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

### + CS(COMM) 843/2022

SUBWAY IP LLC ..... Plaintiff Through: Mr. Sandeep Sethi, Sr. Advocate with Mr. Peeyoosh Kalra, Mr. Gaurav Mukerjee and Mr. Suyash Malhotra, Advs.

versus

INFINITY FOOD & ORS. ..... Defendants Through: Mr. Pushkar Sood, Mr. K.P. Singh, Mr. Anshuman Sood, Mr. Keshav Rai, Mr. Vishwajeet Singh, Mr. Tarkar and Mr. Rishabh Singh, Advs.

### CORAM: HON'BLE MR. JUSTICE C.HARI SHANKAR

## ORDER(ORAL) 12.01.2023

## I.A. 20529/2022 (Order XXXIX Rules 1 and 2 of the CPC)

1. This judgement provides the reasons for the order in this case, which was pronounced on  $9^{th}$  January 2023.

2. The plaintiff Subway IP LLC is a Company incorporated in the State of Delaware, U.S., which operates a well-known global chain of restaurants under the name 'SUBWAY', with the name being represented with the well-known logos *Company* and *Subway*. The plaintiff is the properietor, in India, of registrations not only of the 'SUBWAY' word and device marks, but also of 'SUBWAY CLUB'

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and 'VEGGIE DELITE', being the names allotted by the plaintiff to its club sandwich and vegetable sandwich respetively. The plaintiff holds the following trade mark registrations in India:

| S.          | Trade Mark   | Registration | Class | Date of                    | Valid till                  |  |  |
|-------------|--|--------------|-------|----------------------------|-----------------------------|--|--|
| No.         |  | No.          |       | application                |                             |  |  |
| 1           | SUBWAY   | 513704       | 30    | 20 <sup>th</sup> July 1989 | 7 <sup>th</sup> April 2025  |  |  |
| 2           | SUBWAY   | 513705       | 32    | 20 <sup>th</sup> July 1989 | 7 <sup>th</sup> April 2023  |  |  |
| 3           | STEWAY?  | 1347782      | 42    | 30 <sup>th</sup> March     | 30 <sup>th</sup> March 2025 |  |  |
|             |  |              |       | 2005                       |                             |  |  |
| 4           | SUBWAY   | 1349577      | 42    | 7 <sup>th</sup> April 2005 | 7 <sup>th</sup> April 2025  |  |  |
| 5           | SUBWAY   | 1933097      | 29    | 9 <sup>th</sup> March 2010 | 9 <sup>th</sup> March 2030  |  |  |
| 6           | SUB WAY  | IRDI-        | 29,   | 13 <sup>th</sup> January   | 13 <sup>th</sup> January    |  |  |
|             |  | 3597627      | 30,   | 2017                       | 2027 <sup>1</sup>           |  |  |
|             |  | 1 0          | 32,   | Alers -                    |                             |  |  |
|             | 100  | 633          | 35,   | 1222                       |                             |  |  |
|             | ~  | 1222         | 43    | Children ??                |                             |  |  |
| 7           | <b>SUBWAY</b>  | IRDI-        | 29,   | 13 <sup>th</sup> January   | 13 <sup>th</sup> January    |  |  |
|             | and and a second se | 3642913      | 30,   | 2017                       | 2027 <sup>1</sup>           |  |  |
|             |  | 1883         | 32,   | 836299                     |                             |  |  |
|             |  | 1            | 35,   |                            |                             |  |  |
|             |  |              | 43    |                            |                             |  |  |
| 8           | SUBWAY*  | IRDI-        | 29,   | 13 <sup>th</sup> January   | 13 <sup>th</sup> January    |  |  |
|             |  | 3649570      | 30,   | 2017                       | $2027^{1}$                  |  |  |
|             |  | 19           | 32,   | N 1980                     |                             |  |  |
|             |  |              | 35    | 184 64 50                  | 41                          |  |  |
| 9           | SUBWAY   | 5249508      | 29,   | 16 <sup>th</sup> December  | 16 <sup>th</sup> December   |  |  |
|             | CLUB   | 100          | 30    | 2021                       | 2031                        |  |  |
| 10          | VEGGIE   | 1750661      | 29,   | 4 <sup>th</sup> November   | 4 <sup>th</sup> November    |  |  |
|             | DELITE   | 121Marca     | 30    | 2008                       | 2028                        |  |  |
| ार्यमंच जयम |  |              |       |                            |                             |  |  |

**3.** Copies of the registrations have been placed on record. The defendant does not dispute the proprietorship, by the plaintiff, of the aforesaid registered trade marks.

<sup>&</sup>lt;sup>1</sup> Rights protected under the Madrid Protocol read with Section 36F(1) of the Trade Marks Act: **"36-F. Effects of international registration**. –

<sup>(1)</sup> From the date of the international registration of a trade mark where India has been designated or the date of the recording in the register of the International Bureau about the extension of the protection resulting from an international registration of a trade mark to India, the protection of the trade mark in India shall be the same as if the trade mark had been registered in India.

4. The plaintiff, therefore, asserts exclusivity over the word and device marks SUBWAY, *SUBWAY*, *SUBWAY*, VEGGIE DELITE and SUBWAY CLUB.

