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

*Reserved on 17<sup>th</sup> February 2023*

*Pronounced on 24<sup>th</sup> February 2023*

+ CS(COMM) 582/2022 & I.A. 13529/2022

BOLT TECHNOLOGY OU ..... Plaintiff

Through: Ms.Swathi Sukumar, Mr.  
Essenese Obhan, Ms.Ayesha Guhathakurta,  
Mr.Pratyush Rao, Advs.

versus

UJOY TECHNOLOGY PRIVATE LIMITED & ANR.

..... Defendants

Through: Mr. Chander Lall, Sr. Adv. with  
Mr.Naman Maheshwari, Mr.Garv Malhotra,  
Mr.Maneesh Malhotra, Ms.Snehal  
Maheshwari, Ms.Ananya Chug, Mr.Eshan  
A. Chaturvedi, Advs.

**CORAM:**

**HON'BLE MR. JUSTICE C.HARI SHANKAR**

**JUDGEMENT**

% **24.02.2023**

**IA 13529/2022 (under Order XXXIX Rules 1 and 2 of the CPC)**

### **The Dispute**

1. Formerly known as Taxify OU, the plaintiff was incorporated in 2013 in Estonia as a taxi aggregator, to aggregate all taxies in Tallinn, Estonia, Riga and Latvia on one platform. The plaintiff claims to have conceived and adopted the brand “BOLT” in 2018, and that the expression signified speed as well as electricity. The plaintiff further avers that, under the brands “BOLT” and **Bolt**, the plaintiff was providing, worldwide, ride-hailing, food and grocery delivery, rental

of cars, e-bikes and scooters and EV (electric vehicle) charging stations/docks. By dint of continuous use, it is asserted that the marks “BOLT” and Bolt have amassed considerable goodwill and reputation and have become exclusively associated with the products and services of the plaintiff. The Bolt mark, it is further asserted, constitutes an “original artistic work” within the meaning of Section 2(c)<sup>1</sup> of the Copyright Act, 1957, of which the plaintiff, as the creator, is the owner and right holder.

2. Admittedly, the plaintiff has no trademark registration in India, though it has applied for registration of the trademark Bolt Charge in Class 99 and of the Bolt device mark in Classes 09, 12, 35, 36, 37 and 39. The said applications are pending, as on date, with the Registrar of Trade Marks.

3. No suit for infringement of trade mark can, therefore, lie at the instance of the plaintiff against anyone in this country, including the defendant. The tort with which the plaintiff charges the defendant is, indeed, not infringement, but passing off. The plaintiff’s case is that the defendant, by using the mark BOLT, is passing off its products and services as those of the plaintiff, or deceiving the unwary consumer into believing the existence of an association between the two.

4. Predicated on the said allegation, the plaintiff seeks, by means of the present suit, an injunction against the defendant from using the

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<sup>1</sup> (c) “artistic work” means, –

- (i) a painting, a sculpture, a drawing (including a diagram, map, chart or plan), an engraving or a photograph, whether or not any such work possesses artistic quality;
- (ii) a work of architecture; and
- (iii) any other work of artistic craftsmanship;

impugned **BOLT** mark. The plaintiff has filed, with the plaint, I.A. 13529/2022 under Order XXXIX Rules 1 and 2 of the Code of Civil Procedure, 1908 (CPC), seeking an interlocutory injunction restraining the defendants and all others acting on their behalf from (i) passing off their goods and services under the impugned ‘BOLT’ and **BOLT** marks as those of the plaintiff in relation to “all kinds of mobility, delivery, EV charging and all related goods and services and any other services cognate and allied thereto”, and (ii) reproducing, imitating or copying the artistic work in the plaintiff’s **Bolt** logo, pending disposal of the suit.

5. The present judgement disposes of I.A. 13529/2022.

### **Rival Stands**

#### Submissions of Ms Swathi Sukumar on behalf of plaintiff

6. Arguing for the plaintiff, Ms Swathi Sukumar emphasizes the worldwide goodwill that her client commands which, in her submission, has percolated into this country as well. She submits that the applicant’s goods and services are provided in over 400 cities in over 45 countries in Europe, Africa, West Asia, South America and Latin America, with over 100 million customers globally. Over 2.5 million drivers, it is submitted, offer rides over the “Bolt platform”. She draws my attention to the averment, in the plaint, that the plaintiff, as a “global market leader in transportation”, offers services which include vehicles for hire, micro mobility, car sharing, Electric Vehicle (EV) charging stations and docks (with which alone we are concerned in the present case) and food and grocery delivery services.

7. The plaintiff operates a website <https://bolt.eu/>. It also has accounts on (i) Facebook with 1,707,969 likes and 1,711,954 followers, (ii) LinkedIn with 157,979 followers, (iii) Instagram with around 92,900 followers, (iv) Twitter with around 44,800 followers and (v) TikTok with around 28,300 followers and 3,82,400 likes. The plaintiff also trades through a mobile application titled “BOLT”, available on Apple’s App Store and Google’s Play Store. The plaintiff asserts that, as on August 2022, the BOLT mobile app had invited approximately 96,100 reviews on the App Store of Apple and 28,70,000 reviews on Google’s Play Store. The App is downloadable in India. The plaintiff asserts that users in India have downloaded the app at least 2 lakh times.

8. The defendant makes only EV charging docks/stations. Insofar as EV charging docks are concerned, the plaintiff claims to be operating such docks, using the “BOLT” mark, in Tallinn and Estonia, with the intent to install charging points in Lithuania and Portugal. The plaintiff has also provided web links to various foreign newspapers and news channels which contain articles featuring the plaintiff.

9. The plaintiff claims to have earned revenue, from its trademarks “BOLT” and **Bolt** to the tune of € 80 million in 2018, € 148 million in 2019, € 221 million in 2020 and € 500 million in 2021. The plaintiff also claims to have expended, in advertising and promotional activities, € 9 million in 2018, € 18 million in 2019, € 16 million in 2020 and € 61 million in 2021. The plaintiff’s marks also stand registered in, *inter alia*, the European Union, Pakistan, the Russian Federation, Switzerland, Australia, Turkey, Philippines and Mexico. Ms. Sukumar, learned Counsel for the plaintiff submits, in fact, that

the plaintiff has 92 registrations worldwide.

10. To emphasise the reputation and goodwill that her client commands, Ms. Sukumar has drawn my attention to the following articles, published in CNBC and the Economic Times:

CNBC

**“Europe’s answer to Uber expands into the electric scooter scene in Madrid**

- Bolt, formerly known as Taxify, is launching its electric kick scooter-sharing service in Madrid.
- The move marks another stepping stone in the start-up’s move toward new mobility options beyond car-hailing.
- The Estonia-based company is seeking to raise an additional round of funding from investors.

It’s a phenomenon that’s seen wild popularity – and infamy – in some U.S. cities. Now, the electric scooter craze looks set to gain further ground in Europe.

Estonian ride-hailing firm Bolt, formerly known as Taxify, is launching its electric kick scooter-sharing service in Madrid, following a rollout last year in Paris.

Rides in the Spanish capital will cost 15 cents a minute, on top of a 1 euro minimum charge. Customers need to scan a QR code to unlock the scooters and can leave them on the street once a trip is complete.

“Beating the traffic is a big issue in cities like Madrid and a lot of trips are much more efficiently covered with an electric scooter rather than a car with a driver.” Bolt co-founder and CEO Markus Villig said in a statement.

“By bringing Bolt scooters to Madrid, we’re solving two things at once; reducing car rides as well as saving time and money for our customers.”

The move marks another stepping stone in the start-up’s drive toward new mobility options beyond car-hailing. It recently went through rebranding, changing its name to Bolt, which is the same name it used for the Paris scooter service.

It also mirrors Uber's aim to become a one-stop shop for mobility. The ride-hailing giant made its own push into the e-scooter market last year following the acquisition of bike – Bolt is also looking to branch out into another key area for Uber – food delivery. It recently announced plans to launch a competitor to Uber Eats in Estonia, Finland and South Africa this summer.

As it pushes toward a renewed focus on growth, Bolt is seeking to raise an additional round of funding from investors. It recently hired a new finance chief, former Spotify SPOT executive Johan Bergqvist, who will be tasked with overseeing fundraising efforts at the firm.

The company hasn't disclosed how much it's looking to raise, nor who the investors will be. Bolt's last big investment – which it secured last year when it was still known as Taxify – saw it raise \$175 million at a \$1 billion valuation.

The company is backed by Chinese ride-hailing giant Didi Chuxing and German automaker Daimler DAI-DE, which itself owns a taxi hire application called MyTaxi.

#### E-scooter craze

The dockless e-scooter market has seen massive interest from investors, with serious cash being pumped into the likes of Lime and Bird.

Lime recently closed a \$310 million funding deal that values the firm at \$2.4 billion, while Bird last year raised \$300 million at a \$2 billion valuation – the latter is also reportedly in talks to raise a further \$300 million.

But the battery-powered devices have seen some regulatory pushback in a number of cities, amid complaints that they are being ridden illegally on sidewalks and dumped in inappropriate places.

San Francisco temporarily banned them last year, before granting permits to some start-ups in the space to let them resume operations. But Lime, Bird and Uber were refused licenses by the local authority.

Madrid and Paris, meanwhile, banned e-scooters from sidewalks last year, while Spain's capital also banned three operators, including Lime, for failing to comply with its rules. Madrid's city hall later restored Lime's ability to operate, while Bolt and Jump were also granted permits.



## KEY POINTS

- Estonian ride-hailing start-up Bolt has raised \$713 million in fresh funding to push into the rapidly growing online grocery delivery industry.
- The new investment round values Bolt at about \$4.75 billion, more than double its last private valuation of \$2 billion.
- The Uber rival is branching out into new services like food delivery, electric scooter and bike rentals in a bid to become a “super app.”

### Economic Times

“Bolt, a rival of Uber's ride-sharing and food delivery business, last raised funding in August at a valuation of more than €4 billion.

The company also offers electric scooter rentals, car-sharing and a 15-minute grocery delivery service, catering to over 100 million customers in 45 countries and over 400 cities across Europe and Africa.

"We are expanding all the five product lines extremely quickly, developing product R&D and rolling out in new cities," chief executive Markus Villig told Reuters in an interview.

While Uber is the biggest rival for ride-hailing, Bolt faces competitors in food delivery including Just Eat Takeaway.com and DoorDash, which entered Europe via a \$8 billion purchase of Wolt.

To gain customers, platforms often offer discounts leading to price wars in some markets.

"In many cases, we have been the driving force that actually lowers prices for consumers, so from day one, we were really focused on being frugal," Villig said.

"We have been offering substantially lower prices than anybody else in the industry ... we expect this to continue."

### Economic Times

“Uber rival Bolt raises \$711 million at valuation of over \$8 billion

### Synopsis

While Uber is the biggest rival for ride-hailing, Bolt faces competitors in food delivery including Just Eat Takeaway.com and DoorDash, which entered Europe via a \$8 billion purchase of Wolt.



Stockholm: Estonian startup Bolt said on Tuesday it had raised €628 million (\$711.40 million) from investors led by Sequoia Capital and Fidelity Management and Research Co, taking its valuation to €7.4 billion (\$8.38 billion).”

