



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

% Judgement delivered on: 23.05.2025

+ **FAO(OS) (COMM) 174/2024 & CM No.46175/2024 & 52564/2024**

UNDER ARMOUR INC

..... APPELLANT

versus

ANISH AGARWAL & ANR

..... RESPONDENTS

**Advocates who appeared in this case**

For the Appellant : Ms. Swathi Sukumar, Sr. Adv. with Mr. S. Bansal, Mr. Rishi Bansal, Mr. Mankaran Singh, Mr. Kartik Malhotra, Mr. Rishabh Aggarwal & Mr. Ritik Raghuvanshi, Advocates.

For the Respondent : Mr. J. Sai Deepak, Sr. Adv. with Mr. Samik Mukherjee, Mr. Manosij Mukherjee & Mr. Abhishek Avabhani, Advs

**CORAM:**

**HON'BLE MR. JUSTICE VIBHU BAKHRU**

**HON'BLE MR. JUSTICE SACHIN DATTA**

**JUDGMENT**

**VIBHU BAKHRU, J.**

1. The appellant [Under Armour, Inc] has filed the present intra-court appeal under Section 13 of the Commercial Courts Act, 2015 [**CC Act**] read with Order XLIII Rule 1 of the Code of Civil Procedure, 1908 [**CPC**] impugning the order dated 29.05.2024 [**impugned order**] passed by the



learned Single Judge in I.A. 23362/2023 in CS(COMM) 843/2023 captioned *Under Armour, INC. v. Anish Agarwal & Anr.*, whereby the appellant's application under Order XXXIX Rules 1&2 of the CPC was disposed of. The appellant had filed the aforementioned suit for infringement of trademark, copyright and passing off. The appellant, *inter alia*, sought an interim order restraining the respondents from using certain trademarks [**impugned marks**] and other marks that are deceptively similar to the appellant's trademarks.

2. In terms of the impugned order, the learned Single Judge has placed certain restrictions regarding the use of the impugned marks by the respondents, but had rejected the appellant's prayer for ad interim order restraining the respondents from using the impugned marks, which the appellant alleges be deceptively similar to its registered trademarks and more particularly its registered word mark UNDER ARMOUR.

## INTRODUCTION

3. The appellant contends that the impugned order is patently erroneous on various grounds including that the learned Single Judge has not considered various relevant factors for *prima facie* determining whether the use of the impugned marks constitutes infringement under Section 29 of the Trade Marks Act, 1999 [**TM Act**]. It is the appellant's case that although the learned Single Judge had accepted that the deceptive trademarks used by the respondents would cause a confusion at the initial stage, yet has rejected the appellant's claim that its marks were infringed on the anvil of the test of initial interest confusion. The appellant contends that the learned Single



Judge had completely misapplied the said test on the erroneous premise that there may be ‘transient wonderment’ but no confusion in the minds of the customers at the time of purchase of the respondent’s products. The appellant disputes the *prima facie* finding that the use of the impugned marks by the respondents would not result in confusion in the minds of the customers. However, without prejudice to the said contention, the learned counsel for the appellant submits that the doctrine of initial interest confusion comes into play only when there is confusion at the initial stage, but not at the stage of consummation of the transaction. Thus, the findings of the learned Single Judge support the case of infringement of the appellant’s trademarks. It is also the appellant’s case that the respondents’ use of deceptively similar marks not only infringes its registered trademarks, but also constitutes passing off.

#### **FACTUAL CONTEXT**

4. The appellant is a company incorporated under the laws of the United States of America, with its registered office located at 1020 Hull Street, Baltimore, Maryland 21230, U.S.A. It was founded in the year 1996 by its founder Kevin Plank. The appellant is engaged in the business of manufacture, distribution and sale of a wide variety of goods, including casual apparel, sports apparel, footwear, and other allied/related products. It also maintains its exclusive stores.




5. The appellant claims that “**ARMOUR, UNDER ARMOUR and**



UA” trademarks and logo **UNDER ARMOUR** are widely recognized globally, with registrations in multiple jurisdictions, including India. In India, the appellant officially entered the market in 2017 *via* Amazon Fashion and established its first retail store in New Delhi in the year 2019.