**5.** Defendant 1 Infinity Foods LLP is a partnership firm of which Defendants 3 and 4 are partners. Defendants 3 and 4 are licensees of the plaintiff, to whom the plaintiff has granted the right to franchise the plaintiff's outlets *vide* agreement dated 30<sup>th</sup> May 2019. Since then, Defendants 3 and 4 have, through the outlets owned by them, been serving and distributing the products of the plaintiff. Recitals A and B in the franchise agreement dated 30<sup>th</sup> May 2019, on which Mr Sethi learned Senior Counsel for the plaintiff places reliance, read as under:

"A. Subway IP LLC, a Delaware limited liability company with a principal office in Doral, Florida, USA ("SIP") owns a proprietary system for establishing and operating restaurants featuring sandwiches, pizza and salads under the trade name and service mark Subway\* (the "System"). The system was developed spending considerable money, time, and effort. The System includes the trademark Subway\*, other trademarks, trade names, service marks, commercial announcements (slogans) and related insignia (logos) SIP name [the "Marks"]. The System also includes confidential information and goodwill. The parties acknowledge that SIP owns the Marks registered with the India Trade Mark Registry, including the trademark "Subway" in international classes 30 and 32 on July 20, 1989 under registration numbers 513704 and 513705, respectively; "Subway & Design" in class 42 on March 27, 2007 under registration number 1347782; "Subway" in international class 42 on August 7, 2008 under registration number 1349577; and "VEGGIE DELITE" in classes 29 and 30 on May 18, 2015 under registration number 1750661.

B. SIP granted a non-exclusive license to Subway International B.V., a Netherlands limited liability company ("Licensor") to use the System in countries outside the United States of America, Canada, Australia, Colombia and Brazil to establish and sublicense others to establish Subway\* restaurants. Licensor granted a sublicense to us." **6.** The plaintiff alleges that the following acts of Defendant 1 infringe the plaintiff's intellectual property rights:

(i) the use of the brand name and logo **SUBERB** under which the two restaurants run by Defendant 1 in Delhi operate, with an identical yellow and green colour scheme,

(ii) the use of the brands VEGGIE DELICIOUS and SUB ON A CLUB which, according to the plaintiff, are deceptively similar to the plaintiff's registered VEGGIE DELITE and SUBWAY CLUB marks,

(iii) usage of identical, or substantially similar, signage, outlet décor, menu cards, paper napkins and staff uniforms,

(iv) use of photographs and wall art, in their outlets, which are similar to the photographs and wall art in the plaintiff's outlets,

(v) use of food preparation procedures, techniques, service ingredients, formulae, recipes, ingredients, and placement of the service counters in the restaurants identical to that seen in the plaintiff's outlets, and

(vi) verbatim reproduction, on the defendants' website, of the recitals in the plaintiff's website, with similar layout of headings etc.

7. At request of learned Counsel for the defendants, this Court, on 21<sup>st</sup> December 2022, adjourned this matter to enable the defendants to examine whether they could carry out modifications which would satisfy the plaintiff that they were no longer infringing the plaintiff's intellectual property rights.

8. The defendants, thereafter, addressed e-mail dated  $22^{nd}$  December 2022, to the plaintiff, offering to make certain changes in their logo/lay out, etc., which would assuage the grievance of the plaintiff regarding infringement of its intellectual property rights by the defendants. Specifically, the defendants offered to (i) change the colour combination used in the signage outside their restaurants to a combination of purple, pink, white or red, (ii) change the colour of the

Solution logo ("the S logo" hereinafter) to a combination of one or more of the colours purple, pink, white or red, (iii) not to use yellow or green either in the aforesaid signage or the S logo, (iv) pull down the websites of the defendants which copied the text found on the website of the plaintiff and (v) change the names "VEGGIE DELICIOUS" and "SUB ON A CLUB", by which they designated their sandwiches to "VEG LOADED REGULAR" and "TORTA CLUB".

**9.** The plaintiffs, however, *vide* e-mail dated 22<sup>nd</sup> December 2022, responded thus:

"Dear Mr Sood,

This is with reference to the captioned matter and your email below, contents whereof we have relayed to our client.

Regrettably, your client's proposal does not address the issue of

their use of the objectionable marks SUBERB, **SUBERB**, **S**, the trade dress/colour scheme/get-up/layour identical to that of restaurants under our client's mark/name SUBWAY and/or elements of their SUBWAY System etc. Consequently the proposal forwarded by you on behalf of your clients, is not acceptable to our client and we shall be proceeding with the matter tomorrow before the Hon'ble High Court.

Yours sincerely,

Gaurav Mukerjee Counsel for the Plaintiff"

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**10.** This is the situation which now prevails.

**11.** In these circumstances, I have heard learned Counsel on the present IA 20529/2022, which this order proceeds to decide.