11. These articles, submits Ms. Sukumar, themselves indicate that the plaintiff’s BOLT mark enjoys trans-border reputation. Seen in conjunction with the number of times the plaintiff’s App has been downloaded by Indian users, Ms Sukumar submits that the spillover of her client’s reputation into India stands evidenced. She has also placed reliance on certain data sourced from the internet which indicates the number of times the plaintiff’s App was accessed by drivers in Ahmedabad, Pune, Surat, Chennai and Kolkata. She relies, in this context, on the following passages from the judgement of a learned Single Judge of this Court in *Groupon Inc. v Mohan Rao*<sup>2</sup>:

“51. One cannot lose sight of the fact that the plaintiff offers its services on cyber space, and not through physical products. In the era of internet technology, the dissemination of information is instant as it is not constrained by territorial boundaries. Furthermore, the presence of social networking websites have made it possible for an organization to advertise its services and products online thereby reaching thousands of people world over instantaneously, as opposed to conventional modes of advertising through journals and magazines. The decision in *Roca Sanitario*

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<sup>2</sup> (2014) 58 PTC 392



**S.A. v. Naresh Kumar Gupta**<sup>3</sup>, relied upon by the defendants was not rendered in a case dealing with an internet business and, thus, is of no avail to the defendants.

52. The Court in **Roca Sanitario**<sup>2</sup> observed that trans-border reputation cannot be the sole criterion. In the instant case, the plaintiff has provided data by COMSCORE, which reveals that in the last quarter of 2010, i.e. before the defendants actually sold their first coupon, the plaintiff website had received 30,000 visitors with Indian IP addresses. *Prima facie*, this establishes that Indian consumers were aware of the plaintiff's mark and the services in respect of which it was used, and may have even availed of services on the plaintiff's website, as Indians who travel abroad can purchase coupons on the plaintiff's website in respect of services being offered in the local territory they may be visiting. Furthermore, nothing prevents Indian consumers from buying coupons on the plaintiff's website and gifting them to their near and dear ones who reside in the local territory where the services are being offered. In fact, the recent trend of online business is to cater to such people who order a product or services from one part of the globe, but request for it to be delivered/rendered to an entirely different part of the globe."

In addition, Ms. Sukumar cites the following passages from judgements of Division Benches of this Court in **MAC Personal Care Pvt Ltd v. Laverana GMBH & Co. KG**<sup>4</sup>:

"14. The concept of trans-border reputation has grown quite considerably through case law, which has been noted by the learned Single Judge, and the judgments referred to by the learned Single Judge have been noted by us in paragraph 7 above. We therefore need not rewrite the same. The concept of trans-border reputation essentially means that a plaintiff wishing to enforce its unregistered trademark in India need not necessarily have a commercial use in the Indian market in order to maintain an action for passing off. International reputation and renown may suffice if the same spills over to India.

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19. As against a single registration, registrations in multiple jurisdictions create an even stronger presumption that reputation inures in favour of the trademark.

20. If international magazines, journals and publications including books have referred to the trademark, then such

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<sup>3</sup> 2010 SCC OnLine Del 1135

<sup>4</sup> 2016 (65) PTC 357 (DB)

publications, depending upon their renown can be taken as valuable of reputation, even if they are few.

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30. Honesty of adoption at the initial stage itself has to be established to take benefit of concurrent registration under Section 12(3) of the Act. If the user at the inception is dishonest, subsequent concurrent user will not purify the dishonest intention. Commercial honesty at the initial stage of adoption is required. What is protected is innocent use of a mark by two or more persons unknown to each other and unaware of the mark used by the other. Adoption must be honest, bona-fide and without any knowledge on the part of the adopter. The onus and burden is on the defendant to show that the user and adoption at the initial stage was honest.”

Ms Sukumar drew my attention the following passage from the well-known decision of the Supreme Court in *Toyota Jidosha Kabushiki Kaisha v. Prius Auto Industries Ltd*<sup>5</sup> (“Toyota”, hereinafter):

“38. The next exercise would now be the application of the above principles to the facts of the present case for determination of the correctness of either of the views arrived at in the two-tier adjudication performed by the High Court of Delhi. Indeed, the trade mark “Prius” had undoubtedly acquired a great deal of goodwill in several other jurisdictions in the world and that too much earlier to the use and registration of the same by the defendants in India. But if the territoriality principle is to govern the matter, and we have already held it should, there must be adequate evidence to show that the plaintiff had acquired a substantial goodwill for its car under the brand name “Prius” in the Indian market also. The car itself was introduced in the Indian market in the year 2009-2010. The advertisements in automobile magazines, international business magazines; availability of data in information-disseminating portals like Wikipedia and online Britannica Dictionary and the information on the internet, even if accepted, will not be a safe basis to hold the existence of the necessary goodwill and reputation of the product in the Indian market at the relevant point of time, particularly having regard to the limited online exposure at that point of time i.e. in the year 2001. The news items relating to the launching of the product in Japan isolatedly and singularly in The Economic Times (issues dated 27-3-1997 and 15-12-1997) also do not firmly establish the acquisition and existence of goodwill and reputation of the brand name in the Indian market. Coupled with the above, the evidence of the plaintiff's witnesses themselves would be suggestive of a very limited sale of the product in the Indian market and virtually



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<sup>5</sup> (2018) 2 SCC 1



the absence of any advertisement of the product in India prior to April 2001. This, in turn, would show either lack of goodwill in the domestic market or lack of knowledge and information of the product amongst a significant section of the Indian population. While it may be correct that the population to whom such knowledge or information of the product should be available would be the section of the public dealing with the product as distinguished from the general population, even proof of such knowledge and information within the limited segment of the population is not prominent.”


Ms Sukumar sought to distinguish the case of her client, from the case of Toyota before the Supreme Court, by submitting that, in the present case, actual proof of knowledge, by the defendant, of the trade mark of the plaintiff was forthcoming.

12. Thus, submits Ms Sukumar, the plaintiff’s marks had amassed international reputation and goodwill, which had spilled over into India before the defendant adopted the impugned **BOLT** mark. Apropos the user of the impugned mark by the defendant, Ms Sukumar relies on the following:

- (i) a news item figuring in the Deccan Herald dated 26<sup>th</sup> October 2021, titled “REVOS launches Bolt charging system”,
- (ii) the Whois information regarding the [www.boltevecharging.com](http://www.boltevecharging.com) and <https://bolt.earth> domain names of the defendant, which disclose that the domain [www.boltevecharging.com](http://www.boltevecharging.com) was registered on 9<sup>th</sup> December 2021, and <https://bolt.earth> was registered on 14<sup>th</sup> July 2021, and
- (iii) the applications filed by the defendant for registration of the  and  marks, which were on “proposed to be used” basis.

**13.** There is, in fact, in Ms Sukumar’s submission, nothing to indicate user, by the defendant, of the impugned **BOLT** mark, prior to 2021. Referring to a Youtube video filed by the defendant before this Court with the reply to the plaintiff’s IA.13529/2022, captioned “REVOS BOLT: Peer to Peer Charging Network – Coming Soon!!”, dated 2<sup>nd</sup> October 2020, on the basis of which the defendant is claiming user of the impugned **BOLT** mark since 2<sup>nd</sup> October 2020, Ms Sukumar submits that the claim is contrary to the other documents of the defendant, which the defendant itself has placed on record, already cited *supra*. As against this, the plaintiff was using its BOLT and **Bolt** marks, worldwide, since 2018.

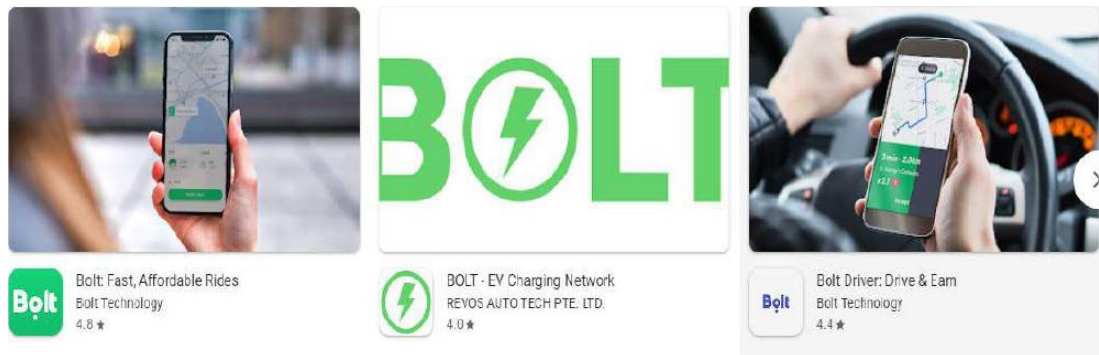
**14.** Ms Sukumar further submits that, against the defendant’s application for registration of the  mark, the First Examination Report, dated 21<sup>st</sup> September 2011, issued on behalf of the Registrar of Trade Marks, cited, *inter alia*, the  mark, in respect of which the application of Bolt Support KE Ltd., a subsidiary of the plaintiff was then pending, as an earlier mark to which the defendant’s mark was deceptively similar. The adoption of the impugned marks by the defendant was, therefore, in her submission, *ab initio* dishonest.

**15.** Having itself applied for registration of its BOLT marks, both in word and device form, the defendant cannot, submits Ms Sukumar, seek to contend that the BOLT mark was generic, or common to the trade. She refers, in this context, to the following response of the defendant, to the FER of the Registrar in respect of the defendant’s application for registration of the  mark:

“We feel that the Device (Logo) “**BOLT**” is unique and does not bear any similarity or resemblance with any of the conflicting marks, i.e., MONARCH BOLT and U.S. BOLT, as mentioned in your examination report. Kindly note that “**BOLT**” is not a generic word and Device (Logo) and there is no such same mark registered till date.”

Additionally, submits Ms Sukumar, it is well settled that the mere fact that there were other infringers, against whom the plaintiff had not proceeded, did not estop it from proceeding against the defendant.

**16.** To underscore the possibility of confusion between the plaintiff’s and defendant’s marks, Ms Sukumar refers to the manner in which the two Apps appear on the Google Play App site, side by side, thus:



#### Submissions of Mr Chander M Lall on behalf of defendant

**17.** Mr Chander M Lall, arguing for the defendant, submits that the plaint instituted by the plaintiff is bereft of any sustainable cause of action. The plaintiff, he submits, has no trans-border reputation whatsoever, at least in EV charging stations, in which activity his client is the largest player in India. Trans border reputation, submits Mr Lall, must be shown to have existed on the date the defendant adopted the impugned **BOLT** mark.



**18.** There is, in Mr Lall's submission, not even the remotest connection between the services rendered by the plaintiff and the goods manufactured and sold by the defendant. The plaintiff is engaged in providing taxi services for hire. The defendant, *per contra*, is engaged in the business of EV charging stations. Mr Lall relies, in this context, on para 8 of the plaint which, in his submissions, as much as admits this position:

"The plaintiff, formerly known as Taxify OU, was incorporated in 2013 by Markus Vilig, with a vision to aggregate all taxis in Tallinn, Estonia and Riga, Latvia onto one platform. The service was launched in August 2013 and global operations were launched in 2014. The Plaintiff conceived and adopted the brand 'BOLT', in 2018, to signify speed as well as electricity. In 2019, the Plaintiff consolidated all operations under the brand 'BOLT' and has continuously been offering goods and services under the trademarks/trade name 'BOLT' and **Bolt**, in relation to ride-hailing, food and grocery delivery, rental of cars, e-bikes and scooters, EV charging stations/docks, worldwide."