6. The appellant asserts that it has used ‘ARMOUR’ and various formative marks such as GAMEDAY ARMOUR, BABY ARMOUR, OFFSHORE ARMOUR, SUN ARMOUR, ARMOUR GRABTACK, ARMOUR SELECT, ARMOURLOFT, ARMOURSIGHT, ARMOURBOX, ARMOURVENT, ARMOURBITE, ARMOURFLEECE and ARMOURBLOCK etc. in relation to its goods for over two decades.

7. The appellant is the proprietor of the following marks, which are registered under the TM Act: -

Mark	Classifi- cation	Application No.	Application date	Valid Upto
	Class 25	1317481	27.10.2004	27.10.2024
	Class 9	3000906	06.07.2005	06.07.2025
	Class 9	3000907	06.07.2005	06.07.2025



<b>UNDER ARMOUR</b>	Class 18, 25 & 28 [99 multi-class]	1788950	24.02.2009	24.02.2029
	Class 99	1788951	24.02.2009	24.02.2029
<b>UA</b>	Class 18	2084302	12.01.2011	12.01.2031
<b>UA</b>	Class 25	2084303	12.01.2011	12.01.2031
<b>UA</b>	Class 28	2084304	12.01.2011	12.01.2031
<b>UA RECORD</b>	Class 41	3274222	01.06.2016	01.06.2026
<b>UA RECORD</b>	Class 42	3274224	01.06.2016	01.06.2026
<u>UNDER ARMOUR</u>	Class 35	IRDI-3574788	08.03.2017	
	Class 18	3968438	09.10.2018	09.10.2028
<b>अन्डर आर्मर</b>	Class 18, 25, 28 & 35	3970906	11.10.2018	11.10.2028
<b>ARMOURVENT</b>	Class 25	3970909	11.10.2018	11.10.2028
<b>ARMOURBITE</b>	Class 28	3970910	11.10.2018	11.10.2028
<b>ARMOURFLEECE</b>	Class 25	3970911	11.10.2018	11.10.2028
<b>ARMOURBLOCK</b>	Class 25	3970912	11.10.2018	11.10.2028
<b>HOVR</b>	Class 25	3970908	11.10.2018	11.10.2028
	Class 25	3970913	11.10.2018	11.10.2028
<b>UNDER ARMOUR</b>	Class 9	4582315	27.07.2020	27.07.2030



	Class 9	4582320	27.07.2020	27.07.2030
	Class 25	4278613	29.08.2019	29.08.2029
	Class 99	4341044	07.11.2019	07.11.2029

8. The appellant has never applied for registration of the standalone word 'ARMOUR' in India. However, the appellant holds trademark and label registrations, *inter alia*, comprising the mark 'ARMOUR', in various jurisdictions worldwide. A tabulated summary of such registrations, as furnished by the appellant, is set out below:

S. No.	Trade Mark	Regn. No	Date of Application	Class	Trade Mark Office
1.	ARMOUR	3392904	02.05.2005	25	USPTO
2.	ARMOUR	4133248	19.07.2010	25	USPTO
3.	ARMOUR	3963256	01.03.2010	28	USPTO
4.	ARMOUR	011978764	12.07.2013	18,25,28	EUIPO
5.	ARMOUR	5387620	17.08.2016	35	USPTO
6.	ARMOUR	3970978	12.09.2008	25	USPTO
7.	ARMOUR	3720012	12.09.2008	25	USPTO
8.	UNDER ARMOUR	3174498	26.11.2003	18	USPTO
9.	ARMOUR	4407361	19.07.2010	25	USPTO
10.	UA UNDER ARMOUR	2991124	26.11.2003	18	USPTO



