

IN THE HIGH COURT OF SINDH, KARACHI

Suit No.795 of 2020

Plaintiff : Mehnaz Mirza Malik, through
Mr. Omar Memon, Advocates.

Defendants : Bilal Embroidery, Kashif Sajjad & Asif Sajjad,
No.1 to 3 through Mr. Maaz Waheed, Advocate

Dates of hearing : 15.10.2020, 04.11.2020 and 12.11.2020.
Date of order : 14.12.2020

ORDER

ZAFAR AHMED RAJPUT, J:- By this common order, I intend to dispose of *C.M.As. No. 5628 and 9830 of 2020*. Former C.M.A. has been filed on behalf of the plaintiff, under Order XXXIX, rules 1 & 2 read with Section 151, C.P.C., seeking interim injunctive relief restraining the defendant from using the (i) brand name, copy right and trademark ‘*Baroque*’ on any of its products or for marketing its products and carrying on business under the name of ‘*Baroque*’; (ii) from opening any shop and retail showroom under the name of ‘*Baroque*’ for showcasing, retailing and selling their clothes, garments or any other products; and (iii) using the web domain *www.baroque.pk* or any other similar domain involving the word ‘*Baroque*’, while latter C.M.A. has been filed on behalf of defendant No. 2 under Order XXXIX, rule 4 read with Section 94 and 151, C.P.C. seeking setting aside ad-interim order dated 15.07.2020, whereby the defendants were restrained from using brand name of the plaintiff.

2. The plaintiff has filed instant suit for declaration, injunction, passing off, trademark infringement and damages against the defendants, claiming that she is a home décor and furniture designer, having her showrooms in Karachi, Dubai and Toronto and she has also exclusive alliances with some of the foreign design firms, such as Phillip Jeffries USA, Kravet Canada, Ji Fabrics, Thibaut Inc. USA, Eikon and others. It has been alleged that the plaintiff started her interior and furniture design career in the year 1998 under the brand name Baroque and then launched Baroque's first showroom in Karachi in the year 2007 and now Baroque's business

over the years has expanded and its products and designs are regularly featured in top local and international furniture and fashion related magazines, websites, blogs and other publications. It has further been alleged that in order to secure the brand and the interests associated with it, the plaintiff registered its brand “Baroque” with the trademark registry at Karachi in classes 20, 24 to 27, 35, 37 and 42, which is now a duly registered trademark since February 2016, besides, “Baroque” has also been registered as a copyright since January, 2017 under the category of “*Artistic Work (Label Design)*” with the Intellectual Property Organization of Pakistan, Copyright Office, Karachi bearing registration No. 35172-Copr. It has also been alleged that even prior to the registration of the Baroque trademark and copyright, the plaintiff’s rights in the use of mark Baroque were protected under the law of passing off in view of the use of the mark by her since the year 2001; as such, the plaintiff has established a successful business over the year and has now developed and enjoys reputation with the brand name Baroque. It is case of the plaintiff that the defendant No.2 visited the Karachi showroom in early February, 2020 and informed the plaintiff that he was engaged in the business of women fashion clothing and was operating his business under the same name of Baroque and thereafter, it was revealed that the defendants have started their business over the last year and the business model is mainly based for online sales through its website “baroque.pk.” and the defendants design and manufacture their clothing in Karachi and Lahore, who in addition to the illegal use of Baroque on their clothing products etc., are offering their products for sale through their website “www.baroque.pk” which is also deceptively similar to plaintiff's web address i.e. www.baroqueinc.ca.

3. Learend Counsel for the plaintiff has contended that the use of plaintiff’s registered trademark ‘Baroque’ by the defendants is illegal and fraudulent as they knowingly are deceiving the public at large into believing that their products are the products of the plaintiff and this deception on their part is creating a false impression in the minds of the public with regards to the plaintiff’s brand and