In fact, submits Mr Lall, the plaintiff was essentially in the business of taxi ride-hailing, and the inclusion of "EV charging stations/docks" in the bouquet of activities in which it was engaged, in the afore-extracted passage from the plaint, is a strained effort at creating a cause of action where none exists. EV charging stations/docks is, in fact, he submits, the business activity, not of the plaintiff, but of the defendant. Mr Lall also invites attention, in this context, to para 12 of the plaint, in which it is averred thus:

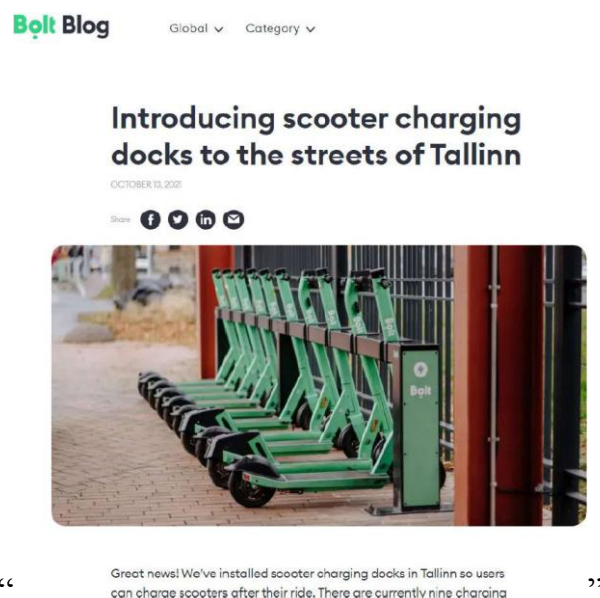
"... The internet has increased the visibility and the reach of the Plaintiff worldwide in relation to mobility, delivery, *EV charging*, and all related goods and services. Through the Plaintiff's constant posting on the aforementioned social media channels, consumers have become accustomed to understanding that the trademark BOLT is a commercial sign of origin *specifically for mobility, transportation, and delivery goods and services*. Documents substantiating the same are filed along with the plaint."

(Emphasis supplied)

Mr Lall submits that the italicized words in para 12 of the plaint impliedly acknowledge that the plaintiff's field of activities, in which it has any goodwill or reputation, does not include EV charging stations. The reference to EV charging earlier in the same paragraph is, therefore, he submits, deliberately misleading.

**19.** In para 16 of the plaint, in fact, submits Mr Lall, the plaintiff has averred that it “also operates EV charging docks with the BOLT mark including EV charging stations in Tallinn, Estonia and will soon be installing charging points in Litanian and Portugal”. Exposure in Tallinn, Estonia, Lithuania and Portugal, submits Mr Lall, can hardly be regarded as trans border or worldwide reputation, far less reputation which has spilled over to India.

**20.** Mr Lall also invites my attention to the following promotional article, containing a photograph, placed on record by the plaintiff itself which, in his submission, indicates that the EV charging docks installed by the plaintiff were only for charging the plaintiff's own electric scooters:



This position, submits Mr Lall, is clear from the following recitals, which are to be found in the same article:

**“Why use Bolt charging docks?**

Our charging docks are an innovative way to park and charge Bolt scooters.

They also help to reduce environmental pollution, cutting out the need for our Operations teams to collect low-battery scooters using vans and additional resources.

The charging docks encourage better parking habits and contribute to the overall improvement of the cityscape, especially as all charging point are located in busy areas.

As there are no cables that could wear out and require additional maintenance, our charging docks offer a sustainable urban charging solution for the 21<sup>st</sup> century!

**How to use Bolt’s scooter charging docks**

One charging dock can hold up to ten scooters. These charging docks are suitable for the Bolt 4, Bolt 3, and Bolt 2 scooter models. All charging docks are marked on the map inside your Bolt app.





As there are no cables to plug in, to start charging, simply push the scooter into the socket – and that’s it!

**Note:** You must push your scooter into the charging dock *before* ending your ride.



”

**21.** Mr Lall further submits that, in para 26 of the plaint, the plaintiff has acknowledged that the defendant was “incorporated in India in February 2020 and carries on the business, *inter alia*, of charging points for Electric Vehicles (EVs).” In February 2020, submits Mr Lall, the plaintiff did not have a single EV charging point, even for its own scooters, anywhere in the world. Thus, he submits, the defendant enjoys priority of user *vis-à-vis* the plaintiff even in respect of EV charging stations. Though the defendant had applied for registration of its  and  trade marks on 30<sup>th</sup> August 2021 on “proposed to be used” basis, Mr Lall submits that, as

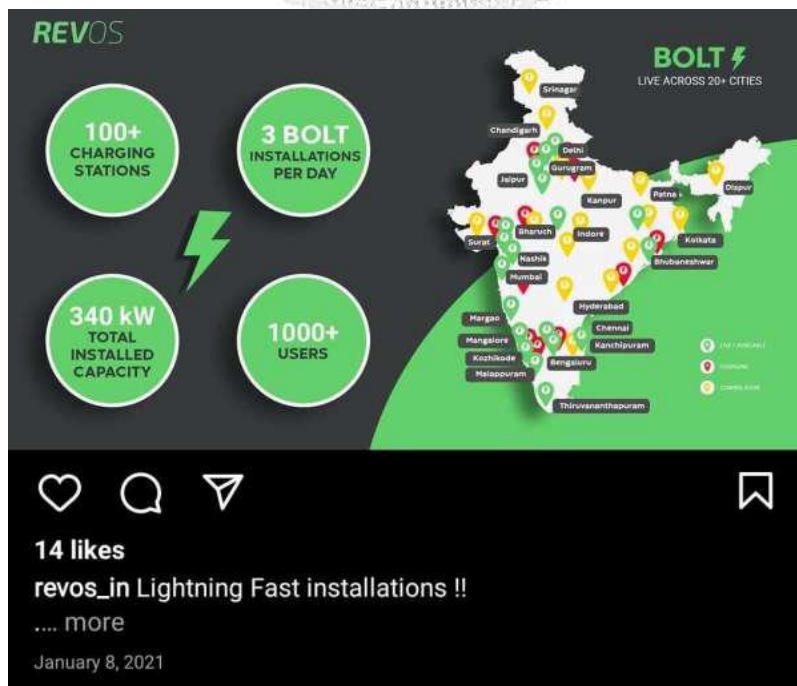
- (i) since 2018, Defendant 2 had adopted the mark ‘BOLT’ for EV chargers,
- (ii) by 2<sup>nd</sup> October 2020, Defendant 2 had introduced ‘BOLT’ to the public at large by uploading public posts on social media platforms like YouTube and Instagram,
- (iii) on 16<sup>th</sup> October 2020, Defendant 2 uploaded yet another public post revealing further features of its BOLT EV chargers,
- (iv) as such, when Defendant 2 had conceptualized and adopted ‘BOLT’, the plaintiff had not even been rebranded as ‘BOLT’, and
- (v) even if, therefore, it were to be assumed that the plaintiff had introduced ‘BOLT’ charging docks on 13<sup>th</sup> October 2021, the plaintiff had priority of user dating back to 2<sup>nd</sup> October 2020.

Mr Lall referred me to screenshots of the relevant social media posts of the defendant, which vouchsafe these assertions.

**22.** As against this, submits Mr Lal,

- (i) the defendants have been using the mark 'BOLT' for EV charging stations since 2020,
- (ii) in 2021, the defendants achieved the milestone of setting up 10000 EV chargers across 60 Indian cities, and
- (iii) as on date, the defendant's charging network spans 100 cities in India at more than 13,000 locations, including 2500 chargers in the Delhi-NCR region alone.

**23.** Mr Lall has also adverted to the various encomiums that have been awarded to the defendants over time. He has referred to a Chartered Accountants' Certificate which has certified the total amount spent by the defendants on promotion and publication of the brand name 'BOLT' till 1<sup>st</sup> August 2022 as ₹ 17,49,36,464/-. Moreover, points out Mr Lall from the following document, filed with the written statement, the defendant's EV charging stations stood installed in 24 cities on or before 8<sup>th</sup> January 2021, whereas the plaintiff introduced its first charging station in Estonia in August 2021:





24. Mr Lall has also cited the following news item which figured in the Business Standard of 24<sup>th</sup> March 2022:

**“BOLT installs 10k EV Charging Points in India, Fast Tracks its Expansion Plans**

Bengaluru (Karnataka) [India], March 24 (ANI/BusinessWire India): BOLT, an All-in-One EV Infrastructure Provider, announced the installation of 10,000 BOLT EV charging stations in India in the past 6 months.

This milestone is an important step towards the startup's goal of installing One Million BOLT charging points across 500 cities in India & other emerging markets. BOLT is on track to deploy 100,000 charging points in the next 6 months by catering to demand coming from non-metro cities such as Jaipur, Nagpur, Nashik, Chandigarh, Surat, Ahmedabad, Lucknow, Bhubaneswar, Vijayawada, etc.

With BOLT's experience of making Bengaluru the first EV ready city in India, the top three cities that have seen the maximum usage of the startup's EV charging station are Bengaluru, Delhi/NCR and Hyderabad. BOLT has dispensed over 50,000 kW of energy so far and of the total 5000 publicly available BOLT EV charging points in India, Bengaluru has the highest number installed in the country with 3000+ chargers followed by Delhi/NCR region at 1000+ and 500+ in Hyderabad. BOLT has added more than 60000+ users on the BOLT charging network up to March 2022.

Furthermore, BOLT charging points across India have helped generate a passive income of over INR 3,000 per month for top BOLT charging point hosts. The overwhelming demand for a safe, reliable, and affordable EV charging infrastructure combined with collaboration with other EV ecosystem players has helped fast track the startup's goal. In the last 6 months alone, more than 20 OEMs/EV ecosystem players such as SpareIt, Park+ and EV fleet solution providers have partnered with BOLT across India.

BOLT is India's largest EV charging network, comprising the universal (<https://bolt.earth/bolt>) BOLT Charging Point and the (<https://revos.in/platform>) BOLT Operating System. Developed with the objective of building a strong EV charging infrastructure, it is India's first dedicated network of IoT-enabled EV charging points connecting riders across the country. Made-in-India, BOLT is a universal charging point which is compatible with any portable charger that comes with EVs and works with the existing AC power supply everywhere.

Anyone, and not just the EV owner, can buy & install BOLT in the shops, garages, RWAs, commercial parking spaces, etc. for riders and use it ubiquitously to generate passive income and establish a denser charging network. Installing BOLT requires no additional infrastructure and can be done in under 30 min with little to no maintenance.”

**25.** Mr. Lall submits that the comparison of the plaintiff’s and defendants’ Apps would be meaningless, as the defendants’ App is for EV charging stations whereas the plaintiff’s App is for taxi hailing services. In fact, submits, Mr. Lall, on the ground of assumed trans-border reputation for taxi hailing services, the plaintiff essentially wants to inject the defendants from using the mark “BOLT” with respect to EV charging stations. Mr. Lall submits that the plaintiff has suppressed the response, dated 9<sup>th</sup> December 2020, submitted by it in reply to the notification of provisional refusal of protection for its IRDI 4700773 for the trademark “BOLT”, in which the plaintiff sought to contend that there was no likelihood of confusion or deception *vis-à-vis* the cited earlier marks, as the application for the plaintiff’s BOLT marks were for a niche category of goods and services, (specifically in relation to a mobile App for transport and delivery related services).

**26.** In fact, submits Mr. Lall, the case set up by the plaintiff is completely lacking in any material evidencing trans-border reputation which has spilled over into India. The only evidence of trans-border reputation, he submits, is the assertion that the plaintiff’s App had been downloaded by several persons who were travelling abroad, so as to use the App abroad, and by way of a survey report of a survey conducted among taxi drivers.