**12.** Before proceeding further, it would be appropriate to reproduce, here, the "before" and "after" pictures, to depict the changes that the defendants have undertaken in order to satisfy the grievance of the plaintiff, thus:

| S. No. | 65                     | Plaintiff | SHRAA I | Defendant |  |  |
|--------|------------------------|-----------|---------|-----------|--|--|
|        | $\sim$                 |           | Before  | After     |  |  |
| 1.     | Signage                | SUBUL ?   |         | SUBERB    |  |  |
| 2.     | Restaurant<br>interior | Subway    |         |           |  |  |
| 3.     | "S" logo               |           |         |           |  |  |
| 4.     | Restaurant<br>interior |           |         |           |  |  |

| 5. | Wall Décor             |   |  |
|----|------------------------|---|--|
| 6. | Menu                   |   |  |
| 7. | Tissue<br>paper/Napkin | S |  |

**13.** Insofar as the website of the defendants is concerned, Mr. Pushkar Sood, learned Counsel for the defendants submits that the defendants have taken down all their websites and is reconstructing

their website at present. As such, he submits that, if one were to seek to access the defendants' website, the following message would appear:



### **Rival Submissions**

**14.** Mr. Sandeep Sethi, learned Senior Counsel for the plaintiff, submits that his client is not satisfied with the changes that the defendants have undertaken, as noted hereinabove.

15. Mr. Sethi sought to submit that the acts of infringement committed by the defendant before they agreed to undertake modifications as noted above, were blatant. The intent of the defendants to copyright on the plaintiff's goodwill is, therefore, he submits, transparent. He, in the circumstances, invokes the following principle laid down by Lord Lindley in *Slazenger & Sons v. Feltham* & Co.<sup>2</sup>:

"One must exercise one's common sense, and, if you are driven to the conclusion that what is intended to be done is to deceive if possible, I do not think it is stretching the imagination very much to credit the man with occasional success or possible success. Why should we be astute to say that he cannot succeed in doing that which he is straining every nerve to do?" Citing *Slazenger*<sup>2</sup>, Mr Sethi exhorts the court not to grant any relief to the defendants.

16. Mr. Sethi, further relying on the decisions in Ruston and Hornsby Ltd v. The Zamindra Engineering Co.<sup>3</sup>, Parle Products (P) Ltd v. J.P.& Co.<sup>4</sup> and Midas Hygiene Industries (P) Ltd v. Sudhir Bhatia<sup>5</sup>, submits that the marks SUBWAY and SUBERB are deceptively similar to each other even as word marks. As such, he submits that even if the colour scheme of the said marks is to be changed, the marks would continue to remain deceptively similar. He also cited, in this context, three decisions of the High Court of Ontario in Mr Submarine Ltd v. Bikas<sup>6</sup>, Mr Submarine Ltd v. Emma Foods<sup>7</sup> and *Mr Submarine v. Haralambos Voultsos<sup>8</sup>*, apart from the decision of T.S. Thakur, J. (as he then was, sitting singly as a Judge of this Court) in Motorpresse International Verlagsgeselischaft Holding mbH & Co. v. Mistrale Publishing Pvt Ltd<sup>9</sup>. Mr Sethi submits that, as the defendants were a franchisee holder of the plaintiff, this is a case of rank dishonesty, entitling the plaintiff to injunctive relief ipso facto.

**17.** Mr Pushkar Sood, appearing for the defendants submits, *per contra* that, with the changes that the defendants have volunteered to make, the allegation of infringement and passing off, levelled by the plaintiff, can no more sustain. He submits that the defendants have only two outlets, at Shalimar Bagh, Delhi and at Gurgaon, and have

<sup>9</sup> 119 (2005) DLT 99; (2005) 30 PTC 377

<sup>&</sup>lt;sup>3</sup> (1969) 2 SCC 727

<sup>&</sup>lt;sup>4</sup> (1972) 1 SCC 618

<sup>&</sup>lt;sup>5</sup> (2004) 3 SCC 90

<sup>&</sup>lt;sup>6</sup> 1975 CarswellOnt 1001 <sup>7</sup> 1976 ConswellOnt 1006 34 C P.P. (2)

<sup>&</sup>lt;sup>7</sup> 1976 CarswellOnt 1006, 34 C.P.R. (2d) 177 <sup>8</sup> 1977 CarswellOnt 1041, 36 C.P.R. (2d) 270

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already implemented these changes at both the outlets. He further submits that the defendants have even changed the wall décor of their outlets, and removed the photographs and images, on the walls, to which the plaintiff objected. The menu card and staff uniforms of his clients, too, he submits, had been changed so as not to resemble those of the plaintiff. With the change in colour scheme, the 'S' sign of the defendant, he submits, no longer resembles the 'S' sign of the plaintiff. The plaintiff cannot, he submits, claim any exclusivity in respect of the initial 'Sub' part of the 'SUBWAY' mark, as 'Sub' is generic with respect to the products in relation to which it is used. He relies on the judgement of the Supreme Court in *J.R. Kapoor v. Micronix India*<sup>10</sup> and of a coordinate Single Bench of this Court in *Bigtree Entertainment Pvt Ltd v. Brain Seed Sportainment Pvt Ltd*<sup>11</sup>.

### Analysis

**18.** This Court is presently concerned, in the application filed by the plaintiff under Order XXXIX Rules 1 and 2 of the CPC, with whether, after the modifications that the defendants have undertaken, the defendants can still be said to be infringing the plaintiff's registered trade mark, or passing off their goods and services as those of the plaintiff, so as to entitle the plaintiff to an injunction.

