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Contests2win.Com India Private Limited Vs. Cell Cast Interactive India Private Limited

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Court : Mumbai

Decided On : Apr-18-2007

Reported in : 2007(4)ALLMR26; 2007(5)BomCR789; (2007)109BOMLR747; LC2007(2)173; 2007(35)PTC727(Bom)

Judge : A.M. Khanwilkar, J.

Acts : [Trade Marks Act, 1999](#); Code of Civil Procedure (CPC) - Order 40, Rule 1

Appeal No. : Notice of Motion No. 2041 of 2006 in Suit No. 1818 of 2006

Appellant : Contests2win.Com India Private Limited

Respondent : Cell Cast Interactive India Private Limited

Advocate for Def. : Milind Vasudeo and ;Darshan Mehta, Advs., i/b., Dhruve Liladhar & Co.

Advocate for Pet/Ap. : Virag Tulzapurkar and ;Rahul Chitnis, Advs., i/b., Kanga & Co.

Disposition : Petition dismissed

Judgement :

ORDER

A.M. Khanwilkar, J.

1. This order will dispose of the prayer for ad-interim reliefs pressed on behalf of the plaintiff in the present Notice of Motion.

2. The plaintiff has filed the suit in this Court on 26.6.2006. Simultaneously, the plaintiff took out the above said Notice of Motion for the following reliefs:

(a) that pending hearing and final disposal of the suit, the Defendant, its Directors, partners, agents and servants be restrained by a temporary order and injunction of this Honble Court from in any manner using the mark 'bid2win' or any mark containing the words 2win as a suffix or prefix as part of the Defendants contest and/or any other deceptive mark so as to pass off the Defendants contest as being the contest of the Plaintiff and/or associated with and/or authorized by and/or in any manner licensed and/or franchised by the Plaintiff or so as to pass off the Defendants business as that of the Plaintiff;

b) that pending the hearing and final disposal of the suit, the Court Receiver, High Court, Bombay or some other fit and proper person be appointed Receiver of all the Defendants books, invoices, literature, materials, advertisements, logos, etc. bearing and/or containing the mark bid2win, with all powers under Order XL Rule 1 of the Code of Civil Procedure, including the powers to take possession thereof from the Defendant, its directors, partners, servants, agents and associate concerns/firms and to hand over the same to the Plaintiff and the Court Receiver, High Court, Bombay to proceed forthwith for taking possession even after sunset and before sunrise, on holidays, from whomsoever found in possession, from any place, any where, including transit, with the help of Police, by breaking open locks of the premises belonging to Defendant or any premises belonging to any third party;

(c) ad-interim reliefs in terms of prayers (a) and (b) above be granted;

(d) for costs of this Notice of Motion; and

(e) for such further and other reliefs as the nature and circumstances of the case may require.

3. No ad-interim order has been passed on this Notice of Motion since June 2006 when it was filed in this Court. The counsel for the plaintiff submits that since the Notice of Motion was ordered to be listed for final hearing at short date on 29.8.2006, there was no need to press for ad-interim relief. According to the plaintiff, as the Notice of Motion cannot be heard for final hearing in spite of directing expeditious hearing thereof and in all probability, it may take a couple of months or perhaps more than a year to mature for final hearing having regard to the present assignment, it has become necessary for the plaintiff to ask for ad-interim relief. Ordinarily, Notices of Motion for final hearing pertaining to the year 2006 are assigned to another Bench. The assignment with my Court is only to consider the prayer for ad-interim reliefs in those Motions. Accordingly, I proceed to consider the prayer for ad-interim relief as pressed on behalf of the plaintiff.

4. The plaintiff has filed the suit for a perpetual injunction against the defendant complaining of action of passing off. The plaintiff has asked for the following reliefs in the plaint so filed:

(a) That the Defendant, its Directors, partners, agents and servants be restrained by a perpetual order and injunction of this Honble Court from in any manner using the mark bid2win or any mark containing 2win as a suffix or prefix as part of the Defendants contest mark or any other deceptively similar mark so as to pass off the Defendants contest as being the contest of the Plaintiff and/or associated with and/or authorized by and/or in any manner licensed and/or franchised by the Plaintiff or passing off the Defendants business as and for the business of the Plaintiff;

b) That the Defendant be ordered and decreed to unconditionally change the name of the Defendants contest that is presently named as bid2win and for that purpose to do, execute and perform all acts, deeds, matters and things as may be found necessary;