27. Mr Lall also contests the plaintiff's claim that its 'BOLT' or **Bolt** mark was entitled to be regarded as a "well known trade mark". Drawing attention to the definition of "well known trade mark" as contained in Section 2(1)(zg)<sup>6</sup> of the Trade Marks Act, Mr Lall submits that a mark had to have become well known "to the substantial segment of the public which uses" the goods or services in respect of which the mark had become "well known". He submits that the main segment of services rendered by the plaintiff was taxi-hailing, and it could not be said that a substantial segment of the public in India who availed taxi-hailing services was aware of the plaintiff. As the plaintiff's mark does not satisfy the criteria either of Section 2(1)(zg) or of Section 11(6) of the Trade Marks Act, Mr Lall submits that the plaintiff's BOLT or **Bolt** mark could not be regarded as a "well known trade mark". Though Section 11(9)<sup>7</sup> clarifies that use or registration of a mark in India was not required for the mark to acquire the status of a "well known trade mark", Mr Lall submits that the conditions of Section 11(6) had, nonetheless, to be satisfied.

28. Mr Lall further submits that, in order for a case of passing off to succeed, the plaintiff would have to establish that the defendant, by

<sup>6</sup> **2. Definitions and interpretation.**—(1) In this Act, unless the context otherwise requires,—

(zg) "well known trade mark", in relation to any goods or services, means a mark which has become so to the substantial segment of the public which uses such goods or receives such services that the use of such mark in relation to other goods or services would be likely to be taken as indicating a connection in the course of trade or rendering of services between those goods or services and a person using the mark in relation to the first-mentioned goods or services.

<sup>7</sup> **11. Relative grounds for refusal of registration.**—

(9) The Registrar shall not require as a condition, for determining whether a trade mark is a well-known trade mark, any of the following, namely:—

- (i) that the trade mark has been used in India;
- (ii) that the trade mark has been registered;
- (iii) that the application for registration of the trade mark has been filed in India; (iv) that the trade mark—
  - (a) is well-known in; or
  - (b) has been registered in; or
  - (c) in respect of which an application for registration has been filed in, any jurisdiction other than India; or
  - (v) that the trade mark is well-known to the public at large in India.

using the impugned mark, was causing the public, *in India*, to be confused or to believe an association between the impugned mark and the asserted mark, so as to pass off the goods covered by the latter as the former. He places extensive reliance, in this regard, on *Toyota*, citing, for the purpose, paras 14, 17, 18, 25 to 30, 33, 34 and 38 to 40 of the report. He also relies on paras 31, 32, 52, 76, 77, 85 and 86 of the report in *Pfizer Products Inc. v. B.L. & Co.*<sup>8</sup> and para 8 of the judgement of the Supreme Court in *Milmet Oftho Industries v. Allergan Inc.*<sup>9</sup> The judgements cited by Ms Sukumar were all, he submits, rendered prior to *Toyota* and were, moreover, in cases in which the product of the plaintiff was used in India.

**29.** Reiterating the fact that his client was the first in the Indian market for EV charging services, Mr Lall referred to invoices placed on record. Relying on a graphical presentation at page 99 of the documents filed with the written statement, Mr Lall submits that his client was way ahead in the number of installed charge points at 11,200 till the Financial Year 2022, as against the next player Statia which had merely 6,600 installed charge points. Mr Lall submits that the reach of the defendant and its business stands vouchsafed even by the Deccan Herald report dated 26<sup>th</sup> October 2021, to which reference has already been made in para 12 *supra*. The report, he points out, acknowledged that (i) even in its pre-launch phase, the defendant's Bolt charging points had been installed in 60 cities in India with an installed capacity of over 3600 KW, (ii) the defendant's Bolt OS had been deployed in over 10000 devices, (iii) the defendant had 30 OEMs across India, China, Vietnam and Nepal and (iv) the defendant was

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<sup>8</sup> (2002) 25 PTC 262 : 2022 SCC OnLine Del 396

<sup>9</sup> (2004) 12 SCC 624

soon planning to launch its product in Europe and other parts of South East Asia.

Ms Sukumar in rejoinder

**30.** In rejoinder, Ms Sukumar refers to paras 32, 33 and 33.2 of the judgement of the Supreme Court in *S. Syed Mohideen v. P. Sulochana Bai*<sup>10</sup> which, she submits, set out the standards to be met for a successful plea of passing off. Submitting that both priority of use and reputation have to be considered while examining a plea of passing off, Ms Sukumar points out that, when the defendant launched its services, the plaintiff was already a billion dollar company. She further submits that the suit instituted by her client is not with respect to taxi-hailing services, but EV charging services used for charging electric scooters, which is an allied service. She points out, by reference to articles in the CNBC and Economic Times that the valuation of the plaintiff's services wrote from US \$ 1 billion in 2018-2019 to about US \$ 4.75 billion by August 2021 and that, by January 2022, the plaintiff was catering to over 100 million customers in 45 countries. She submits that, in order to succeed in its claim of passing off, the plaintiff was not required to be engaged in the activity of EV charging in India, and that the awareness, by Indian customers, of the plaintiff's mark was sufficient. Downloading of the plaintiff's App, submits Ms Sukumar, evidenced not only knowledge, but also intent to use the plaintiff's services. Viewed thus, there were 1,90,000 Indian users of the plaintiff's services.

**31.** To show trans border goodwill and reputation, Ms Sukumar

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<sup>10</sup> (2016) 2 SCC 683




submits that it was sufficient to show that the plaintiff's brand had a strong presence abroad, which it clearly had. She also submitted that the plaintiff had included, as a footer on its web page, the slogan "Bolt ❤ India", which, too, indicated the plaintiff's intent to expand into the Indian territory. If no protection were to be granted by this Court, Ms Sukumar submits that the distinctiveness of the plaintiff's mark, as well as its potential for expansion, would stand destroyed. Relying on the judgement of the UK Supreme Court in *Starbucks (HK) Ltd v. British Sky Broadcasting Group*<sup>11</sup>, Ms Sukumar submits that, even in the absence of trans border reputation, intent on the part of the plaintiff to expand to India was sufficient to maintain a claim for passing off. She relies, in this context, on paras 9, 10 and 15 of the judgement of the Supreme Court in *N.R. Dongre v. Whirlpool Corporation*<sup>12</sup> and on para 14 of the report in *MAC Personal Care*<sup>4</sup>. *Toyota*<sup>5</sup>, she submits, does not alter the law on trans border reputation, but merely deals with the quantum of evidence necessary in that regard. Apropos *Pfizer*<sup>8</sup>, Ms Sukumar submits that this Court, in the said case, arrived at a positive finding of existence of worldwide reputation in the project forming subject matter of controversy, as well as spillover of the reputation into India but went on, nonetheless, to hold that there was no chance of confusion as the product of the defendant was different in colour from that of the plaintiff, and it could not be assumed that the spillover of the product's reputation would extend to awareness of the colour of the product. She has referred, in this context, to paras 46, 47, 48, 52 and 53 of the said decision. Ms Sukumar submits that, in her case, she had shown actual knowledge, by Indian consumers, of the plaintiff's product (as

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<sup>11</sup> (2015) 1 WLR 2628 (SC)

<sup>12</sup> (1996) 5 SCC 714



evidenced by the survey conducted on taxi drivers and the number of downloads of the plaintiff's App) and the plaintiff's intent to use its product in India (as evidenced by the advertisements and applications for registration of the plaintiff's mark in India). She relies, in this context, once again, on paras 17 to 20, 25, 28, 30, 33, 47, 52, 53 and 56 to 59 of *Groupon*<sup>2</sup> and paras 6, 9, 21 and 31 to 34 of the judgement of a learned Single Judge of this Court in *Sona Blw Precision Forgings Ltd v. Sonae EV Pvt Ltd*<sup>13</sup> and para 13 of the report from the judgement of the Supreme Court in *Laxmikant V. Patel v. Chetanbhai Shah*<sup>14</sup>.

32. Ms Sukumar submits that the defendant, though having been put on notice regarding the pre-existing BOLT mark of Bolt Support Ke Ltd in the FER issued against the defendant's application for registration of the  mark, nonetheless went on to use the impugned mark, thereby evincing its dishonest intent. In this regard, Ms Sukumar submits that the defendant has, in para 57 of its written statement filed by way of response to the present suit, averred thus:


"The Defendant No. 1 made necessary efforts to duly distinguish between the two logos, the same extended to distinct in of services in the App Store/Play Store where in the name of the app 'BOLT' appears with the suffix 'EV Charging Network' to sufficiently make the user aware of the type of service provided via the plaint. The Defendant no. 1 also made conscious choices for the differentiation of color patterns and logo for their plaints available on the Android Play Store and Apple App Store. The Defendant no. 1's app logo features a light green thunderbolt enclosed in a light green circle on an opaque white background while the Plaintiff's logo features the word "BOLT" in white ink, on an opaque green (significantly darker than the green used by the Defendants) background."

<sup>13</sup> 2022 SCC OnLine Del 2321

<sup>14</sup> (2022) 3 SCC 65

**33.** Ms Sukumar submits that the only evidence of user submitted by the defendant are by way of the invoices filed with the written statement, which are merely electronic printouts. The defendant registered its website on 4<sup>th</sup> July 2021 and 19<sup>th</sup> December 2021. The application for registration of the  and  marks, in 2021, was also on “proposed to be used” basis.

## **Analysis**

**34.** Superfluities aside, the primary issue in the present case is whether the plaintiff has, *prima facie*, been able to make out a case of passing off, by the defendant, of its product or services as those of the plaintiff, by use of the impugned  mark.

### **35. Elements of passing off**

**35.1** Unlike infringement, passing off is a common law tort. Being a tort unconfined by the shackles of statute, passing off is, by its very nature, elastic. In substance, the tort is exactly what its title suggests, which is the passing off, by one person, of his goods or services as those of another. In the intellectual property regime, passing off is understood as the use of a mark, or design, by one, in such a manner as would confuse the mythical creature of average intelligence and imperfect recollection into believing the goods or services, to which the mark pertains, to be the goods or services of another. All that is needed is confusion, not conviction.

**35.2** Unlike infringement, therefore, the commission of the tort of

passing off is dependent, largely, on the psyche of the consumer – of average intelligence and imperfect recollection. While examining whether passing off has, or has not, taken place, therefore, one has to weigh, in the balance, other attendant factors as well, the existence of which might lessen, or remove altogether, the chance of confusion. The mere establishment of the fact that the defendant is using the trade mark which is deceptively similar to that of the plaintiff does not, however, necessarily *ipso facto* lead to an inevitable inference of passing off. It is open to the defendant to show, by other means, that, even if the trade mark, used by the defendant, is deceptively similar to that of the plaintiff, the defendant is, nevertheless, not guilty of the tort of passing off, as other factors, seen cumulatively, negate the possibility of the customer being deceived or confused. ***Cadila Health Care v. Cadila Pharmaceuticals Ltd***<sup>15</sup> identified the essence of passing off thus:

“The passing-off action depends upon the principle that nobody has a right to represent his goods as the goods of somebody. In other words and is not to sell his goods or services under the pretence that they are those of another person.”