**19.** Infringement, under Section 29(1) to  $(5)^{12}$  of the Trade Marks Act, can only be of registered trade marks. The marks of which the

<sup>&</sup>lt;sup>10</sup> 1994 Supp (3) SCC 215

<sup>&</sup>lt;sup>11</sup> 2018 (73) PTC 115 (Del)

<sup>&</sup>lt;sup>12</sup> 29. Infringement of registered trade marks. –

<sup>(1)</sup> A registered trade mark is infringed by a person who, not being a registered proprietor or a person using by way of permitted use, uses in the course of trade, a mark which is identical with, or deceptively similar to, the trade mark in relation to goods or services in respect of which the

plaintiff has subsisting registrations, which are entitled, consequently, to protection under Section 28 of the Trade Marks Act, are

- (i) the word mark SUBWAY,
- (ii) the device mark  $\overbrace{}^{}$
- (iii) the device mark **SUB** (1997),
- (iv) the device mark **SUBWAY**, and
- (v) the device mark **SUBWAY**.

The plaintiff has no other registered trade mark, to which it is entitled to protection against infringement from this Court.

**20.** Section 17(2) of the Trade Marks Act does not permit

(i) dissection of a trade mark and claiming of exclusivity in respect of part of the mark ("the anti-dissection rule"), or

is likely to cause confusion on the part of the public, or which is likely to have an association with the registered trade mark.

(3) In any case falling under clause (c) of sub-section (2), the court shall presume that it is likely to cause confusion on the part of the public.

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

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

(b) is used in relation to goods or services which are not similar to those for which the trade mark is registered; and

(c) the registered trade mark has a reputation in India and the use of the mark without due cause takes unfair advantage of or is detrimental to, the distinctive character or repute of the registered trade mark.

(5) A registered trade mark is infringed by a person if he uses such registered trade mark, as his trade name or part of his trade name, or name of his business concern or part of the name, of his business concern dealing in goods or services in respect of which the trade mark is registered.

trade mark is registered and in such manner as to render the use of the mark likely to be taken as being used as a trade mark.

<sup>(2)</sup> A registered trade mark is infringed by a person who, not being a registered proprietor or a person using by way of permitted use, uses in the course of trade, a mark which because of—

<sup>(</sup>a) its identity with the registered trade mark and the similarity of the goods or services covered by such registered trade mark; or

<sup>(</sup>b) its similarity to the registered trade mark and the identity or similarity of the goods or services covered by such registered trade mark; or

<sup>(</sup>c) its identity with the registered trade mark and the identity of the goods or services covered by such registered trade mark,

(ii) claiming of infringement in respect of any matter which is common to the trade or otherwise of a non-distinctive character (*publici juris*).

**21.** The judgement of a Division Bench of this Court in *South India Beverages Pvt Ltd v. General Mills Marketing Inc.*<sup>13</sup> has, however, subjected the anti-dissection rule to a caveat, where part of a mark constitutes its dominant feature and is distinctive in nature, or has acquired secondary meaning by dint of long usage. The relevant passages from the decision may be reproduced thus:

### "The Rule of Anti-Dissection

16. This rule mandates that the Courts whilst dealing with cases of trademark infringement involving composite marks, must consider the composite marks in their entirety as an indivisible whole rather than truncating or dissecting them into its component parts and make comparison with the corresponding parts of arrival mark to determine the likelihood of confusion. The raison *d'tre* underscoring the said principle is that the *commercial* impression of a composite trademark on an ordinary prospective buyer is created by the mark as a whole and not by its component Inc. v. Girouard<sup>14</sup>; Autozone, parts [**Fruit** of the loom, Inc. v. Tandy Corporation<sup>15</sup>].

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### The Identification of 'Dominant Mark'

19. Though it bears no reiteration that while a mark is to be considered in entirety, yet it is permissible to accord more or less importance or '*dominance*' to a particular portion or element of a mark in cases of composite marks. Thus, a particular element of a composite mark which enjoys greater prominence *vis-à-vis* other constituent elements, may be termed as a '*dominant mark*'.

20. At this juncture it would be apposite to refer to a recent decision of this Court reported as *Stiefel Laborataries v. Ajanta Pharma Ltd.*<sup>16</sup> The Court whilst expounding upon the principle of

<sup>15</sup> 174 F. Supp. 2d 718, 725 (M.D. Tenn. 2001)

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<sup>&</sup>lt;sup>13</sup> (2015) 61 PTC 231

<sup>&</sup>lt;sup>14</sup> 994 F.2d 1359, 1362 (9<sup>th</sup> Cir. 1993)

<sup>&</sup>lt;sup>16</sup> 211 (2014) DLT 296

'anti-dissection' cited with approval the views of the eminent author on the subject comprised in his authoritative treatise-McCarthy on Trademarks and Unfair Competition. It was observed:

> "41. The anti-dissection rule which is under these circumstances required to be applied in India is really based upon nature of customer. It has been rightly set out in McCarthy on Trademarks and Unfair Competition about the said rule particularly in Para 23.15 which is reproduced hereunder:

> > 23.15 Comparing Differences v. Similarities

Marks:

#### [1] <u>The Anti-Dissection Rule</u>

Compare composites as a Whole : [a] Conflicting composite marks are to be compared by looking at them as a whole, rather than breaking the marks up into their component parts for comparison. This is the "anti dissection" rule. The rationale for the rule is that the commercial impression of a composite trademark on an ordinary prospective buyer is created by the mark as a whole. not by its component parts. <u>However, it is not a violation of the</u> anti-dissection rule to view the component parts of conflicting composite marks as a preliminary step on the way to an ultimate determination of probable customer reaction to the conflicting composites as a whole. Thus, conflicting marks must be compared in their entireties. A mark should not be dissected or split up into its component parts and each part then compared with corresponding parts of the conflicting mark to determine the likelihood of confusion. It is the impression that the mark as a whole creates on the average reasonably prudent buyer and not the parts thereof, that is important. As the Supreme Court observed: "The commercial impression of a trademark is derived from it as a whole, not from its elements separated and considered in detail. For this reason it should be considered in its entirety." The anti-dissection rule is based upon a common sense observation of customer behaviour : the typical shopper does not retain all of the individual details of a composite mark in his or her mind, but retains only an overall, general impression created by the composite as a whole. It is the overall impression created by the mark from the ordinary shopper's cursory observation in the marketplace that will or will not lead to a likelihood of confusion, not the impression created from a meticulous comparison as expressed in carefully weighed analysis in legal briefs. In litigation over the alleged similarity of marks, the owner will emphasize the similarities and the alleged infringer will emphasize the differences. The point is that the two marks should not be examined with a microscope to find the differences, for this is not the way the average purchaser views the marks. To the average buyer, the points of similarity are more important that minor points of difference. A court should not engage in "technical gymnastics" in an attempt to find some minor differences between conflicting marks.

However, where there are both similarities and differences in the marks, there must be weighed against one another to see which predominate.

The rationale of the anti-dissection rule is based upon this assumption: "An average purchaser does not retain all the details of a mark, but rather the mental impression of the mark creates in its totality. It has been held to be a violation of the anti-dissection rule to focus upon the "prominent" feature of a mark and decide likely confusion solely upon that feature, ignoring all other elements of the mark. Similarly, it is improper to find that one portion of a composite mark has no trademark significance, leading to a direct comparison between only that which remains."

[Emphasis Supplied]

21. The view of the author makes it scintillatingly clear, beyond pale of doubt, that the principle of 'anti dissection' does not

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impose an absolute embargo upon the consideration of the constituent elements of a composite mark. The said elements may be viewed as a *preliminary step* on the way to an ultimate determination of probable customer reaction to the conflicting composites as a whole. Thus, the principle of *`anti-dissection'* and identification of *`dominant mark'* are not antithetical to one another and if viewed in a holistic perspective, the said principles rather compliment each other.

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23. It is also settled that while a trademark is supposed to be looked at in entirety, yet the *consideration of a trademark as a whole does not condone infringement where less than the entire trademark is appropriated.* It is therefore not improper to identify elements or features of the marks that are more or less important for purpose of analysis in cases of composite marks.

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26. Dominant features are significant because they attract attention and consumers are more likely to remember and rely on them for purposes of identification of the product. Usually, the dominant portion of a mark is that which has the greater strength or carries more weight. Descriptive or generic components, having little or no source identifying significance, are generally less significant in the analysis. However, words that are arbitrary and distinct possess greater strength and are thus accorded greater protection. [*Autozone, Inc. v. Tandy Corporation*<sup>15</sup>]"

(Emphasis supplied)

22. The Court has, therefore, to consider whether, as a whole, the mark of the defendant infringes the registered trade marks of the plaintiff. If they do not, then, the Court may examine whether, if any part of the plaintiff's registered trade marks, which constitutes the *dominant part* thereof, stands so infringed by the defendant's mark.

23. The word mark 'SUBWAY' and the device marks of the plaintiff

**23.1** To my mind, it is clear that the defendant's mark **SUBERB** cannot be said, in any manner of speaking, to infringe any of the plaintiff's word marks or device marks.

**23.2** 'SUBERB' is not phonetically similar to 'SUBWAY', though both are words of two syllables. The first syllable 'SUB' is common. 'Sub', when used in the context of sandwiches, it is well known, is an abbreviation for 'Submarine', which represents a well known variety of long-bodied sandwiches, generally 6 or 9 inches in length. 'Submarine Sandwich' has, in fact, its own Wikipedia page, the opening passage of which reads thus:

"A submarine sandwich, commonly known as metropolitan a sub, hoagie (Philadelphia area and Western Pennsylvania English), hero (New York City English), Italian (Maine English), grinder (New England English), wedge (Westchester, NY), or a spuckie (Boston English), is a type of American cold or hot sandwich made from a cylindrical bread roll split lengthwise and filled with meats, cheeses, vegetables, and condiments.<sup>[2][3]</sup> It has many different names.

The terms *submarine* and *sub* are widespread in the US and not assignable to any certain part, though many of the localized terms are clustered in the northeastern United States."