goodwill associated with Baroque, which has established its reputation as a high end brand providing exceptional quality of goods and services to a very satisfied global clientele; as such, the use of Baroque by the defendants for fashion brand shall reflect poorly on the brand image associated with the brand name and the trade mark of the plaintiff; that the plaintiff served a legal notice on the defendants on 18.06.2020; however, no heed was paid by them even after the passing of almost three weeks, constraining the plaintiff to file the instant proceedings; that it is apparent that the defendants are using the name Baroque with a dishonest intent of misrepresentation, impersonating the plaintiff and using the same without her express knowledge, permission or authorization; that the defendants are manufacturing and selling goods falling in a class in which plaintiff's mark is registered and the goods of the plaintiff are also of similar nature and it is of fundamental importance to highlight that the products of the plaintiff and the defendants are similar in nature and sold to similar consumer; that the use of Baroque for its website and on its products by the defendants is against honest business, industrial and commercial practices and in violation of sections 39 and 40 of the Trade Mark Ordinance, 2001 ("**the Ordinance**") and appears to be a direct threat amounting to passing on and infringement of plaintiff's trademark and copyrights; that the plaintiff has good prima facie case for the grant of interim relief and balance of convenience also lies in her favour and unless immediately restrained, she apprehends that the defendants will continue to cause irreparable harm and damage to her business and reputation by expanding their business into other related market segments as well, and hence, interim restraining relief has been sought by the plaintiff in terms of C.M.A. under reference. In support of his contentions, learned counsel has relied upon the case of (i) *Seven-up Company v. Kohinoor Thread Ball Factory and 3 others* (PLD 1990 S.C 313), (ii) *Messrs. Alpha Sewing Machine Company v. Registrar of Trade Marks and another* (PLD 1990 S.C 1074), (iii) *Messrs. Dewan Sugar Mills (Pvt.) Ltd. v. M. B. Abbasi and others* (2007 CLD 1613), (iv) *M. Sikandar Sultan v. Masih Ahmed Shaikh* (2003 CLD 26), (v)

Bayer A.G. and another v. Macter International Ltd. (2003 CLD 794), (vi) *Daimier Benz Aktiengesellschaft v. Hybo Hindustan* (AIR 1994 Delhi 230) and (vii) *J.N. Nichols (Vimto) PLC A Company Incorporated in the United Kingdom v. Mehran Bottles (Private) Limited Karachi* (PLD 2000 Karachi 192).

4. On the other hand, learned counsel for defendants has maintained that the defendant No.2 is a businessman based in Lahore and in the year 2015, he ventured into the retail sector by the name of his already existing brand BAROQUE', catering to women fashion apparel and the retail venture on online basis and till present he has only online retail store; that the defendant No.2, on 18.08.2015, filed an application bearing No. 395347 before the Registrar of Trademarks, Lahore Registry, seeking registration of his trade name BAROQUE, much before the plaintiff's application before the Registrar of Trademarks in regards with trade name Baroque; however, due to time constraints the application remained unattended and till present the same is pending registration; that the defendant No.2 has been actively trading online in the name and style of BAROQUE for the past six years and no harm whatsoever was ever caused to the plaintiff, for the simple reason that the course of trade of the plaintiff and the defendant No.2 is completely different; that the way defendantNo.2 writes BAROQUE, the style, the font and colours are significantly different to plaintiff's mark Baroque, additionally, the scope of work, the point of sale and consumer end are completely different and the goods and services for which the trademark is granted to plaintiff does not even relate to the goods and services offered by the defendant No.2; that the plaintiff started using the brand name Baroque in the year 2016, which was much after the defendant No.2 and she has failed to adduce on record any material to validate her claim of having used the trade name Baroque since 2001; that unfair-competitive acts and measures cannot be allowed to prevail and such unfair competition by the plaintiff is struck by Section 67 of the Ordinance and she is also liable to be penalized under Section 99 of the Ordinance, even otherwise, the trademark granted

to the plaintiff for the use of trade name Baroque is subject to disclaimer; hence, the scope of work and/or activity undertaken by the defendant No.2 does not fall within the permitted use granted to plaintiff by the Registrar of Trademarks; hence, there is no question of infringement and/or passing off; that the defendant No.2 had been using the trade name BAROQUE as an honest user and the trademark granted to the plaintiff is in respect of goods and services which do not even remotely contradict with and/or relate to goods and services offered by the defendant No.2; hence, for all intents and purposes the claim of infringement and passing off by the plaintiff is baseless; that at no point in time the defendant No.2 has infringed and/or passed off plaintiff's mark; that the defendant No.2 has already filed Judicial Miscellaneous No. 35 of 2020 (JM) seeking cancellation of plaintiff's registered trademark Baroque bearing No. 409483, under Class No. 25; that the plaintiff has failed to make out prima facie case for the grant of interim injunction and no irreparable harm has been caused to her and in fact it is the defendant No. 2 who shall suffer irreparable loss in case instant C.M.A. is allowed, as online retail store is the only source of his income. Learned counsel in support of his contentions has placed his reliance on the case of (i) *General Biscuit and another v. English Biscuit Manufacturers (Private) Limited through Chief Executive/Director/ Manager* (2004 CLD 680), (ii) *English Biscuits Manufactures (Pvt.) Ltd. V. Pakistan Dairy Products (Pvt.) Limited* (2016 CLD 847), (iii) *Dalda Foods (Private) Limited v. M/s Shield Corporation Limited* (2016 CLD 1864), (iv) *Seven Up Company v. Kohinoor Thread Ball Factory and 3 others* (PLD 1990 Supreme Court 313) and (v) *Younus through duly constituted General Attorney Rafique H. Usman and 2 others v. Najmun-Nisa and 21 others* (1999 MLD 2805).