c) That the Defendant be ordered and decreed to pay to the Plaintiffs damages quantified at Rs. 25,00,000 as per particulars of claim being Exhibit G hereto, or in the alternative, the Defendant be ordered to render a true and faithful account of all revenue earned by the Defendant using the impugned mark bid2win as part of

the Defendants contest and the Defendant be ordered and decreed to pay to the Plaintiff such amounts as may be found due and payable on such accounts being taken with interest thereon at the rate of 21% per annum from the date of filing of the suit till payment and/or realization;

d) That the Defendants be ordered and decreed to deliver up to the Plaintiff for destruction, all the Defendants books, invoices, literature, materials, advertisements, logos, etc. bearing and/or containing the mark bid2win;

e) That pending hearing and final disposal of the suit, the Defendant, its Directors, partners, agents and servants be restrained by a temporary order and injunction of this Honble Court from in any manner using the mark bid2win or any mark containing the words 2win as a suffix or prefix as part of the Defendants contest and/or any other deceptive mark so as to pass off the Defendants contest as being the contest of the Plaintiff and/or associated with and/or authorized by and/or in any manner licensed and/or franchised by the Plaintiff or so as to pass off the Defendants business as that of the Plaintiff;

f) That pending the hearing and final disposal of the suit, the Court Receiver, High Court, Bombay or some other fit and proper person be appointed Receiver of all the Defendants books, invoices, literature, materials, advertisements, logos, etc. bearing and/or containing the mark bid2win, with all powers under Order XL Rule 1 of the Code of Civil Procedure, including the powers to take possession thereof from the Defendant, its directors, partners, servants, agents and associate concerns/firms and to hand over the same to the Plaintiff and the Court Receiver, High Court, Bombay to proceed forthwith for taking possession even after sunset and before sunrise, on holidays, from whomsoever found in possession, from any place, any where, including transit, with the help of Police, by breaking open locks of the premises belonging to Defendant or any premises belonging to any third party;

g) for interim and ad-interim reliefs in terms of prayers (e) and (f) above;

h) for costs of this suit;

i) for such further and other relief as the nature and circumstances of the case may require.

5. According to the plaintiff, it is carrying on business, amongst others, of creating, marketing, promoting various games and contests which are made available to the public over the internet, via mobile telephones, newspapers and magazines, landline telephones, in airplanes, in coffee houses, colleges and through ground events. The plaintiff claims that it owns and operates a website named 'www.contest2win.com' for the past seven years. It is asserted that the defendant company is also engaged in business, amongst others, of providing interactive mobile content and participation television applications in the multi-platform digital entertainment sector. It is stated that the defendant has committed an act of passing off by using the words 'Bid2Win' as part of a contest launched by it and for other ancillary and incidental reliefs. The plaintiff asserts that sometime in 1998, the plaintiff has created the mark 'contest2win' for being used in the business proposed to be carried on through a company in respect of games to be played on the internet. It is the case of the plaintiff that the writing '2win' is a stylized form of writing and used as a suffix for games and contests created by it and the same also forms a part of their corporate name. In that, the mark 'contest2win' and/or '2win' suffix forms a distinctive and memorable part of the website address of the plaintiff. It is asserted that the word '2win' is closely associated with the plaintiff and its contests. The plaintiff has adverted to the advertising/promotional expenditure incurred by it from 1999 to 2006 for promoting its games and domain name. According to the plaintiff, the total registered users on the plaintiffs website 'www.contests2win.com' is 10,92,596 and the average unique users on the website per month is approx. 70,000. The plaintiff has then referred to several applications for registration of the trade mark '2win' under the [Trade Marks Act, 1999](#) already made by the plaintiff about the user claimed from 1.6.1999. It is the plaintiffs case that the defendant has launched a contest named 'Bid2Win' in India using the '2win' suffix for its contest and that the defendant was actively advertising the same over various television channels telecast in India, including Sahara, Zee Punjabi, Sony, etc. Having noticed this act of passing off committed by the defendant, the plaintiff sent a legal notice on 18.5.2006 calling upon the defendant to refrain from using '2win' suffix for any of its contests.

Indeed, the defendant sent a reply to the said legal notice on 1.6.2006 disputing the claim of the plaintiff that the word '2win' was invented by the plaintiff or was an exclusive one associated with the goods or business of the plaintiff or its corporate name. The defendant would, however, assert that the word '2win' is a generic word. It is a highly descriptive word in relation to games and contests. It is the case of the defendant that the plaintiff cannot claim to be the proprietor of the word '2win' and that the word is in public domain and common. As the defendant ignored the plaintiffs legal notice, as was evident from the reply sent by it, the plaintiff has approached this Court for the reliefs in the plaint already reproduced earlier.