A photograph of such a submarine sandwich, in which both the plaintiff and the defendant deal, is also provided on the same page:



**23.3** Submarine sandwiches, or 'subs', and their common abbreviation are part of common knowledge and can, therefore, be taken into account under Sections 56 and 57 of the Indian Evidence Act, 1872, as held by the Supreme Court in the following passage from *Onkar Nath v. Delhi Administration*<sup>17</sup>:

"The list of facts mentioned in Section 57 of which the Court can take judicial notice is not exhaustive and indeed the purpose of the section is to provide that the Court *shall* take judicial notice of certain facts rather than exhaust the category of facts of which the Court may in appropriate cases take judicial notice. Recognition of facts without formal proof is a matter of expediency and no one has ever questioned the need and wisdom of accepting the existence of matters which are unquestionably within public knowledge. (See <u>Taylor, 11th Edn., pp. 3-12; Wigmore, Section 2571, footnote; Stephen's Digest, notes to Article 58; Whitley Stokes' Anglo-Indian Codes, Vol. II, p. 887.) Shutting the judicial eye to the existence of such facts and matters is in a sense an insult to commonsense and would tend to reduce the judicial process to a meaningless and wasteful ritual."</u>

(Emphasis supplied)

In fact, Mr Submarine Ltd, the petitioner in the three *Mr Submarine* judgements on which Mr Sethi places reliance, also deals with outlets serving submarine sandwiches. The very title of the franchise, "Mr Submarine", testifies to the commonality of the usage of 'Submarine' as a moniker for sandwiches of a particular type. 'Sub' is, therefore, *publici juris*, when used in the context of such eateries.

**23.4** No exclusivity can, therefore, be claimed, by the petitioner over the first part of its registered SUBWAY mark, i.e, 'SUB'. The plaintiff cannot claim a monopoly over all two-syllable words of which the first syllable is 'SUB', especially when used in the context of eateries which serve sandwiches and similar items.

<sup>&</sup>lt;sup>17</sup> (1977) 2 SCC 611

**23.5** Once, thus, the 'SUB' part of the SUBWAY mark is out of the way, there is, quite obviously, no similarity, at all, between 'WAY' and 'ERB'. This issue stands covered by the judgement of the Supreme Court in *J.R. Kapoor v. Micronix India*<sup>18</sup>, on which Mr Sood rightly relies.

**23.6** *J.R. Kapoor*<sup>18</sup> dealt with the competing marks 'MICRONIX' and 'MICROTEL', of which the first syllable 'Micro' was found to be descriptive of the products in which the parties dealt. The Supreme Court held, therefore, that no exclusivity could be claimed over the prefix 'Micro' and that, as the suffixes 'Nix' and 'Tel' were dissimilar phonetically and otherwise, no infringement could be alleged. Para 6 of the report reads thus:

"6. There are two things which impress us. Firstly, the appellant is not manufacturing any one product such as the boosters, which has been mainly taken into consideration by the High Court. He is producing various electrical and electronic apparatus in many of which micro-chip technology is used. Even the boosters which he manufactures and sells are of two types, viz., transistorised boosters and integrated circuit boosters whereas the respondent-plaintiff manufactures aerial boosters only of the first type. Thus micro-chip technology being the base of many of the products, the word 'micro' has much relevance in describing the products. Further, the word 'micro' being descriptive of the micro technology used for production of many electronic goods which daily come to the market, no one can claim monopoly over the use of the said word. Anyone producing any product with the use of micro-chip technology would be justified in using the said word as a prefix to his trade name. What is further, those who are familiar with the use of electronic goods know fully well and are not likely to be misguided or confused merely by, the prefix 'micro' in the trade name. Once, therefore, it is held that the word 'micro' is a common or general name descriptive of the products which are sold or of the technology by which the products are manufactured, and the users of such products are, therefore, not likely to be misguided or confused by the said word, the only question which has to be prima facie decided at this stage is whether the words

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<sup>&</sup>lt;sup>18</sup> (1994) SUPPL. 3 SCC 215

'tel' and 'nix' in the trade names of the appellant and the respondent are deceptive for the buyers and users and are likely to misguide or confuse them in purchasing one for the other. According to us, phonetically the words being totally dissimilar are not going to create any such confusion in the mind of the users. Secondly, even the visual impression of the said two trade names is different. In the first instance, the respondent's trade name 'MICRONIX' is in black and white in slimmer letters and they are ensconced in designs of elongated triangles both above and below the said name. On the other hand, the appellant's trade name 'MICROTEL' is in thick bold letters in red colour without any design around. As regards the logo, the respondent's logo consists of the word 'M' in a slim letter with 'I' sporting a dot on it and drawn in the well of 'M'. Below the letter 'M' in small letters is written the word 'MICRONIX' and all these letters and words are written in white in a black square in north-south direction. As against this, the appellant's logo is one letter, viz., 'M' which is drawn in bold broad letter with its left leg slimmer than all other parts which are in thick broad brush. The letter has also white lines drawn across it which is in blue colour. There is no other letter nor is it set against any background. We are, therefore, unable to see how the visual effect of both the logos will be the same on the mind of the buyers. This being the case, we are of the view that there is not even the remotest chance of the buyers and users being misguided or confused by the two trade names and logos. Same is the case with the carton which merely reproduces both the trade names and the logos."

(Emphasis supplied)

It is obvious that the afore extracted passage from *J.R. Kapoor* entirely covers the case at hand, insofar as the words 'SUBWAY' and 'SUBERB' are concerned.