	 UNDER ARMOUR				
11	ARMOUR FLEECE	585686	16.04.2009	25	SWITZERLAND
12	UNDER ARMOUR	277717	22.06.2015	35	ISRAEL
13	ARMOUR FLEECE	TMA765382	05.12.2008	25	CANADA
14	UNDER ARMOUR	TMA809028	14.05.2009	09,14,16, 18, 21, 22, 24, 25, 28	CANADA
15	UNDER ARMOUR	TMA605031	19.09.2002	09,25,35	CANADA
16	GAMEDAY ARMOUR	4094318	02.06.2010	25	USPTO
17	UNDER ARMOUR	3851123	04.06.2009	41	USPTO
18	UNDER ARMOUR	3944542	12.06.2007	28	USPTO
19	UNDER ARMOUR	3642614	10.10.2008	25	USPTO
20	UNDER ARMOUR	3901624	21.09.2009	09	USPTO
21	UNDER ARMOUR	056785	18.12.2007	18,25	SERBIA
22	UNDER ARMOUR	3500322	20.07.2005	09	USPTO
23	UNDER ARMOUR	33747	03.10.2014	25	LAO PEOPLE'S DEMOCRATIC REPUBLIC
24	UNDER ARMOUR	3586005	03.06.2008	41	USPTO
25	UNDER ARMOUR	40202100622W	06.01.2021	10	SINGAPORE (IPOS)
26	UNDER ARMOUR	3387	24.03.2011	18,25,28	PHILIPPINES (IOPHL)
27	UNDER ARMOUR	966392	27.09.2002	25	MEXICO (IMPI)
28	UNDER ARMOUR	1141117	18.09.2009	18	MEXICO (IMPI)
29	ARMOUR 39	4426713	21.12.2012	09	USPTO
30	UNDER ARMOUR	IDM000636156	05.08.2015	35	INDONESIA (DGIP)
31	UNDER ARMOUR	061648	26.01.2009	18,25,28	SERBIA (IPORS)
32	UNDER ARMOUR	797090	23.03.2017	25, 18	CHILE (INAPI)

9. Respondent no.2 (arrayed as defendant no.2 in the suit) is a company incorporated in India, and respondent no.1 (arrayed as defendant no.1 in the suit) is one of the directors and the promoter of respondent no.2 company. The respondents are engaged in the business of manufacturing and distribution of clothing and footwear under the trademark 'AERO ARMOUR' and use the following labels:



10. The respondents also operate a website under the domain name <www.aeroarmour.store> for selling their products.

11. The respondents applied for the word mark 'AERO ARMOUR' under Class 25 – Application no.5398267. The same was advertised in the Trademarks Journal – 2058-0 dated 27.06.2022. The appellant initiated the opposition proceedings [proceedings No.1192574] before the Trademark Registry by filing the notice of opposition. The appellant alleged that the impugned mark is deceptively similar to the appellant's trademark 'UNDER ARMOUR' and other formative marks. On 03.02.2023, the respondents filed their counter statement claiming that the impugned mark was dissimilar from the appellant's trademark. Both the parties also filed their evidence.

12. Although the proceedings for registration for the mark AERO ARMOUR and the opposition proceedings are pending before the Trademark Registry; the appellant observed that the respondents were





widely advertising their products (apparel) under the impugned mark. Thus, the appellant instituted the Suit [CS(COMM) 843/2023] for trademark infringement, passing off, copyright infringement, rendition of accounts and other reliefs. As noted above, the appellant also filed an application under Order XXXIX Rules 1&2 of the CPC, *inter alia*, seeking that the respondents be restrained from manufacturing, marketing or dealing in any manner with the products bearing the trade marks, AERO ARMOUR and AERO ARMR [the impugned marks] or any other mark which is deceptively similar to the appellant's trademarks. As noted above, the said application was disposed of by the learned Single Judge in terms of the impugned order.

#### **THE APPELLANT'S/PLAINTIFF'S CASE**

13. It is the appellant's case that the impugned marks are similar to its marks inasmuch as they bear a distinct similarity in their get up, structure and representation, the font and the manner in which they are depicted and used. The appellant claims that the overall commercial impression of the impugned marks is deceptively similar to its registered trademarks including its word mark 'UNDER ARMOUR'.

14. The appellant also claims that the respondents' use and adoption of the impugned marks is dishonest as is plainly evident from the manner in which the impugned marks are depicted. The appellant also uses the trademark 'ARMR' and the respondents' intention to ride on the appellant's goodwill and reputation is evident from the fact that they have also adopted a mark 'AERO ARMR' in respect of their products. The appellant contends



that the products in connection with which the impugned marks are used, are identical (mainly apparel) to the goods in respect of which its trademark ‘UNDER ARMOUR’ is registered. Therefore, there is a real likelihood of confusion in the minds of the customers and them mistaking the respondents’ products as those of the appellant’s.

15. The appellant claims that its trademarks are well established and there is a significant amount of goodwill associated with the said marks. The appellant has also set out the details of the initiatives and myriads of methods used to advertise and publicize its trademark, as well as its turnover under its trademarks. According to the appellant, the extensive publicity and its large turnover establishes the substantial goodwill associated with its trademarks. The appellant claims that it has a significant trans-border reputation, which has also spilled into India. The appellant claims that it has partnered in sponsoring and supporting various sporting events and its products have been worn by famous actors in various blockbuster movies.