6. The defendant, after being served with the Notice of Motion, has filed reply to the Notice of Motion opposing grant of any interim relief. In the said reply, the defendant asserts that the defendant is the global provider of participation T.V. applications and programming, having its business spread over Europe and the Middle East. The defendant is a global leader in providing interactive mobile content and participation television applications in the fast growing multi-platform digital entertainment sector. It is further stated that in or about March 2005, the defendant launched 'Bid2Win' its new life interactive reverse auction T.V. show, broadcast every evening in U.K. on the Game Network (Sky Channel 172). It is the case of the defendant that 'Bid2Win' is a highly successful format pioneered by the defendant which has gained popularity on the internet as well. It is stated that the defendant has developed the concept as a live SMS-driven interactive T.V. show with Star T.V. in India in the last autumn which has received over 6.7 million bids, becoming the world-wide largest interactive reverse auction. It is stated that in December 2004, a similar format was launched and became very popular across the Middle East and North Africa. It is asserted that the defendants proprietary programming content captures new telephony-based pay-to-participate revenue streams that are independent of subscription income and advertising. That the defendants applications and programming are widely distributed on major channels and platforms world-wide, including Sky T.V. in U.K. Canal+, France and 3 in France, Future T.V. in the Middle East, Star T.V. in India, and across China and South-East Asia on Asia Sat 3S. It is also stated that the defendants applications with the patent office are pending since November 2005 in the United

Kingdom. It is asserted on behalf of the defendant that some of the programmes and the channels on which they are aired, which were broadcast by the defendant in different countries as far-flung and widespread as the Middle East, Ukraine, Brazil, Argentina, Ecuador, China, India, United Kingdom are:

TEXT2DATE (dating broadcast on Get Lucky TV) Grab A Grand (game show on Get Lucky TV) Lucky 6 (gaming on Get Lucky TV) Psychic Interactive (entertainment on Game Network) Superstars (voting on Future Televisions Pop idol in the Middle East) Bid2Win (Reverse auction based on leading TV channels in UK, India and China).

It is then asserted that the defendant is a global leader in its field and very well-known and highly reputed company. According to the defendant, it began its business in the stated field from 2002 and has continued to grow and innovate over the years. The defendant asserts that it decided to enter the lucrative Indian market in November 2004, for specific project followed by establishing 100% subsidiary in October 2005 in India. It is stated that the defendant launched its programme 'Bid2Win' in India on 7.5.2006 for which the defendant has spent Rs. 2.5 crores in advertising and other related marketing expenses. Besides denying the case of the plaintiff and asserting that the plaintiff cannot claim proprietary or exclusive rights in respect of the word '2win', the defendant has placed on record material to show cause that the plaintiff has not approached this Court with clean hands. Inasmuch as the plaintiff, though asserts in the plaint about the date of user of the word as 1.6.1999, however, has intentionally not submitted the other relevant dates of procurement of registration applications and the actual date of submission of such applications. Those dates have been disclosed in the reply affidavit and substantiated by placing the relevant documents on record. According to the defendant, on the basis of the said material, it was obvious that the plaintiff had procured the trade mark registration applications under Clauses 28 and 38 only on 1.5.2006; and has filed the same on 19.5.2006, after the defendant had launched its programme 'Bid2Win' in India on 7.5.2006. It necessarily follows, contends the defendant, that the submission of registration applications by the plaintiff was not bona fide, but only with the intention to frustrate the defendants attempt to set up competitive business in India by launching the defendants

programme 'Bid2Win'. The defendant has categorically denied that the mark 'contest2win' has acquired a secondary significance or has come to denote and connote the plaintiff and the plaintiff alone, whereas the term '2win' is a generic term and of common use. The defendant has placed reliance on a compilation of documents to substantiate the position that the word '2win' has been commonly used world-wide. Indeed, in paragraph 15 of the reply, the defendant has virtually accepted that the word/suffix '2win' is a stylized way of writing 'to win'.