5. Heard the learned counsel for the parties and perused the material available on record. For convenience sake, I deem it appropriate to reproduce the provisions of Sections 39, 40 and 46 of the Ordinance, as under:

39. Rights conferred by registration.- (1) A registered trade mark shall be a personal property.

(2) The proprietor of a registered trade mark shall have exclusive rights in the trade mark which are infringed by use of the trade mark in Pakistan without his consent.

(3) Without prejudice of the right of the proprietor of a registered trade mark to obtain any relief under any other law for the time being in force, the proprietor shall also have the right to obtain relief under this ordinance if the trade mark is infringed.

(4) References in this Ordinance to the infringement of a registered trade mark shall be to any such infringement of the rights of the proprietor.

(5) The rights of the proprietor shall have effect from the date of registration; Provided that no infringement proceedings shall be brought before the date on which the trade mark is in fact registered.

(6) The rights conferred by registration of trade mark under this ordinance shall extend to trade marks registered under the Trade Marks Act, 1940 (V of 1940).

40. Infringement of registered trade mark.- (1) A person shall infringe a registered trade mark if such person uses in the course of trade a mark which is identical with the trade mark in relation to goods or services which are identical with those for which it is registered.

(2) A person shall infringe a registered trade mark if such person uses in the course of trade a mark because-

(a) the mark is identical with the trade mark and is used in relation to goods or services similar to the goods or services for which the trade mark is registered; or

(b) the mark is deceptively similar to the trade mark and is used in relation to goods or services identical with or similar to the goods or services for which the trade mark is registered,

there exists a likelihood of confusion on the part of public, which includes the likelihood of association with the trade mark.

(3) A person shall infringe a registered trade mark if the person uses in the course of trade a mark which is identical with, or deceptively similar to, the trade mark in relation to-

(a) goods of the same description as that of goods in respect of which the trade mark is registered;

(b) services that are closely related to goods in respect of which trade mark is registered;

(c) services of the same description as that of services in respect of which the trade mark is registered; or

(d) *goods that are closely related to services in respect of which the trade mark is registered.*

(4) *A person shall infringe a registered trade mark if the person uses in the course of trade mark which-*

(a) *is identical with or deceptively similar to the trade mark; and*

(c) *is used in relation to goods or services which are not similar to those for which the trade mark is registered,*

where the trade mark is a well-known trade mark, or has a reputation in Pakistan, and the use of the mark being without due cause, takes unfair advantage of, or is detrimental to, the distinctive character or the repute of the trade mark.

(5) *A person shall infringe a registered trade mark if the person uses such registered trade mark as his trade name or part of his trade name.*

(6) *A person shall infringe a registered trade mark if the person uses such registered trade mark as his domain name or part of his domain name or obtains such domain name without consent of the proprietor of the registered trade mark, with the intention of selling such domain name to another including the proprietor of the registered trade mark.*

(7) *A person who applies a registered trade mark to material intended to be used for labeling or packaging goods shall be treated as a party to any use of the material which infringes the registered trade mark if when he applied the mark he knew or had reason to believe that the application of the mark was not duly authorized by the proprietor or a licensee.*

(8) *In all legal proceedings, a person who sells or offers or exposes goods for sale, or puts them on the market or has in possession for sale or any purpose of trade or manufacture any goods bearing a mark which infringes a registered trade mark shall be treated as a party to infringement of a registered trade mark, unless he proves that-*

(a) *having taken all reasonable precautions, he had no reasons to suspect the genuineness of the mark; and*

(b) *on demand made by tribunal, he gave all the information in his power with respect to the persons from whom he obtained such goods; or*

(c) *he had otherwise acted innocently.*

46. Action for infringement.- (1) *Save as otherwise provided in this Ordinance, an infringement of a registered trade mark shall be actionable by the proprietor of the trade mark.*

(2) In an action for infringement all such relief by way of damages, injunctions, accounts or otherwise shall be available to the proprietor of the trade mark as is available in respect of the infringement of any other property right.