**35.3** The following passage from ***Kaviraj Pt Durga Dutt Sharma v. Navaratna Pharmaceutical Laboratories***<sup>16</sup> classically distinguishes infringement from passing off:

“In an action for infringement, the plaintiff must, no doubt, make out that the use of the defendant's mark is likely to deceive, but where the similarity between the plaintiffs and the defendant's mark is so close either visually, phonetically or otherwise and the court reaches the conclusion that there is an imitation, no further evidence is required to establish that the plaintiffs rights are violated. Expressed in another way, if the essential features of the trade mark of the plaintiff have been adopted by the defendant, the fact that the get-up, packing and other writing or marks on the

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<sup>15</sup> (2001) 5 SCC 73

<sup>16</sup> AIR 1965 SC 980

goods or on the packets in which he offers his goods for sale show marked differences, or indicate clearly a trade origin different from that of the registered proprietor of the mark would be immaterial; whereas in the case of passing off, the defendant may escape liability if he can show that the added matter is sufficient to distinguish his goods from those of the plaintiff.”

The ingredients of a passing off action were thus delineated in *Cadila Health Care*<sup>15</sup>:

“The passing-off action depends upon the principle that nobody has a right to represent his goods as the goods of somebody. In other words a man is not to sell his goods or services under the pretence that they are those of another person. As per Lord Diplock in *Erven Warnink BV v. J. Townend & Sons*<sup>17</sup> the modern tort of passing off has five elements i.e. (1) a misrepresentation, (2) made by a trader in the course of trade, (3) to prospective customers of his or ultimate consumers of goods or services supplied by him, (4) which is calculated to injure the business or goodwill of another trader (in the sense that this is a reasonably foreseeable consequence), and (5) which causes actual damage to a business or goodwill of the trader by whom the action is brought or (in a quia timet action) will probably do so.”

Thereafter the decision proceeded to identify, authoritatively, the following determinative aspects to decide whether passing off has, or has not, in a given case, taken place:

- “(a) The nature of the marks i.e. whether the marks are word marks or label marks or composite marks i.e. both words and label works.
- (b) The degree of resemblance between the marks, phonetically similar and hence similar in idea.
- (c) The nature of the goods in respect of which they are used as trade marks.
- (d) The similarity in the nature, character and performance of the goods of the rival traders.
- (e) The class of purchasers who are likely to buy the goods bearing the marks they require, on their education and intelligence and a degree of care they are likely to exercise in purchasing and/or using the goods.

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<sup>17</sup> (1979) 2 All ER 927



- (f) The mode of purchasing the goods or placing orders for the goods.
- (g) Any other surrounding circumstances which may be relevant in the extent of dissimilarity between the competing marks.”

In ***Mahendra & Mahendra Paper Mills Ltd v. Mahindra & Mahindra Ltd***<sup>18</sup>, again a case of passing off, the Supreme Court delineated the factors which would have a bearing on the aspect of chance of confusion, in the following passage:

“Without intending to be exhaustive some of the principles which are accepted as well settled may be stated thus : that whether there is a likelihood of deception or confusion arising is a matter for decision by the court, and no witness is entitled to say whether the mark is likely to deceive or to cause confusion; that all factors which are likely to create or allay deception or confusion must be considered in combination; that *broadly speaking, factors creating confusion would be, for example, the nature of the market itself, the class of customers, the extent of the reputation, the trade channels, the existence of any connection in course of trade, and others.*”

(Emphasis supplied)

**35.4 *Satyam Infoway Ltd v. Siffynet Solutions (P) Ltd***<sup>19</sup> identified the three elements of a passing off action thus:

“13. The next question is, would the principles of trade mark law and in particular those relating to passing off apply? *An action for passing off, as the phrase “passing off” itself suggests, is to restrain the defendant from passing off its goods or services to the public as that of the plaintiffs. It is an action not only to preserve the reputation of the plaintiff but also to safeguard the public. The defendant must have sold its goods or offered its services in a manner which has deceived or would be likely to deceive the public into thinking that the defendant's goods or services are the plaintiffs. The 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. The question is, as has been aptly put, who gets these first? It is not essential for the plaintiff to prove long user to establish reputation in a passing-off*

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<sup>18</sup> (2002) 2 SCC 147

<sup>19</sup> (2004) 6 SCC 145

*action. It would depend upon the volume of sales and extent of advertisement.*

14. *The second element that must be established by a plaintiff in a passing-off action is misrepresentation by the defendant to the public. The word misrepresentation does not mean that the plaintiff has to prove any mala fide intention on the part of the defendant. Of course, if the misrepresentation is intentional, it might lead to an inference that the reputation of the plaintiff is such that it is worth the defendant's while to cash in on it. An innocent misrepresentation would be relevant only on the question of the ultimate relief which would be granted to the plaintiff [Cadbury Schweppes v. Pub Squash<sup>20</sup>, Erven Warnink v. Townend<sup>21</sup>]. What has 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. In assessing the likelihood of such confusion the courts must allow for the "imperfect recollection of a person of ordinary memory" [Aristoc v. Rysta<sup>22</sup>].*

15. *The third element of a passing-off action is loss or the likelihood of it."*

(Emphasis supplied)

Most significantly, passing off being a tort predicated on the appropriation, to oneself, of the benefit of the goodwill and reputation earned by another, the existence of such goodwill and reputation was emphasized as an inalienable *sine qua non*, in the following passage from *Satyam Infoway*<sup>19</sup>:

*"This brings us to the merits of the dispute between the parties. As we have already said, a passing-off action is based on the goodwill that a trader has in his name unlike an action for infringement of a trade mark where a trader's right is based on property in the name as such. Therefore, unless goodwill can be established by the appellant by showing that the public associates the name "Sify" with the services provided by the appellant, it cannot succeed."*

(Emphasis supplied)

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<sup>20</sup> 1981 RPC 429 : (1981) 1 All ER 213 : [1981] 1 WLR 193 (PC)

<sup>21</sup> 1980 RPC 31 : (1979) 2 All ER 927 : [1979] A.C. 731 (HL)

<sup>22</sup> [1945] A.C. 68 : (1945) 1 All ER 34 (HL)

**35.5** On a study of these, and other, authorities on the point, this Court, in *FDC Ltd v. Faraway Foods Pvt Ltd*<sup>23</sup>, identified the following ingredients of a valid passing off action:

“(i) Passing off, though an action based on deceit, does not require the establishment of fraud as a necessary element to sustain the action. Imitation or adoption, by the defendant, of the plaintiffs trade mark, in such manner as to cause confusion or deception in the mind of prospective customers, is sufficient.

(ii) The principles for grant of injunction, in passing off actions, are the same as those which govern the grant of injunctions in other cases, i.e. the existence of a *prima facie* case, the balance of convenience, and the likelihood of irreparable loss in issuing to the plaintiff, were injunction not to be granted.

(iii) Proof of actual damage is not necessary, to establish passing off. However, proof of misrepresentation is necessary, even if intent to misrepresent is not approved. The question of intent may, nevertheless, be relevant, when it comes to the ultimate relief to be granted to the plaintiff.

(iv) Passing off may be alleged by a claimant who owns sufficient proprietary interest in the goodwill associated with the product, which is really likely to be damaged by the alleged misrepresentation.

(v) Grant of injunction, in cases where passing off is found to exist, is intended to serve two purposes, the first being preservation of the reputation of the plaintiff, and the second, safeguarding of the public against goods which are “passed off as those of the plaintiff.

(vi) The ingredients/indicia of the tort of passing off are the following:

(a) There must be sale, by the defendant, of goods/services in a manner which is likely to deceive the public into thinking that the goods/services are those of the plaintiff.

(b) The plaintiff is not required to prove long user to prove established reputation. The existence, or otherwise, of reputation, would depend upon the volume of the plaintiffs sales and the extent of its advertisement.

(c) The plaintiff is required to establish

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<sup>23</sup> 2021 SCC OnLine Del 1539

- (i) misrepresentation by the defendant to the public, though not necessarily *mala fide*,
- (ii) likelihood of confusion in the minds of the public (the public being the potential customers/users of the product) that the goods of the defendant are those of the plaintiff, applying the test of a person of “imperfect recollection and ordinary memory”,
- (iii) loss, or likelihood of loss, and
- (iv) goodwill of the plaintiff, as a prior user.

Elsewhere, the five elements of passing off have been identified as (a) misrepresentation, (b) made by the trader in the course of trade, (c) to prospective customers or ultimate consumers of the goods or services supplied by him, (d) calculated to injure the business or goodwill of another (i.e. that such injury is reasonably foreseeable) and (e) actual damage, or the possibility of actual damage, to the business or goodwill of the plaintiff.

(vii) In cases of alleged passing off, the Court, while examining the likelihood of causing confusion, is required to consider, in conjunction, *inter alia*,

- (a) the nature of the market,
- (b) the class of customers dealing in the product,
- (c) the extent of reputation possessed by the plaintiff,
- (d) the trade channels through which the product is made available to the customer and
- (e) the existence of connection in the course of trade. The Supreme Court has also held that, in passing off action on the basis of unregistered trade marks, the Court is required to assess the likelihood of deception or confusion by examining
  - (i) the nature of the marks, i.e. whether there were demands/label marks/composite marks,
  - (ii) the degree of similarity between the competing marks,
  - (iii) the nature of the goods,
  - (iv) the similarity in nature, character and performance of the goods of the rival parties,
  - (v) the class of purchasers, and the degree of care which they would be expected to exercise while purchasing the goods, and
  - (vi) the mode of purchasing the goods and placing orders.

(viii) That the defendant is not producing the goods manufactured by the plaintiff may not be relevant, where the plaintiff's mark is found to have sufficient reputation.

(ix) Courts are required to be doubly vigilant where passing off is alleged in respect of pharmaceutical products, in view of the possibility of adverse effects resulting from administration of a wrong drug. For the said reason, the degree of proof is also lower, in the case of alleged passing of pharmaceutical products.

(x) Passing off differs from infringement. Passing off is based on the goodwill that the trader has in his name, whereas infringement is based on the trader's proprietary right in the name, registered in his favour. Passing off is an action for deceit, involving passing off the goods of one person as those of another, whereas an action for infringement is a statutory remedy conferred on the registered proprietor of a registered trade mark for vindication of its exclusive right to use the trade mark in relation to the goods in respect of which registration has been granted. Use of the trade mark by the defendant is not necessary for infringement, but it is a *sine qua non* for passing off. Once sufficient similarity, as is likely to deceive, is shown, infringement stands established. Passing off, however, may be resisted on the ground of added material, such as packing, procurement through different trade channels, etc., which would distinguish the goods of the defendant from those of the plaintiff and belie the possibility of confusion or deception.”

**35.6 In *Renaissance Hotel Holdings Inc. v. B. Vijaya Sai*<sup>24</sup>, the Supreme Court held thus:**

“50. It could thus be seen that this Court has pointed out the distinction between the causes of action and right to relief in suits for passing off and for infringement of registered trade mark. It has been held that the essentials of a passing off action with those in respect of an action complaining of an infringement of a registered trade mark, cannot be equated. It has been held that though an action for passing off is a common law remedy being an action for deceit, that is, a passing off by a person of his own goods as those of another; the action for infringement is a statutory right conferred on the registered proprietor of a registered trade mark for the vindication of the exclusive rights to the use of the trade mark in relation to those goods. The use by the defendant of the trade mark of the plaintiff is a *sine qua non* in the case of an action for infringement. It has further been held that if the essential features of the trade mark of the plaintiff have been adopted by the defendant, the fact that the get-up, packing and other writing or marks on the goods or on the packets in which he offers his goods for sale show marked differences, or indicate clearly a trade origin different from that of the registered proprietor of the mark, would be immaterial in a case of infringement of the trade mark, whereas

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<sup>24</sup> (2022) 5 SCC 1

in the case of a passing off, the defendant may escape liability if he can show that the added matter is sufficient to distinguish his goods from those of the plaintiff.