7. The counsel for the parties have relied on several decisions to buttress their respective arguments. Reference is made to the decisions in *Corn Products Refining Co. v. Shangrila Food Products Ltd.* : [1960]1SCR968 , *Ruston & Hornby Ltd. v. Z. Engineering Co.* : [1970]2SCR222 , *Satyam Infoway Ltd. v. Sifynet Solutions (P) Ltd.* : 2004(28)PTC566(SC) , *Kirloskar Diesel Recon Pvt. Ltd. v. Kirloskar Proprietary Ltd.* : AIR1996 Bom149 , *Aktiebolaget Volvo v. Volvo Steels Limited* 1998 PTC (18), *Rediff Communication Limited v. Cyber booth and Anr.* : 1999(4)BomCR278 , *Kala Niketan v. Kala Niketan* : AIR1983 Delhi161 , *Automatic Electric Ltd. v. R.K. Dhawan* : 77(1999)DLT292 , *Horlicks Malted Milk Company v. Summerskill Reports of Patent, Design and Trade Mark Cases (Vol. XXXIV)* 63 and *Reckitt & Colman Products Ltd. v. Borden Inc and Ors.* (1990) RPC 341.

8. After having considered the rival submissions and going through the pleadings on record as well as the reported decisions relied upon by the parties, I have no hesitation in taking the view that no ad-interim relief can be granted to the plaintiff in the fact situation of the present case.

9. Before proceeding further, I may observe that although several decisions have been pressed into service, the summation of the legal position on the law of passing off can be discerned from the ratio of the decision in *Reckitt & Colman Products Limited's case* (supra). The House of Lords have discerned the legal position as follows:

(1) The law of passing off could be summarised in one short, general proposition: no man may pass off his goods as those of another. More specifically, it could be expressed in terms of the three elements, each a question of fact, which a plaintiff had to prove in order to succeed. These were (a) that there was a goodwill or

reputation attached to the goods or services which he supplied in the mind of the purchasing public by association with their identifying get-up, (b) that there was a misrepresentation to the public likely to lead the public to believe the goods or services offered by him were the goods or services of the plaintiff, and (c) that he was suffering or was likely to suffer damage by reason of the erroneous belief engendered by the defendants misrepresentation. It was irrelevant whether or not the public was aware of the plaintiffs identity as the manufacturer or supplier of the goods in question, as long as they were identified with a particular source (p. 406).

10. The recent decision of the apex Court in Satyam Infoway Ltd.s case (supra) re-states the legal position on the law of passing off. For the present, instead of referring to individual decisions pointed out by the counsel for the parties as the legal position has been summed up by the apex Court in Satyam Infoway Ltd.s case (supra), I shall straightaway refer to the exposition in the said decision.

11. In paragraph 12, the apex Court has observed that the internet has developed from a mere means of communication to a mode of carrying on commercial activity. With the increase of commercial activity on the internet, a domain name is also used as a business identifier. The advantage of the domain name has been discussed in the said paragraph. In paragraph 13, the Court went on to state that the passing off action is normally available to the owner of a distinctive trade mark and the person who, if the word or name is an invented one, invents and uses it. If two trade rivals claim to have individually invented the same mark, then the trader who is able to establish prior user will succeed. In paragraph 14, the Court has adverted to the second element that is required to be established by the plaintiff in a passing off action which is misrepresentation by the defendant to the public. It has observed that what is to be established is the likelihood of confusion in the minds of the public (the word 'public' being understood to mean actual or potential customers or users) that the goods or services offered by the defendant are the goods or the services of the plaintiff. It is then observed that in assessing the likelihood of such confusion, the Courts must allow for the 'imperfect recollection of a person of ordinary memory'. In paragraph 15, the Court has adverted to the third element of a passing off action which is, loss or the likelihood of it. In paragraph 16, the Court has considered that 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. Such users could well conclude that the first domain name owner had misrepresented its goods or services through its promotional activities and the first domain owner would thereby lose its custom. It is apparent that a domain name may have all the characteristics of a trade mark and could found an action for passing off. In paragraph 18, the Court has observed that there is a distinction between a trade mark and a domain name which is not relevant to the nature of the right of an owner in connection with the domain name, but is material to the scope of the protection available to the right. It has noted that a trade mark is protected by the laws of a country where such trade mark may be registered. As a result, a trade mark may have multiple registration in many countries throughout the world. On the other hand, since the internet allows for access without any geographical limitation, a domain name is potentially accessible irrespective of the geographical location of the consumers. As a result, a domain name would require world-wide exclusivity but also that national laws might be inadequate to effectively protect a domain name. In paragraph 23, the Court then observed that a prior registrant can protect its domain name against subsequent registrants. It is further noted that confusing similarity in domain names may be a ground for complaint and similarity is to be decided on the possibility of deception amongst potential customers. In paragraph 32, the Court adverted to the arguments similar to the one raised on behalf of the defendant about the user of the word/suffix '2win' world over. In paragraph 33, the Court has rejected the argument of unlikely confusion being caused because both the parties operate in different fields. In paragraph 34, the Court proceeded to examine the issue of balance of convenience and comparative hardship in the fact situation of that case. In the penultimate paragraph 35, the apex Court overruled the view taken by the High Court that no prejudice would be caused to the appellant before it because it had another domain name. At the same time, the Court has observed that it would have been a different matter if the case of the opposite party of bona fide concurrent use and where the right to use was coequal.

