting plaintiff's products at the Bridal Asia 2014 event at the Ashok Hotel, New Delhi.

10. According to the plaintiff, the defendants are involved in the following unlawful activities:

- (i) Defendants' goods are deemed to be counterfeit as they are being sold without the due permission, authorization and quality control of the plaintiff, on the internet. Even in case the defendants are selling grey market goods, the normal rule applicable in respect of grey market goods does not extend to the internet. The potentiality of harm on the internet is much higher as compared to the physical world, due to anonymity

and ubiquity of the internet, where it is impossible for a proprietor of a trademark to verify the authenticity or exercise quality control over products bearing the proprietor's trademarks. It is almost impossible to enforce any damages awarded against such wrong doers as it is very easy for such operators to hide behind the veil of anonymity which the internet provides. The plaintiff has relied upon the following cases in support of its contention:

(a) In the case of **Yahoo! Inc. v Akash Arora & Ors.** 78 (1999) DLT 285, it was observed as under:

“12. ...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.”

(b) In the case of **Brookfield Communications Inc. v West Coast Entertainment Corporation** 174 F.3d 1036, it was observed as under:

“In the Internet context, in particular, entering a web site takes little effort--usually one click from a linked site or a search engine's list; thus, Web surfers are more likely to be confused as to the ownership of a

web site than traditional patrons of a brick-and-mortar store would be of a store's ownership.”

It is the case of the plaintiff that in the present case since the goods in question are LUXURY GOODS which have an aura of luxury and prestige surrounding them differentiating them from other goods, even very small changes in storage, packaging, labeling, after sale services, ware-housing, etc, can affect the quality of the goods and consumer's belief in them. The plaintiff has relied upon the following case in support of its contention:

Copad SA v Christian Dior Coutour SA (ECJ), wherein it was observed as under:

“22. ...For the trade mark to be able to fulfil its essential role in the system of undistorted competition which the Treaty seeks to establish and maintain, it must offer a guarantee that all the goods or services bearing it have been manufactured or supplied under the control of a single undertaking which is responsible for their quality. ...

24. ...the quality of luxury goods such as the ones at issue in the main proceedings is not just the result of their material characteristics, but also of the allure and prestigious image which bestows on them an aura of luxury ..

25. Since luxury goods are high-class goods, the aura of luxury emanating from them is essential in that it enables consumers to distinguish them from similar goods.

26 Therefore, an impairment to that aura of luxury is likely to affect the actual quality of those goods.”

- (ii) The case for trademark Infringement/Passing-off/Dilution against the defendants is that the website of the defendants prominently feature the following:
- (a) CHRISTIAN LOUBOUTIN trademark in a large font size.
 - (b) Write-up of CHRISTIAN LOUBOUTIN.
 - (c) Red-Sole trademark with CHRISTIAN LOUBOUTIN trademark.
 - (d) Red-Sole trademark without CHRISTIAN LOUBOUTIN trademark.
 - (e) CHRISTIAN LOUBOUTIN trademark being used with a tool-tip feature.
 - (f) Meta-tags featuring the trademarks of the plaintiff in particular the following meta-tag “Christian Louboutin Online Fashion Retail Store in India”.

The plaintiff has relied upon the following cases in support of its contention :

- In the case of ***People Interactive (I) Pvt. Ltd. v. Gaurav Jerry & Ors.***, Bombay High Court, Order dated July 7 2014, it was observed as under:

“12. Meta-tags are routinely used by the search engines and search engine robots to assess webpage contents and other relevant material relating to a webpage in the building of search engine indices. This is where an illicit use of meta tags can be severely damaging. For, if in the meta tags of one website a person uses the domain name or other unique identifying marks,

characters or name of another, a search engine, being robotized, is bound to confuse the two, and to report that the first and the second are the same. A search for the latter (the original, the victim) is very likely to yield results for the former, the one that has pirated the identifying marks or name. Now if any individual was to run up a web site and use this Court's "keywords" or "description" meta tag contents, a search engine robot would identify that illicit website as being the "official website of the Bombay High Court.

"13. ...There could be no better evidence of passing off, confusion and deception. This is, plainly, hijacking the Plaintiffs' reputation and goodwill and riding piggyback on the Plaintiffs' valuable intellectual property."

- In the case of ***Kapil Wadhwa & Ors. v Samsung Electronics Co. Ltd. & Anr.*** Division Bench of this Court vide order dated October 3, 2012, observed as under:

"As regards the appellants meta-tagging their websites with those of the respondents, the learned Single Judge has correctly injuncted the appellants from so doing, which injunction we affirm. The argument by the appellants that how else would the appellants know about the working of the particular product hardly impresses us for the reason the appellants can design their website in a manner where they are able, on their own strength, without any meta-tagging, to display the relevant information."