16. The appellant allege that the respondents had adopted the impugned marks to take an unfair advantage of the its goodwill and reputation.

17. The appellant also claims that the use of the impugned marks by the respondents are diluting its trademarks. It is pointed out that the respondents sell their products at a price, which is significantly lower than the price of similar products sold under the appellant’s trademarks. Illustratively, whereas the T-shirts manufactured/sold by the appellant are priced at about ₹2,000/-, similar products bearing the impugned marks are priced at ₹799/-. The appellant claims that this would have the propensity to dilute its



trademark.

### **THE RESPONDENTS'/DEFENDANTS' DEFENCE**

18. The respondents are resisting the appellant's action of infringement and passing off. They dispute the appellant's claim that the impugned marks are deceptively similar to the appellant's trademarks. They state that the appellant does not have any proprietary rights in respect of the word 'ARMOUR' and if the said word is deleted from the respective trademarks, there is no similarity between them. The word 'UNDER' and 'AERO' are neither phonetically nor visually similar.

19. The respondents state that the competing marks are visually and structurally dissimilar. And, there is no likelihood of confusion by the use of the impugned marks. They state that there is no possibility of confusion in the minds of the customers also for the reason that their products cater to a market which is different from the market serviced by the appellant. The respondents claim that their designs are, essentially, inspired by military and Indian defence forces and therefore, their products are different from the sporting apparel sold under the appellant's trademark. It is also contended that the taglines used by the respondents are based on themes of aviation, defence forces, and patriotism.

20. The respondents also counter the allegation that the use of the impugned marks is dishonest or that the impugned marks were adopted with the intention of taking unfair advantage of the appellant's goodwill and reputation. The respondents state that respondent no.1 was an aeronautical pilot and was, therefore, inspired to adopt the word 'AERO', which is



chosen from the word ‘Aeronautics’. It is further contended that respondent no.2 chose the word ‘ARMOUR’ as it is associated with the protective metal covering worn by warriors in battle. The respondents also state that the logo



, combines the elements of a shield, an airplane and stripes, which are indicative of military and aviation themes that inspire their products.

21. The respondents have produced images of their various products, which also depict combat aircraft, signs of military units, and taglines celebrating and adulating courage, valour and bravery. The respondents also have products, which bear prints/banners/taglines that allude to regiments/units of the Indian armed forces.

22. The respondents submit that there are a large number of trademarks using the word ‘ARMOUR’ for various products, including apparel and footwear. Therefore, there is no possibility of any confusion between the respondents’ products and those of the appellant.

### **THE IMPUGNED ORDER**

23. The learned Single Judge noted the averments made by the parties in their pleadings as well as the rival submissions made by the counsel for the parties, in some detail. The learned Single Judge also took note of the authorities relied upon by parties and proceeded to analyse the competing stands.

24. At the outset the learned Single Judge recounted the list of tests used for examining the question whether there is any likelihood of confusion



arising from the use of competing marks as explained in various decisions rendered by courts. And, the learned Single Judge also noted the factors necessary for the assessment of trademark confusion.

25. The learned Single Judge did not accept that the impugned marks are deceptively similar to the trademark ‘UNDER ARMOUR’ on account of the word ‘ARMOUR’ being a dominant part of the competing trademarks. The learned Single Judge rejected the said contention for, essentially, three reasons. First, the appellant had not secured any registration of the word ‘ARMOUR’ as its trademark in India, even though it may be registered as the appellant’s trademark in other jurisdictions.

26. Second, the appellant, when confronted with the opposition to the registration of its trademark ‘UNDER ARMOUR’ on account of other marks which included the word ‘ARMOUR’, had asserted that the other marks were dissimilar. The appellant’s stand before the Trademark Registry was that its trademark ‘UNDER ARMOUR’ was required to be viewed as a whole and therefore, was dissimilar to the cited marks, which included the word ‘ARMOUR’. The learned Single Judge held that, having taken this stand before the Trademark Registry, the appellant was estopped from claiming any rights in respect of this part of its trademark.