12. Applying the above principles to the fact situation of the present case, I am inclined to hold that there can be no dispute that the writing of the word '2win' is a stylized form of expressing the word 'to win'. In fact, this position has been

accepted by the defendant. The question is: whether the said word/suffix '2win' is a distinctive trade mark or domain name and the plaintiff enjoys exclusivity thereon. The plaintiff asserts that its corporate name itself is 'contest2win'. It has conducted number of programmes in that name since 1999. That the word 'contest2win' is its domain name. The same has acquired secondary significance. However, we are concerned with the word/suffix '2win'. At this stage, prima facie, having regard to the material placed before me by the defendant, it is not possible to take the view that the word '2win' has been invented by the plaintiff as is claimed or is exclusive to the plaintiff. From the compilation of documents placed on record by the defendant, it is seen that the user of the word '2win' is common and in use world over. Relying on the decision of the Delhi High Court in the case of Automatic Electric Ltd. (supra) coupled with the fact that the plaintiff has already applied for registration of mark, viz., '2win', it was argued that only a person having proprietary right can apply for registration. There can be no dispute with the proposition that only a person having proprietary right can apply for registration. However, in fact, whether such person has a proprietary right as claimed will be adjudicated in those proceedings. Merely because the plaintiff has applied for registration of word '2win', that by itself does not lead to conclusion that the plaintiff has proprietary right in that word.

13. The next question is: whether the defendant was using the said word '2win' bona fide. Prima facie, there is no material to doubt the intentions of the defendant. Whereas, the defendant is a renowned company doing the stated business at the global level since long. The defendant has equally spent a substantial amount of about Rs. 2.5 crores for promotion of its business in India with the nomenclature 'Bid2Win'. Besides, the product offered by the defendant is different than the product of the plaintiff. The product of the defendant is reverse auction bid. I am conscious of the observations of the apex Court in Satyam Infoway Ltd.s case, particularly paragraph 33 that the argument of operating in different field will be of no avail. At the same time, at this stage of the proceedings, in the present case, it is not possible to take a view that the user of the word '2win' by the defendant is not bona fide and the use of that word is common world-wide and that the word '2win' is not a distinctive trade mark or domain name exclusively of the plaintiff.

14. The argument of the plaintiff that it is the first user of the word '2win' in India for which reason is entitled to claim exclusivity, also does not commend to me. Insofar as user of domain name on internet is concerned, geographical boundaries are of no relevance. Indeed, the Apex Court in Satyam Infoway Ltd.s case in paragraph 31 has dealt with similar plea and held that the prior user will succeed. However, for the reasons already mentioned in the earlier part of this order, merely because the plaintiff has been using the trade mark in earlier point of time 'in India' cannot be the sole basis to grant ad-interim relief as is prayed.

15. On the other hand, prima facie, I find substance in the assertion of the defendant that the plaintiff intentionally did not disclose the relevant dates on which the registration applications were procured and submitted by it in relation to its products covered by items specified at sr. Nos. 28 and 38. The said registration applications have been submitted only after the defendant had launched its programme 'Bid2Win' in India on 7.5.2006. Moreover, in the present case, as I have already taken the view that the word '2win' cannot be said to be a distinctive trade mark or domain name of the plaintiff coupled with the fact that the defendant is using the said word bona fide and that it is in common use world-wide, the question of granting any ad-interim relief does not arise.

16. Accordingly, the prayer for grant of ad-interim relief will have to be rejected and is, accordingly, rejected.

17. Notice of Motion be placed for final hearing as per its turn under appropriate caption.

18. It will be open to the parties to file further affidavits for consideration of grant of interim relief during the pendency of the suit at the hearing of the Motion. Needless to mention that the Motion will be considered on its own merits, uninfluenced by any observation in this order.