**23.7** One may also, in this context, rely on the decision in *F*. *Hoffman La Roche & Co. Ltd v. Geoffrey Manners & Co. Pvt Ltd*<sup>19</sup>, in which, while dealing with the marks 'PROTOVIT' and 'DROPOVIT', one of the grounds on which the Supreme Court held that there was no infringement was that the suffix 'Vit' was a common abbreviation for Vitamin preparations, and that, discounting 'Vit', the

remainder first part of the competing marks were dissimilar. Para 8 of

the report reads thus:

**"**8. In order to decide whether the word "Dropovit" is deceptively similar to the word "Protovit" each of the two words must, therefore, be taken as a whole word. Each of the two words consists of eight letters, the last three letters are common, and in the uncommon part the first two are consonants, the next is the same vowel 'O', the next is a consonant and the fifth is again a common vowel 'O'. The combined effect is to produce an alliteration. The affidavits of the appellant indicate that last three letters "Vit" is a well known common abbreviation used in the pharmaceutical trade to denote vitamin preparations. In his affidavit, dated January 11, 1961 Frank Murdoch, has referred to the existence on the register of about 57 trade marks which have the common suffix "Vit" indicating that the goods are vitamin preparations. It is apparent that the terminal syllable "Vit" in the two marks is both descriptive and common to the trade. If greater regard is paid to the uncommon element in these two words, it is difficult to hold that one will be mistaken for or confused with the other. The letters 'D' and 'P' in "Dropovit" and the corresponding letters 'P' and 'T' in "Protovit" cannot possibly be slurred over in pronunciation and the words are so dissimilar that there is no reasonable probability of confusion between the words either from the visual or phonetic point of view."

**23.8** Division Benches of this Court have also held to the same effect. In *Astrazeneca UK Ltd v. Orchid Chemicals & Pharmaceuticals Ltd*<sup>20</sup>, the competing marks were 'MERONEM' and 'MEROMER', used for pharmaceutical preparations containing Meropenem. The Court found that the suffix 'Mero', when used in such preparations, was an acronym for 'Meropenem' and was, therefore, descriptive and *publici juris.* 'Nem' and 'mer' were, it was held not to be phonetically or otherwise similar. The plea of infringement was, therefore, rejected. Para 19 of the report in the said case read thus:

"19. Admittedly, 'Mero', which is common to both the competing marks, is taken by both the appellants/plaintiffs and the respondent/defendant from the drug 'Meropenem', taking the

prefix 'Mero' which is used as a prefix in both the competing marks. Both the appellants/plaintiffs and the respondent/defendant are marketing the same molecule 'Meropenem'. Neither the appellants/plaintiffs nor the respondent/defendant can raise any claim for exclusive user of the aforesaid word 'Meropenem'. Along with the aforesaid generic/common prefix, 'Mero', the appellants/plaintiffs have used the syllables 'nem', whereas, the respondent/defendant has used the syllable 'mer'. It is true that the aforesaid words/trade names cannot be deciphered or considered separately, but must be taken as a whole. But even if they are taken as a whole, the prefix 'Mero' used with suffix in the two competing names, distinguishes and differentiates the two products. When they are taken as a whole, the aforesaid two trademarks cannot be said to be either phonetically or visually or in any manner deceptively similar to each other."

**23.9** Following *Astrazeneca*, another Division Bench of this Court held, in *Schering Corporation v. Alkem Laboratories Ltd*<sup>21</sup>, 'TEMOKEM' not to be deceptively similar to 'TEMOGET', when used for pharmaceutical preparations containing Temozolamide.

**23.10** 'SUBWAY' and 'SUBERB', when used in the context of eateries serving submarine sandwiches are not, therefore, deceptively similar, as 'SUB' is *publici juris* and common to the trade, and 'WAY' and 'ERB' are neither phonetically nor otherwise similar. After the modifications undertaken by the defendant, the appearance

of the defendant's red and white "" mark cannot be said to be deceptively similar to any of the plaintiff's 'SUBWAY' device marks, none of which use the red and white colour combination. Their lettering, font and appearance are easily distinguishable from each other.

<sup>&</sup>lt;sup>21</sup> (165) 2009 DLT 474: (2010) 42 PTC 772

**23.11** Besides, there is substance in the defendant's contention that the 'SUBWAY' brand is so well known that there is hardly any chance that a person who wishes to partake from a SUBWAY outlet would walk into one of the defendant's two outlets and partake from there. As has been held by the Supreme Court in several decisions, including *F. Hoffman La Roche<sup>19</sup>*, the class of customers who would use the goods and services of the parties is also a relevant consideration. A person who wants to have food from a SUBWAY outlet knows where to go; it would be quite unrealistic to visualize him walking, instead, into one of the defendant's 'SUBERB' outlets.

**23.12** It cannot, therefore, be said that the defendant's 'SUBERB' mark infringes either the plaintiff's 'SUBWAY' word mark or any of the plaintiff's 'SUBWAY' device marks.

# 24. <u>Re: Plaintiff's word marks "SUBWAY CLUB" and "VEGGIE</u> <u>DELITE"</u>

**24.1** The plaintiff originally contended that its registered trademarks "SUBWAY CLUB" and "VEGGIE DELITE" stood infringed by the defendants' marks "VEGGIE DELICIOUS" and "SUB ON A CLUB". The defendants have, subsequently, modified the said marks with respect to the sandwiches, to "VEG LOADED REGULAR" and "TORTA CLUB".