51. Again, while considering the provisions of Section 21 of the 1940 Act, this Court in ***Ruston & Hornsby Ltd. v. Zamindara Engg. Co.***<sup>25</sup>], observed thus : (SCC pp. 729-30, paras 4-6)

“4. It very often happens that although the defendant is not using the trade mark of the plaintiff, the get up of the defendant's goods may be so much like the plaintiff's that a clear case of passing off would be proved. It is on the contrary conceivable that although the defendant may be using the plaintiff's mark the get up of the defendant's goods may be so different from the get up of the plaintiff's goods and the prices also may be so different that there would be no probability of deception of the public. Nevertheless, in an action on the trade mark, that is to say, in an infringement action, an injunction would issue as soon as it is proved that the defendant is improperly using the plaintiff's mark.

5. The action for infringement is a statutory right. It is dependent upon the validity of the registration and subject to other restrictions laid down in Sections 30, 34 and 35 of the Act. On the other hand the gist of a passing off action is that A is not entitled to represent his goods as the goods of B but it is not necessary for B to prove that A did this knowingly or with any intent to deceive. It is enough that the get-up of B's goods has become distinctive of them and that there is a probability of confusion between them and the goods of A. No case of actual deception nor any actual damage need be proved. At common law the action was not maintainable unless there had been fraud on A's part. In equity, however, Lord Cottenham, L.C., in ***Millington v. Fox***<sup>26</sup> held that it was immaterial whether the defendant had been fraudulent or not in using the plaintiff's trade mark and granted an injunction accordingly. The common law courts, however, adhered to their view that fraud was necessary until the Judicature Acts, by fusing law and equity, gave the equitable rule the victory over the common law rule.

6. The two actions, however, are closely similar in some respects. As was observed by the Master of the Rolls in ***Saville Perfumery Ltd. v. June Perfect Ltd.***<sup>27</sup> :

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<sup>25</sup> (1969) 2 SCC 727

<sup>26</sup> (1838) 3 My & Cr 338 : 40 ER 956

<sup>27</sup> (1941) 58 RPC 147 at p. 161 (HL)



‘The statute law relating to infringement of trade marks is based on the same fundamental idea as the law relating to passing-off. But it differs from that law in two particulars, namely (1) it is concerned only with one method of passing-off, namely, the use of a trade mark, and (2) the statutory protection is absolute in the sense that once a mark is shown to offend, the user of it cannot escape by showing that by something outside the actual mark itself he has distinguished his goods from those of the registered proprietor. Accordingly, in considering the question of infringement the courts have held, and it is now expressly provided by the Trade Marks Act, 1938, Section 4, that infringement takes place not merely by exact imitation but by the use of a mark so nearly resembling the registered mark as to be likely to deceive.’ ”

### **36. Passing off and trans border reputation**

**36.1** Where the plaintiff is dealing in goods or providing services, under its mark, within the territory in which the defendant is alleged to have, by adopting a deceptively similar mark, passed off its goods or services as those of the plaintiff, identification of whether the necessary ingredients of passing off do, or do not, exist, is a simpler exercise. Where, however, as in the present case, the plaintiff has no business, whatsoever, in India, matters become complex. Passing off being a tort of capitalization, by the defendant, of the goodwill and reputation earned by the plaintiff, it has to be established that the plaintiff *has* goodwill and reputation in India.

**36.2** Here again, where the plaintiff, though situated abroad, carries on business within the territory of India, or has some business exposure within India, the exercise of examining whether the plaintiff has the requisite goodwill or reputation in India is simplified. We are, however, faced with a situation in which, admittedly, the plaintiff

carries on no commercial activity, whatsoever, within the territory of India. The activities in which the plaintiff is engaged are not, even to the most infinitesimal degree, carried out within Indian borders.

**36.3** Even in such a situation, however, the possibility of the defendant, situated in India, passing off its goods and services as those of the plaintiff is not entirely ruled out, for the simple reason that the plaintiff, even if situated and carrying out its business activities abroad, may, at any time, decide to expand, or diversify, to India. A consumer of average intelligence and imperfect recollection, who comes across the defendant operating under the mark of the foreign plaintiff, or under a deceptively similar mark, may well presume that the defendant has decided to enter the Indian commercial firmament. Were this to be established, the defendant might still be found guilty of passing off its goods or services as those of the plaintiff, though the plaintiff is entirely situated abroad and has, till date, no commercial existence in India.

**36.4** By plain logic, however, in such a case, the plaintiff would have to show that its goodwill and reputation, though garnered abroad, is so considerable that it has *spilled over* to India. In other words, the plaintiff would have to establish (i) that it has trans-border reputation, i.e. reputation which extends beyond the regions in which it has commercial existence, (ii) that the trans border reputation has extended to India and (iii) that the “spillage” is so considerable as to confuse or deceive a customer of average intelligence and imperfect recollection into believing that the goods or services of the defendant are those of the plaintiff.

**36.5** The task of identifying the indicia of trans border reputation and the extent of its percolation into India to maintain a passing off action against a defendant located in India is facilitated by a considerable body of case law that has, over the years, developed on the issue. I deem it appropriate to refer, in this context, to the decisions of the Supreme Court and of Division Benches of this Court on the issue, as they are of binding precedential value.

**36.6** In *N.R. Dongre*<sup>12</sup>, the respondent Whirlpool Corporation (“Whirlpool”) sued the appellant N R Dongre (“Dongre”) for having manufactured and sold washing machines under the mark ‘WHIRLPOOL’, thereby confusing and deceiving buyers into believing that they had been manufactured by Whirlpool. Though Whirlpool was located abroad, and had no subsisting trade mark registration in India, the Supreme Court upheld the decision of this Court to injunct Dongre, as Whirlpool had the necessary trans border reputation which had spilled over into India. This finding was returned on the basis of the following facts:

- (i) Though there was no evidence of actual sales of Whirlpool appliances in India, Whirlpool had been frequently advertised and featured in international magazines having Indian circulation.
- (ii) Whirlpool was trading in its products in several parts of the world and was also sending the products to India in a limited circle.

(iii) The worldwide reputation of Whirlpool was travelling trans border to India through commercial publicity made in magazines which were available or bought in India, in the strata of society which used washing machines.

**36.7** In *Milmet Oftho*<sup>9</sup>, the appellant Allergan Inc (“Allergan”) sued Milmet Oftho Industries (“Milmet”) for having used the mark ‘OCUFLOX’ for eye drops, in respect of which Allergan claimed to be the prior owner and user of the mark. Allergan had no registration of the mark in India, though it claimed to have several registrations worldwide. Applications, for registration of the mark, filed by Allergan and Milmet were, however, pending with the Indian Trade Marks Registry.

**36.7.1** The learned Single Judge of the High Court declined injunction, holding that Allergan was not selling OCUFLOX drops in India, and that Milmet had first introduced the product in this country. An appeal, therefrom, was allowed by the Division Bench, on the premise that Allergan was first in the market.

**36.7.2** The Supreme Court, in appeal, upheld the decision of the Division Bench, reasoning thus:

“8. We are in full agreement with what has been laid down by this Court. *Whilst considering the possibility of likelihood of deception or confusion, in present times and particularly in the field of medicine, the courts must also keep in mind the fact that nowadays the field of medicine is of an international character. The court has to keep in mind the possibility that with the passage of time, some conflict may occur between the use of the mark by the applicant in India and the user by the overseas company. The court must ensure that public interest is in no way imperilled. Doctors, particularly, eminent doctors, medical practitioners and persons or companies connected with the medical field keep abreast of latest developments in medicine and preparations*

worldwide. Medical literature is freely available in this country. Doctors, medical practitioners and persons connected with the medical field regularly attend medical conferences, symposiums, lectures, etc. It must also be remembered that nowadays goods are widely advertised in newspapers, periodicals, magazines and other media which is available in the country. This results in a product acquiring a worldwide reputation. Thus, if a mark in respect of a drug is associated with the respondents worldwide it would lead to an anomalous situation if an identical mark in respect of a similar drug is allowed to be sold in India. However, one note of caution must be expressed. Multinational corporations, which have no intention of coming to India or introducing their product in India should not be allowed to throttle an Indian company by not permitting it to sell a product in India, if the Indian company has genuinely adopted the mark and developed the product and is first in the market. Thus the ultimate test should be, who is first in the market.

9. In the present case, the marks are the same. They are in respect of pharmaceutical products. *The mere fact that the respondents have not been using the mark in India would be irrelevant if they were first in the world market.* The Division Bench had relied upon material which prima facie shows that the respondents' product was advertised before the appellants entered the field. On the basis of that material the Division Bench has concluded that the respondents were first to adopt the mark. If that be so, then no fault can be found with the conclusion drawn by the Division Bench.”

(Emphasis supplied)

**36.7.3** The following three important features of this decision merit mention:

(i) Firstly, it is necessary to note that, even in this case, the Supreme Court upheld the necessity of the existence of trans border reputation which has spilled over into India as a prerequisite for grant of relief. Given the peculiar nature of pharmaceutical products, the Supreme Court held that, by dint of extensive literature and advertisements, with which doctors were necessarily conversant, existence of worldwide reputation could be presumed.

(ii) Secondly, the Supreme Court, even in such a case and will full consciousness of the overwhelming public interest involved, deemed it necessary to enter a cautionary caveat, by holding that “multinational corporations, which have no intention of coming to India or introducing their product in India should not be allowed to throttle an Indian company by not permitting it to sell a product in India, if the Indian company has genuinely adopted the mark and developed the product and is first in the market”.

(iii) Thirdly, the Supreme Court was also obviously influenced by the fact that the rival marks were identical, i.e. OCUFLOX. The case was, therefore, one of clear imitation.

**36.7.4** In this context, it is also necessary to understand the “first in the market” concept. In *Milmet Oftho*<sup>9</sup>, the Supreme Court was dealing with a situation in which Milmet and Allergan were selling identical products, using identical marks. In such a situation, applying the “first in the market” principle poses no problems. In the present case, *per contra, there is nothing, whatsoever, to indicate that the plaintiff was “in the EV-charging market” at all, even till date.* The “market”, in which the plaintiff was using the asserted **Bolt** mark, was a market of taxi hailing services with, perhaps, associated activities of food and grocery delivery and the like. In the EV-charging market, therefore, it becomes questionable whether the plaintiff can claim to be “first”.



**36.8** *Toyota*<sup>5</sup> is, perhaps, the most authoritative of the pronouncements on trans border reputation and spillover, in the context of passing off actions.

**36.8.1** Toyota Jidosha Kabushiki Kaisha (“Toyota”) was a manufacturer of automobiles, incorporated in Japan. Toyota instituted a suit against Prius Auto Industries Ltd (“Prius”) in this Court, alleging infringement and passing off, by Prius, by use of the marks ‘TOYOTA’, ‘TOYOTA INNOVA’, ‘TOYOTA DEVICE’ and ‘PRIUS’. Toyota claimed priority of user. Interlocutory injunction was granted, by a learned Single Judge of this Court, in favour of Toyota and against Prius, in respect of all these marks. Prius appealed to the Division Bench of this Court only against the injunction granted against use, by it, of the ‘PRIUS’ mark. The Division Bench allowed Prius’ appeal, and set aside the injunction granted in favour of Toyota and against Prius, qua use of the ‘PRIUS’ mark by the latter. Toyota appealed to the Supreme Court.