(3) Nothing in this Ordinance shall be deemed to affect rights of action against any person for passing off goods as the goods of another person or services as services provided by another person, or the remedies in respect thereof.

6. In terms of section 39 of the Ordinance, a registered trade mark is a property and proprietor thereof thus has an exclusive right in a registered trademark and in case of any infringement, the proprietor has the right to obtain any relief under the Ordinance, 2001 and under any other law for the time being in force. Section 40 covers the instances and provides elements of the infringements. Under section 40(1), a person infringes a registered trade mark if he uses in a course of trade, a mark which is identical with the trade mark in relation to goods or services, which are identical with those, for which it is registered. Under section 40 (2), a person infringes a registered trade mark if such person uses in the course of trade a mark which is deceptively similar to the trade mark and is used in relation to goods or services identical with or similar to the goods or services for which the trade mark is registered. Under section 40(3), a person infringes a registered trade mark if he uses in the course of trade a mark which is identical with, or deceptively similar to, the trade mark in relation to (a) goods of the same description as that of goods in respect of which the trade mark is registered; (b) services that are closely related to goods in respect of which trade mark is registered; (c) services of the same description as that of services in respect of which the trade mark is registered; or (d) goods that are closely related to services in respect of which the trade mark is registered. Section 40 (4) provides that a person shall infringe a registered trade mark if he uses in the course of trademark in relation to goods or services which are not similar to those for which the trade mark is registered when deceptively similar to the registered trade mark. Section 40 (5) stipulates that a person shall infringe a

registered trade mark if he uses such registered trade mark as his trade name or part of his trade name. Section 40 (6) specifies that a person shall infringe a registered trade mark if the person uses such registered trade mark as his domain name or part of his domain name or obtains such domain name without consent of the proprietor of the registered trade mark, with the intention of selling such domain name to another including the proprietor of the registered trade mark. Section 46 postulates that an infringement of a registered trade mark shall be actionable by the proprietor of the trade mark. Section 46(2) proposes that in an action for infringement, all such relief by way of damages, injunctions, accounts or otherwise shall be available to the proprietor of the trade mark as is available in respect of the infringement of any other property right.

7. It appears from the pleadings of the parties that the plaintiff claims to have launched Baroque's first showroom in Karachi in the year 2007 and secured the said brand and the interests associated with it by registering it with the name of "Baroque" with the Trademark Registry at Karachi in the relevant Classes 20, 24 to 27, 35, 37 and 42 of the International Classification of Goods and Services, in February, 2016 and also got it registered as a copyright since January, 2017 under the category of "Artistic Work" (label design) with the Intellectual Property Organization of Pakistan, Copyright office, Karachi bearing registration No. 35172-Copr. It is also claim of the plaintiff that even prior to the registration of the "Baroque Inc." trademark and copyright, the plaintiff's rights in the use of mark "Baroque" were protected under the law of passing off in view of the use of the mark by her since the year 2001. Trademark Registration Certificates are annexed with the memo of plaint as annexure "E/1" to "E/1" at page 133 to 147 and Certificate of Registration of Copyright in the artistic work (label design) Baroque is annexed as annexure "F" at page 149. It has been observed in the case of Messrs Dewan (supra) by this Court that once a trademark is registered under the provisions of Ordinance, 2001 it restricts the other parties from using such trade

mark. It has also been observed in the case of *Naseem Ahmed v. Messrs Samiuddin Ramzan Khan and 2 others* (2004 CLD 315) by this Court that Registration Certificate of the trademark is a prima facie evidence in all legal proceedings relating to the relevant trademark, to the effect that the registration is valid.