**24.2** Quite obviously, the marks "VEG LOADED REGULAR" and "TORTA CLUB", cannot be said to be similar, let alone confusingly or deceptively similar to the marks "VEGGIE DELIGHT" and

"SUBWAY CLUB". Between the marks "VEGGIE DELIGHT" and "VEG LOADED REGULAR", the only common feature is the initial "VEG" syllable which, in the context of vegetarian sandwiches is obviously *publici juris* and common to the trade.

**24.3** Between the marks "SUBWAY CLUB" and "TORTA CLUB", the only common feature is the second word "CLUB" which, again, is *publici juris*, when used in the context of club sandwiches, another commonly known and commonly understood variety of sandwiches, which normally contains three layers of bread, as opposed to the normal two layers in other sandwiches. In any event, the club sandwiches form a distinct categories of sandwiches and when used in the context of such sandwiches, the word "CLUB" is *publici juris*.

**24.4** The initial "VEG" syllable in "VEGGIE DELIGHT" and the "CLUB" word in "SUBWAY CLUB", if kept out of the reckoning, there is no similarity between "VEGGIE DELITE" and "VEG LOADED REGULAR" or between "SUBWAY CLUB" and "TORTA CLUB".

**24.5** The modifications carried out by the defendants in respect of these two marks, therefore, sets at rest any allegation of infringement, which could be levelled by the plaintiff in that regard.

## 25. <u>Re. "S" logo</u>

**25.1** The plaintiff does not hold any Indian or WIPO registration in respect of the "S" logo. No infringement can, therefore, be alleged in that regard.

**25.2** That apart, even otherwise, the "S" logos of the plaintiff ( $\square$ ) and the defendants ( $\square$ ) are completely dissimilar.

**25.3** Structurally, there is no similarity whatsoever between the "S" of the plaintiff and the "S" of the defendants. The plaintiff's "S" comprises the normal letter "S" within a larger "S" formed by curved upper and lower arrows pointing in opposite directions. None of these features are present in the defendants' "S". The one point of similarlity which Mr. Sethi had originally sought to urge between two "S"s, being similarity in colour, also stands effaced with the modification, by the defendants, of the colour combination of its "S" from green, white and yellow to red and white. Even the background of the planitiff and defendants "S"s are different, the plaintiff's "S" being in a green background and the defendants' "S" on a black circle in a white square.

**25.4** There is no similarity, therefore, between the "S" marks of the planitiff and the defendants. Besides, as already noted, the plaintiff holds no registration for the 'S' mark.

## 26. <u>Re: Passing off</u>

**26.1** No substantial arguments, on the aspect of passing off, were advanced by Mr. Sethi. Passing off is, fundamentally, a matter which requires trial, as an allegation of passing off cannot be decided by merely comparing marks. Passing off is a non-statutory tort relatable to the common law. Commission of the tort would require the defendant to pass off of its goods or the services as those of the

planitiff. In order to establish, even *prima facie*, commission of the said tort, the plaintiff would have to demonstrate that a person of average intelligence and imperfect recollection is likely, owing to the manner in which the defendants use their marks and other such features, to confuse the goods and services of the defendants with those of the planitiff.

**26.2** Any such possibility stands conclusively foreclosed even by the reputation that the plaintiff commands in the market. There is no likelihood, whatsoever, of a person of average intelligence, who desires to partake of food from a "SUBWAY" outlet, walking, instead, into an outlet of the defendants. No material which could lead to the inference of any such possibility has been placed on record by the plaintiff.

**26.3** On facts, therefore, *prima facie*, no case of passing off is made out.

## 27. Re: Other factors cited by Mr. Sethi

**27.1** Mr. Sethi also relied on several other "similarities" between the plaintiff and the defendants, none of which, in my opinion, can be cited as a ground to justify the prayer for injunction. Among these factors were the similarity in the layout of the restraunts, counters, staff uniform and menu cards. No person can claim any monopoly, in law, over these aspects. As the law operates in this country, even if the décor, layout, or appearance of the restaurant of the defendant is identical, let alone similar, to that of the plaintiff, that cannot justify

an order of injunction by a Court. In that regard, this Court cannot subscribe to the views expressed by the High Court of Canada in the list of *Mr Submarine* decisions on which Mr. Sethi relies. The law in this country does not allow grant of an injunction merely on the ground that décor, layout or appearance of restaurants of two different entities are similar. No claim of exclucivity in respect of the décor or layout of premises or menu cards, or staff uniforms, is available in Indian law.

**27.2** The defendants have, nonetheless, modified the décor, layout, wall hanging, menu cards and uniforms of the staff and its outlets so as not to retain any similarity with the plaintiff in this regard. While I reiterate that even if these features were similar, no claim to injunction could be sustained by the plaintiff on that ground, in view of the modification that the defendants have carried out, this issue does not survive for consideration. There is, as things stand now, no similarity between the defendants and the plaintiff even on these aspects.

### Conclusion

**28.** Subject, therefore, to the defendants carrying out the changes stated in the additional affidavit dated  $3^{rd}$  January 2023, within one week from today and undertaking not to use the allegedly infringing marks hereafter, the prayer for interim injunction is dismissed.

## C.HARI SHANKAR, J

## JANUARY 12, 2023 rb