**36.8.2** Before the learned Single Judge, Prius contended that the mark ‘PRIUS’ had not been registered in favour of Toyota for any product, and no PRIUS car had been shown to have been sold in India so as to result in creation of any goodwill therein. The product itself not being in existence in India, Prius contended that there was no possibility of Indian customers identifying the defendant’s registered ‘PRIUS’ trade mark with Toyota’s products. Prius claimed, in fact, to be the first in the Indian market to manufacture add on accessories.

**36.8.3** The learned Single Judge of this Court held that as (i) Toyota was the first in the world market to use the mark ‘PRIUS’, (ii) the

goodwill and reputation of the brand ‘PRIUS’, given quantum of sales of ‘PRIUS’ cars and exponential rise thereof, and (iii) the permeation, into India, of the goodwill and reputation of Toyota in the mark ‘PRIUS’, Toyota was entitled to an injunction as sought. In arriving at the said decision, the learned Single Judge took into account (a) the fact that the plaintiff’s websites had been visited by many Indians seeking information about Prius cars, (b) exhibitions of the car held in India and other countries, (c) advertisements in different automobile magazines and cover stories in international magazines and journals, and (d) availability of information regarding the car in information-disseminating portals such as Wikipedia and Britannica. The learned Single Judge relied on *N.R. Dongre*<sup>12</sup> and *Milmet Oftho*<sup>9</sup> to hold that the Court was required to examine who was first in using the mark in the world market. Given the repute that the mark had earned internationally, which, according to the learned Single Judge, had permeated into India, Toyota was held to be entitled to an injunction.

**36.8.4** The Division Bench of this Court disagreed with the learned Single Judge. It was held that the learned Single Judge had taken into accounts facts pertaining to a period after the date of first use of the impugned PRIUS mark by Prius. The reportage, and advertising, of the launching of the Prius car by Toyota in 1997 was held not to be groundbreaking, and figured as small news items in select papers. The Division Bench held that the Universality doctrine (which posits that a mark signifies the same source the world over) had been replaced with the Territoriality doctrine (which recognized the separate existence of the trade mark in each country). Prior to April 2001, when Prius commenced use of the impugned PRIUS mark in India, internet penetration in the country was held to be limited, and

insufficient to justify an inference of establishment, by Toyota, of its goodwill and reputation in India.

**36.8.5** The Supreme Court, in its judgement, identified, at the outset, the three ingredients of passing off as goodwill of the plaintiff, misrepresentation by the defendant, and damage suffered by the plaintiff as a consequence.

**36.8.6** Paras 29 to 39 of the report, thereafter, deal with the Territoriality doctrine, which applied to trade mark passing off in preference to the Universality doctrine. They merit reproduction, *in extenso*, thus:

29. The view of the courts in UK can be found in the decision of the UK Supreme Court in *Starbucks*<sup>11</sup> wherein Lord Neuberger observed as follows:

*“52. As to what amounts to a sufficient business to amount to goodwill, it seems clear that mere reputation is not enough.... The claimant must show that it has a significant goodwill, in the form of customers, in the jurisdiction, but it is not necessary that the claimant actually has an establishment or office in this country. In order to establish goodwill, the claimant must have customers within the jurisdiction, as opposed to people in the jurisdiction who happen to be customers elsewhere. Thus, where the claimant's business is carried on abroad, it is not enough for a claimant to show that there are people in this jurisdiction who happen to be its customers when they are abroad. However, it could be enough if the claimant could show that there were people in this jurisdiction who, by booking with, or purchasing from, an entity in this country, obtained the right to receive the claimant's service abroad. And, in such a case, the entity need not be a part or branch of the claimant: it can be someone acting for or on behalf of the claimant.”*

30. It seems that in *Starbucks*<sup>11</sup>, the Apex Court of UK had really refined and reiterated an earlier view in *Athletes' Foot*

**Mktg. Associates Inc. v. Cobra Sports Ltd.**<sup>28</sup>, to the following effect:

*“... no trader can complain of passing-off as against him in any territory ... in which he has no customers, nobody who is in trade relation with him. This will normally shortly be expressed by stating that he does not carry on any trade in that particular country ... but the inwardness of it will be that he has no customers in that country ...”*

31. A passing reference to a similar view of the Federal Court of Australia in **Taco Bell v. Taco Co. of Australia**<sup>29</sup>, may also be made.

32. *Prof. Cristopher Wadlow's view on the subject appears to be that the test of whether a foreign claimant may succeed in a passing-off action is whether his business has a goodwill in a particular jurisdiction, which criterion is broader than the “obsolete” test of whether a claimant has a business/place of business in that jurisdiction. If there are customers for the claimant's products in that jurisdiction, then the claimant stands in the same position as a domestic trader.*

33. *The overwhelming judicial and academic opinion all over the globe, therefore, seems to be in favour of the territoriality principle. We do not see why the same should not apply to this country.*

34. To give effect to the territoriality principle, the courts must necessarily have to determine *if there has been a spillover of the reputation and goodwill of the mark used by the claimant who has brought the passing-off action*. In the course of such determination it may be necessary to seek and ascertain the existence of not necessarily a real market but *the presence of the claimant through its mark within a particular territorial jurisdiction in a more subtle form* which can best be manifested by the following illustrations, though they arise from decisions of courts which may not be final in that particular jurisdiction.

35. In **LA Societe Anonyme Des Anciens Etablissements Panhard v. Panhard Levassor Motor Co. Ltd.**<sup>30</sup>, the plaintiffs were French car manufacturers who had consciously decided to not launch their cars in England (apprehending patent infringement). Nevertheless, some individuals had got them imported to England. It was seen that England was one of the plaintiff's markets and thus, in this case, permanent injunction was granted. Similarly

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<sup>28</sup> 1980 RPC 343

<sup>29</sup> (1981) 60 FLR 60 (Aust)

<sup>30</sup> (1901) 2 Ch 513

in **Grant v. Levitt**<sup>31</sup>, a Liverpool business concern trading as the Globe Furnishing Company, obtained an injunction against the use of the same name in Dublin as it was observed that advertisements by the plaintiff had reached Ireland and there were Irish customers.

36. **C & A Modes v. C & A (Waterford) Ltd.**<sup>32</sup>, was a case where the plaintiffs operated a chain of clothes stores throughout the UK and even in Northern Ireland but not in the Republic of Ireland where the defendants were trading. The Court held that,

“a very substantial and regular custom from the Republic of Ireland was enjoyed by this store. Up to that time an excursion train travelled each Thursday from Dublin to Belfast, and so great was the influx of customers from the Republic as a result of that excursion that the store ordinarily employed extra part-time staff on Thursday on the same basis as it did on Saturday which were normally the busiest shopping days.”

The said view has since been upheld by the Irish Supreme Court.

37. Whether the second principle evolved under the trinity test i.e. triple identity test laid down in **Reckitt & Colman Products Ltd. v. Borden Inc.**<sup>33</sup> would stand established on the test of likelihood of confusion or real/actual confusion is another question that seems to have arisen in the present case as the Division Bench of the High Court has taken the view that the first test i.e. likelihood of confusion is required to be satisfied only in *quia timet* actions and actual confusion will have to be proved when the suit or claim is being adjudicated finally as by then a considerable period of time following the initiation of the action of passing-off might have elapsed. Once the claimant who has brought the action of passing-off establishes his goodwill in the jurisdiction in which he claims that the defendants are trying to pass off their goods under the brand name of the claimant's goods, the burden of establishing actual confusion as distinguished from possibility thereof ought not to be fastened on the claimant. *The possibility or likelihood of confusion is capable of being demonstrated with reference to the particulars of the mark or marks, as may be, and the circumstances surrounding the manner of sale/marketing of the goods by the defendants and such other relevant facts.* Proof of actual confusion, on the other hand, would require the claimant to bring before the Court evidence which may not be easily forthcoming and directly available to the claimant. In a given situation, there may be no complaints made to the claimant that goods marketed by the defendants under the impugned mark had been inadvertently purchased as that of the plaintiff claimant. The

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<sup>31</sup> (1901) 18 RPC 361

<sup>32</sup> 1976 IR 198 (Irish)

<sup>33</sup> (1990) 1 WLR 491 : (1990) 1 All ER 873 (HL)

onus of bringing such proof, as an invariable requirement, would be to cast on the claimant an onerous burden which may not be justified. Commercial and business morality which is the foundation of the law of passing-off should not be allowed to be defeated by imposing such a requirement. In such a situation, likelihood of confusion would be a surer and better test of proving an action of passing-off by the defendants. Such a test would also be consistent with commercial and business morality which the law of passing-off seeks to achieve. In the last resort, therefore, it is preponderance of probabilities that must be left to judge the claim.

38. The next exercise would now be the application of the above principles to the facts of the present case for determination of the correctness of either of the views arrived at in the two-tier adjudication performed by the High Court of Delhi. *Indeed, the trade mark "Prius" had undoubtedly acquired a great deal of goodwill in several other jurisdictions in the world and that too much earlier to the use and registration of the same by the defendants in India. But if the territoriality principle is to govern the matter, and we have already held it should, there must be adequate evidence to show that the plaintiff had acquired a substantial goodwill for its car under the brand name "Prius" in the Indian market also. The car itself was introduced in the Indian market in the year 2009-2010. The advertisements in automobile magazines, international business magazines; availability of data in information-disseminating portals like Wikipedia and online Britannica Dictionary and the information on the internet, even if accepted, will not be a safe basis to hold the existence of the necessary goodwill and reputation of the product in the Indian market at the relevant point of time, particularly having regard to the limited online exposure at that point of time i.e. in the year 2001. The news items relating to the launching of the product in Japan isolatedly and singularly in The Economic Times (issues dated 27-3-1997 and 15-12-1997) also do not firmly establish the acquisition and existence of goodwill and reputation of the brand name in the Indian market. Coupled with the above, the evidence of the plaintiff's witnesses themselves would be suggestive of a very limited sale of the product in the Indian market and virtually the absence of any advertisement of the product in India prior to April 2001. This, in turn, would show either lack of goodwill in the domestic market or lack of knowledge and information of the product amongst a significant section of the Indian population. While it may be correct that the population to whom such knowledge or information of the product should be available would be the section of the public dealing with the product as distinguished from the general population, even proof of such knowledge and information within the limited segment of the population is not prominent.*



39. *All these should lead to us to eventually agree with the conclusion of the Division Bench of the High Court that the brand name of the car Prius had not acquired the degree of goodwill, reputation and the market or popularity in the Indian market so as to vest in the plaintiff the necessary attributes of the right of a prior user so as to successfully maintain an action of passing-off even against the registered owner. In any event the core of the controversy between the parties is really one of appreciation of the evidence of the parties; an exercise that this Court would not undoubtedly repeat unless the view taken by the previous forum is wholly and palpably unacceptable which does not appear to be so in the present premises.”*

(Italics and underscoring supplied)

**36.8.7** Several important principles emerge from these passages, which may be enumerated as under:

(i) The territoriality principle applies; not the universality doctrine. Existence of goodwill and reputation has, therefore, to be shown to exist *in India*. Universal or worldwide goodwill and reputation, *sans* any evidence of territorial goodwill and reputation, is not sufficient.

(ii) Mere reputation is not enough. The claimant/plaintiff must show that it has significant goodwill.

(iii) The actual existence of an office of the plaintiff in the country of the defendant is not necessary.