- (g) Photograph of Mr. Christian Louboutin thereby causing Infringement of Publicity Rights. The plaintiff has relied upon the following cases in support of its contention :

- In the case of ***Haelan Labs. V Topp Chewing Gum.*** (202 F.2d. 866) it was observed as under :

“10. ... a man has a right in the publicity value of his photograph, i.e., the right to grant the exclusive privilege of publishing his picture, ...

11. This right might be called a 'right of publicity.' For it is common knowledge that many prominent persons (especially actors and ball-players), far from having their feelings bruised through public exposure of their likenesses, would feel sorely deprived if they no longer received money for authorizing advertisements, popularizing their countenances, displayed in newspapers, magazines, busses, trains and subways. This right of publicity would usually yield them no money unless it could be made the subject of an exclusive grant which barred any other advertiser from using their pictures.”

- In the case of ***Titan Industries Ltd. v Ramkumar Jewellers,*** 2012 (50) PTC 486 (Del.) it was observed as under:

“When the identity of a famous personality is used in advertising without their permission, the complaint is not that no one should not commercialize their identity but that the right to control when, where and how their identity is used should vest with the famous personality. The right to control commercial use of human identity is the right to publicity.”

- (h) Photographs of Plaintiff's products along with the characteristic model names of the Plaintiff's products such

as Sweet Charity and Mina Spikes clutch.

(iii) In case defendants are selling grey market goods, the exception in Section 30 (3) of the Trademarks Act, 1999, do not apply to the facts of the present case due to the following reasons:

a. Unlawful acquisition:

- The Defendant No. 1 during the Bridal Asia event held in August misrepresented to the representative of the plaintiff that they have a formal arrangement with plaintiff outside India.
- The website of the defendant alludes to tie-ups with boutiques of various luxury brands from where they source their goods
- The plaintiff has NOT entered into any such arrangement/agreement/tie-up.
- The plaintiff has relied upon the case of Philip Morris Products SA & Anr. v Sameer & Ors. 2014 (58) PTC 317 (Del.) in support of its contention.

b. Lack of Disclaimer: In this case there is no disclaimer or statement being used by the defendants to the effect that the goods as sold by them are imported by them, and sold by offering after-sale services and warranties which are not under their authority or control of the plaintiff.

c. Presence of Legitimate Reasons:

- Differences in advertising and promotional efforts.
- Disparities in warranties and after sales services.

- Misrepresenting a commercial connection or affiliation or economic link. In this regard, reliance is placed on the case of ***Himalaya Drug Co. & Ors.v Surjit Singh Sial & Anr.***, order dated 13th July, 20122 in CS (OS) No. 1371 of 2009 wherein this Court observed as under:

“11. ...By passing itself off as an authorized dealer of the plaintiffs, the defendants are also putting plaintiffs in grave danger of being held liable by consumers for HIMALAYA products which are sold without the knowledge of the plaintiffs and the condition of which could have been altered or tampered by defendant No.1 and not maintained in a proper condition as authorized retails are obligated to.”

11. Learned counsel for the plaintiff has referred to various paras of the plaint as well as documents placed on record. It appears to the Court that the plaintiff has been able to make out a strong prima facie case for grant of ex-parte ad-interim order. In case injunction is not granted, the plaintiff will suffer irreparable loss and injury. The balance of convenience lies in favour of the plaintiff and against the defendants. Thus, the plaintiff is entitled for ex-parte ad-interim injunction. Till the next date of hearing, the defendants, their partners, officers, servants, agents, distributors, stockists and representatives are restrained from selling, offering for sale, advertising, or directly or indirectly dealing in footwear and leather goods including shoes, handbags, purses, footwear or any other goods bearing the registered trademarks of the plaintiff or any similar trademark amounting to an infringement of registered trademarks of

the plaintiff, in particular trademark registration No.1644051 for word mark CHRISTIAN LOUBOUTIN through their e-commerce website www.darveys.com and/or any of their outlets and/or during any events or exhibitions or in any manner whatsoever or any similar trademark amounting to an infringement of plaintiffs' registered trademarks, dilution as also passing off.

Compliance of Order XXXIX Rule 3 CPC be made within four days. Dasti.

I.A. No. 19125/2014 (u/O XXVI R 9 CPC)

The above mentioned application has been filed under Order XXVI Rule 9 CPC for appointment of Local Commissioner.

Learned counsel for the plaintiff does not press this application. The same is disposed of as such.

A copy of this order be given *dasti* to the learned counsel for the plaintiff under the signatures of the Private Secretary.

**(MANMOHAN SINGH)
JUDGE**

SEPTEMBER 26, 2014