8. Aforesaid claim of the plaintiff with regard to registration of trademark “Baroque” under said classes has not been denied by the defendants. However, it has been pleaded by the defendant No.2 that his mark BAROQUE is in no way similar to the plaintiff’s mark Baroque and the scope of work and the point of sale are completely different and even the goods and services for which the trademark is granted to plaintiff is not related to goods and services offered by the defendant No.2. It may be perceived that both the marks are having phonetic similarity. It may be observed that the pronunciation of the trademark is also a determining criterion in ascertaining infringement. In this case, both the trademarks are written with the different use of size and fonts of letters; however, there is a striking similarity and affinity of sounds between the two trademarks and in spite of there being no visual resemblance in terms of size and fonts between the two trademarks, the ocular comparison is not always the decisive test. The resemblance between the two marks must be considered with reference to the ear as well as eyes. In this case phonetic structure of marks indicates how the rival mark rings in the ears and therefore phonetic similarity constitutes an important index in evaluating that defendants mark *prima facie* bears a deceptive and misleading similarity to the plaintiff’s mark.

9. The defendant No.2 is admittedly operating the business online through website ‘www.baroque.pk’. Such model of business is also known as Electronic Commerce/ E-Commerce, which lets firms and individuals buy and sell goods and services over the internet. The critical feature of e-commerce distinguishing it from traditional economic model is a hub for “information and transaction” i.e. the network. Thus, the whole transaction process, such as information transfer,

payment, as well as delivery of physical commodities which are usually taken place and completed simultaneously in traditional economy/ transaction, is separated in e-commerce and completed with the participation of various service providers. However, it does not mean that since the scope of such business and point of sale are different from that of traditional economy, it removes the element of deception in the mind of the customers. Using the mark similar with or identical to others' registered trademarks as domain names and using the domain names to conduct e-commerce for relevant goods or services, which is likely to cause confusion among relevant public, is one of the "acts causing harm to others' exclusive rights to use a registered trademark". Further, in the instant case, as pleaded by the defendants, the goods of the plaintiff and the defendants may not be available on the same shops and the customers of the goods of the defendants may be online, but it cannot be overlooked that it is not necessary for the plaintiff to establish that in fact any customer was deceived, it is enough if it shows that there is likelihood of deception. Moreover, in the instant case the defendants have failed to put forward any justification on how and why the mark was invented/ chosen by them, which reflects something fishy on their part.

10. So far the relation of the plaintiff's registered trade mark with the goods offered by the defendant No.2 is concerned, it may be observed that the plaintiff's trademark is admittedly registered under Classes 25 and 26 of the International Classification of Goods and Services, which are related to wearing apparel, clothing etc. and fabric and furniture trimmings and the defendant No.2 is admittedly offering his goods/ wearing apparel and clothing, which being falling under the Class 25 are identical with the name of BAROQUE and the consumer served are of the same category, as such, the features of defendants' goods do make out a case of there being likelihood of confusion or deception with regard to their source. Even otherwise, the Hon'able Supreme Court in the case of Seven-up Company (Supra), wherein non-identical goods i.e. 7-up beverage and 7-up Supari were the subject

matter, has observed “*the consumers served are largely of the same category. Both the products though classified differently for the purpose of trademark fall, from consumers’ point of view, in the sale category of light refreshment or preparation. Their features do make out a case of there being likelihood of confusion or deception with regard to their source*”. Hence, *prima facie* plaintiff’s registered trade mark is related to the goods being offered by the defendants.

11. Plaintiff’s case is primarily based on infringement of her registered trade mark, as such, while deciding the question of *prima facie* case, the consideration which has to be kept in mind is whether a member of the public buying the products of the defendants is likely to be deceived into believing that he was buying the products of the plaintiff. In my view, the plaintiff has a good *prima facie* case, as discussed above. I have noticed that the similarity between the two marks is so striking and the intention to infringe is so obvious that the argument of balance of convenience is of no avail to the defendant. I am also of the view that since *prima facie* case has been made out by the plaintiff; it does not open to the defendants to say that they ought to be allowed to take advantage of their own wrong. Moreover, the pendency of the application of defendant No.2 for registration of his mark with the Registrar of Trade Marks will not disentitle the plaintiff being proprietor of a registered trade mark from his exclusive right to its use and that such right will be deemed to be infringed by any person who uses a mark identical with it or so nearly resembling to as it likely to deceive or cause confusion in view of sections 39 and 40 of the Ordinance. I have gone through the case-law cited by the learned counsel for the defendants and I am of the view that the same on being distinguishable facts and law do not advance the case of the defendants. I, therefore, allow C.M.A. No. 5628 of 2020, as prayed. Consequently, C.M.A. No. 9830 of 2020 stands dismissed on being infructuous.

JUDGE