(iv) However, the claimant must have customers within the country of the defendant, as opposed to persons in the defendant's country who are customers elsewhere. Thus, where the claimant's business is carried on abroad, it is not enough for the claimant to show that there are people in the defendant's country who happen to be its customers when they are abroad.

(vi) However, it would be enough if the claimant could show that there were people in the defendant's country who, *by booking with, or purchasing from an entity in the defendant's country*, obtained the right to receive the claimant's service abroad. The person from whom such booking or purchase took place could be the claimant, or its branch office, or someone acting for or on behalf of the claimant.

(vii) The claimant must be "present through its mark in the territorial jurisdiction" of the country of the defendant, though the existence of a "real market" was not necessary.

(viii) Such presence could, for instance, be shown by extensive advertisements which had been circulated and seen, or read, in the country of the defendant.

(ix) Once the existence of trans border reputation and goodwill was thus established, the claimant was not required, further, to prove the existence of actual confusion. The likelihood of the customer of average intelligence and imperfect recollection being confused, by the use of the impugned mark of the defendant, that the goods or services of the defendant were those of the claimant-plaintiff, was sufficient.

### **37. Applying the above principles**

**37.1** Applying these principles to the facts of the present case, I am unable to hold the plaintiff entitled to injunctive relief, against the defendant, as sought. The plaintiff has not, in my opinion – despite

the commendable efforts of Ms Sukumar to convince me otherwise – been able to cross the *Toyota*<sup>5</sup> trans-border threshold of goodwill and reputation. I say so, for the following reasons:

- (i) In support of her contention that the plaintiff's trans border reputation had spilled over into India, Ms Sukumar cited
  - (a) articles in the CNBC and the Economic Times,
  - (b) the downloading, by Indian users, of the plaintiff's mobile App 2 lakh times, and
  - (c) the results of a survey conducted among drivers in Ahmedabad, Pune, Surat, Chennai and Kolkata, which disclosed the number of times the plaintiff's website was accessed by them.
- (ii) The CNBC article (reproduced in para 10 *supra*) reported that
  - (a) the plaintiff was launching *its electric kick scooter-sharing service* in Madrid, following a roll-out the previous year in Paris,
  - (b) this marked a stepping stone in the plaintiff's move towards *new mobility options besides car hailing*,
  - (c) *the electric scooter craze* looked set to gain further ground *in Europe*,
  - (d) the plaintiff was promoting the advantages of electric scooters as a viable option to beat traffic, when compared to cars,
  - (e) the plaintiff was also seeking to *branch out into food delivery, electric scooter and bike rentals, so as to become a "super app"*,

- (f) for these expansions, the plaintiff was inviting investments from investors, and
- (g) the plaintiff was backed by the Chinese and German “giants” Didi Chuxing and Daimler DAI-DE, which itself owned a taxi hire application My Taxi.

- (iii) The Economic Times article, for its part, reported that
  - (a) the plaintiff was a rival of Uber’s *ride sharing and food delivery business*,
  - (b) Bolt also offered *electric scooter rentals, car sharing and a 15-minute grocery delivery service*,
  - (c) these services catered to 100 million customers in 45 countries and over 400 cities across *Europe and Africa*,
  - (d) the plaintiff faced competition in food delivery from, *inter alia*, Just Eat, Takeaway.com and DoorDash, which had also largely entered Europe, and
  - (e) to gain customers, platforms offered attractive discounts, leading to price wars, and the plaintiff claimed to be offering its services at lower prices than others.

- (iv) Neither of these articles, therefore, made even an oblique reference to the plaintiff entering the EV charging business. Regarding EV charging as “allied” to electric scooter-sharing services would, in my view, stretching the concept of allied goods and services a notch too far. The import of these articles is clear and obvious. The plaintiff was, till then, engaged in providing taxi hailing services. It had, a year earlier, ventured into the electric scooter sharing field, in Paris. It was seeking to

branch out into other cities in Europe and Africa. There is nothing to indicate that it was either engaged in providing EV charging services, or making EV charging points, or intending to do so any time in the foreseeable future. More significantly, these articles do not suggest, even obliquely, that the plaintiff was expanding its activities to India or, for that matter, even to Asia. It cannot, therefore, be held, on the basis of these articles, that an average customer in India, who would read them, would believe that the plaintiff was venturing into the Indian market with EV charging solutions.

(v) The defendant had not sought to contend, anywhere, that it was engaged, commercially, in the activity of EV charging stations, or in providing EV charging services. In fact, in para 12 of the plaint, as Mr Chander Lall correctly points out, the plaintiff has acknowledged that “consumers have become accustomed to understanding that the trademark BOLT is a commercial sign of origin *specifically for mobility, transportation and delivery goods and services*”. There is no reference, here, to providing EV charging services.

(vi) The limited reference to EV charging stations installed by the plaintiff<sup>34</sup>, is of charging docks installed by the plaintiff *in Tallinn and Estonia, with plans to install further docks in Lithuania and Portugal, for charging the plaintiff's electric scooters*. I am, *prima facie*, in agreement with Mr Lall that the mere fact that the plaintiff, otherwise engaged in providing taxi-hailing services and intending to expand into the electric

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<sup>34</sup> Refer paras 19 and 20 *supra*

scooter sharing business, was installing charging docks to charge its scooters in Tallinn, Estonia, Lithuania and Portugal, could hardly make out a case even for inferring the existence of trans border reputation, in the plaintiff, in the commercial EV charging segment, much less of permeation of such trans border reputation into India.

(vii) The number of times the plaintiff's App has been downloaded in India, or its website accessed by drivers, cannot, in my *prima facie* view, make out a case of spillover of trans border reputation of the plaintiff, in the EV charging market, into India, even if, *arguendo*, EV charging were to be regarded as an activity allied to electric scooter sharing. **Toyota**<sup>5</sup> is clear in requiring that, even if the plaintiff has no market in India, it would be required to show that its goods or services were purchased, or availed, by customers in India *through the plaintiff, its branch, or its agents*. The plaintiff's App cannot substitute as an agent of the plaintiff, especially as the App can be downloaded anywhere in the world.

(viii) Equally, **Toyota**<sup>5</sup> also approves the view, in **Starbucks**<sup>11</sup>, that the existence of customers in the defendant's country, who would avail the services of the plaintiff abroad, cannot make out a case of permeation of trans border reputation. Ms Sukumar acknowledges that, even if persons in India were to download the plaintiff's App, no services of the plaintiff could be availed thereby in India, and that the purpose of such downloading would only be to avail the plaintiff's services abroad. The limited downloading of the plaintiff's App by



persons who may be travelling abroad to countries where the plaintiff's services are available cannot, *prima facie*, be regarded as any sign of spillover of the plaintiff's reputation into India, much less in the EV charging arena.

(ix) The "driver survey", to which Ms. Sukumar drew attention, tells us precious little. All that is presented is a tabular statement of drivers in five cities. This statement is supposed to reflect the number of times the plaintiff's website was accessed by the drivers. Whether it does, or not, is anybody's guess; at the very least, it is a matter which would have to suffer trial even for a *prima facie* view to be ventured thereon. Even if it does, the purpose of accessing the website is unknown. Nor can the Court hold that the mere accessing of the plaintiff's website in this fashion justifies a finding, even *prima facie*, of permeation of the reputation of the plaintiff into India, far less in the field of EV charging, which alone the defendant is engaged in.

(x) As in the case of *Toyota*<sup>5</sup>, in the present case too, the evidence and material cited by Ms Sukumar, even view cumulatively, do not constitute sufficient spillover, into India, of the trans border reputation, if any, possessed by the plaintiff with respect to the use of the **Bolt** mark as would justify injuncting the defendant from using the impugned **BOLT** mark for EV charging stations.

(xi) Though Ms Sukumar, in rejoinder, ventured a submission

that, even in the absence of spillover of trans border reputation, mere intent, on the part of the plaintiff, to enter the Indian market would be sufficient, the submission cannot, *prima facie*, merit acceptance. It would, moreover, fly directly in the face of the principles enunciated so authoritatively by the Supreme Court in *Toyota*<sup>5</sup>. Passing off is, at all times, a tort the commission of which involves an element of confusion or deception, and the confusion or deception must be suffered by the mythical customer who chances on the defendant's mark. For this, the awareness, by such customer, of the reputation of the plaintiff, is an indispensable *sine qua non*. Intent of the plaintiff to venture into the Indian market space cannot, therefore, substitute the necessity of spillover of trans border reputation.

(xii) For the same reason, the fact that the plaintiff may have applied for obtaining trade mark registrations in India can have no impact on the issue in controversy. The customer in India is unaware of the number of applications submitted by the plaintiff for registration of its mark.

**37.2** In examining these aspects, the Court has to be acutely conscious of the cautionary note sounded both in *Milmet Oftho*<sup>9</sup> and in *Toyota*<sup>5</sup>, that the Court must not permit large multinational corporations, which have no intent of coming to India, to throttle an Indian company by not permitting it to sell its product in India. The plaintiff is not engaged in providing EV charging services anywhere in the world. All that it has done, towards that end, is to install some EV charging stations in a handful of locations, for charging its own

electric scooters. No trans border reputation in providing EV charging services can, therefore, be credited to the plaintiff. There is nothing to indicate any permeation, into the Indian market space, or the psyche of the Indian customer, of any such reputation of the plaintiff in the EV charging sphere. The material on which Ms Sukumar relies, even seen cumulatively, cannot justify, *prima facie*, any finding of spillover of trans border reputation of the plaintiff in the EV charging arena into India.

**37.3** For that matter, I am unable to convince myself, even *prima facie*, that, even in the field of electric scooter sharing services, the plaintiff has any trans border reputation, much less a reputation that has spilled over into India. The plaintiff is, even internationally, a new player in the electric scooter sharing field, though it might be having considerable repute in the field of taxi-hailing. Quite apart from the fact that the viability of electric scooter sharing appears itself to be mired in controversy, it is only in 2020 that the plaintiff commenced providing such services in Paris. The existence of trans border reputation, in the plaintiff, in the electric scooter sharing arena too, is, therefore, extremely questionable. In any event, no spillover of such reputation to India can, *prima facie*, be said to exist.

**37.4** The defendant, on the other hand, is the first in the Indian market in providing EV charging services. *Toyota*<sup>5</sup> makes it clear that the “first in the market” principle has to be applied with respect to the Indian, and not the international, market. The territoriality principle has overtaken the universality doctrine. In the Indian market, the defendant is not only the first; the material cited by Mr Lall, and noted hereinbefore, make out, *prima facie*, an enviable exposure of the

defendant in the EV sharing space, far ahead of others in the field. The comparative analysis of the plaintiff's and defendant's exposures in this field in India, therefore, eminently call for application of the note of caution sounded in *Milmet Oftho*<sup>9</sup>, of not allowing foreign Companies to throttle Indian entrepreneurs.

**37.5** There is no justification, therefore, *prima facie*, for the Court to, by allowing the application of the petitioner, who has no market exposure whatsoever in India, and, *prima facie*, no spillover or percolation of its trans border reputation into India, to jeopardize the market, or the repute, that the defendant has earned by use of the impugned **BOLT** mark, for providing EV charging services.

### **Conclusion**

**38.** Resultantly, I.A. 13529/2022 is dismissed.

**39.** It need hardly be said that the views expressed in this judgement are only *prima facie*, and not intended to influence the final decision in the suit, one way or the other.

**C.HARI SHANKAR, J**

**FEBRUARY 24, 2023**

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