27. And third, the anti-dissection rule did not permit dissection of the marks to consider whether the use of the word ‘ARMOUR’ as a part of the impugned mark, infringed the trademark ‘UNDER ARMOUR’.

28. The learned Single Judge held that the question of similarity of trademarks was required to be considered on the anvil of the *global*



*appreciation test*. The question whether there was any confusion was required to be judged by considering various factors, including the degree of visual, aural and conceptual similarity; the impact of the marks on a consumer with imperfect recollection; and the degree of similarity of the goods holistically.

29. The learned Single Judge proceeded to apply *global appreciation test* and concluded that there was no likelihood of confusion. The learned Single Judge noticed that the respondents' products were inspired by icons of Indian Armed forces. Most of the T-shirts featured designs and prints that were related to the armed forces. The taglines used by the respondents ('WEAR YOUR VALOUR' and 'WEAR YOUR PRIDE') celebrated the idea of bravery and heroism. The advertisements and promotional material of the respondents' products also carried the inspirational themes associated with combat forces. The learned Single Judge also noted that the respondents had participated in multiple events, some of which were in consonance with the theme of their apparel such as Indian Kargil Marathon Honour Run and Chennai Defence Expo.

30. The learned Single Judge, in effect, concluded that the respondents' unique selling proposition (USP) lies in the fact that their products are designed around the theme of the armed forces and military. This USP makes the respondents' products distinct from other similar products; therefore, there is little likelihood of confusion with the appellant's products.

31. Insofar as the use of the mark 'ARMR' is concerned, the learned Single Judge accepted the respondents' statement that the said mark was



used in connection with very few products and going forward the respondents did not intend to use the said mark. The learned Single Judge also considered it apposite to restrain the respondents from using the brand ‘AERO ARMOUR’ on the sleeves of the T-shirt in the manner depicted by images, reproduced in the impugned order including across the length of the sleeves.

32. Insofar as the question of similarity of goods is concerned, the learned Single Judge found that there was a critical difference between the goods sold by the appellant and those sold by the respondents. The learned Single Judge accepted the contention that the appellant was selling sports apparel, while the respondents’ products fell within the classification of casual apparel. The learned Single Judge held that the said difference was significant as the competing products would be distributed and sold through different market channels and different set of consumers would purchase the said products. Thus, obviating any likelihood of confusion.

33. The learned Single Judge also observed that, while a customer may purchase the respondents’ product for their Indian iconic themes, a customer would purchase the appellant’s goods for their sportswear appeal rather than for any nationalistic theme. The learned Single Judge accepted that the same consumer might purchase both the products, but the mind set for purchasing the appellant’s goods and those marketed by the respondents would be different and would involve a different “purchasing journey”.

34. The learned Single Judge rejected the contention that there was any likelihood of confusion on the ground that today’s customer is an informed



customer who would choose “*even if faced with transient wonderment, to find out what the differences can be*”.

35. Additionally, the learned Single Judge noted that the price points of the products of the appellant and the respondents were significantly different and the same indicated that the two brands operated in different segments.

36. The learned Single Judge further held that the appellant could not monopolize the word ‘ARMOUR’ and distinguished the decision of this Court in the case of *Under Armour, Inc. v. Aditya Birla Fashion & Retail Ltd.*<sup>1</sup>, where another learned Single Judge of this Court had granted an injunction in favour of the appellant and restrained the defendants in the said case from using the trademark ‘STREET ARMOUR’. The learned Single Judge distinguished the said case on three grounds. First, that the word ‘STREET’ in the mark ‘STREET ARMOUR’ was in a very small font size as compare to the word ‘ARMOUR’, which was not the case with the impugned marks. Second, that the goods in the said case were identical, whereas in the present case the goods were not similar. And third, that in the case of *Under Armour, Inc. v. Aditya Birla Fashion & Retail Ltd.*<sup>1</sup>, the defendant had extensively used the short form ARMR, which was not so in the present case.

37. In view of the aforesaid, the learned Single Judge concluded as under:

### **“16. Conclusion**

16.1. For these reasons, above, the plaintiff is not entitled to the injunction it seeks. Needless to state this assessment

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<sup>1</sup> Neutral Citation No.: 2023:DHC:2711





above, is *prima facie*, and issues will have to be finally decided after trial. However, there are some limitations being imposed on the defendants on the manner and use of their mark on their goods, based on submissions made during the hearing, and to excise out aspects of use that may lead to likelihood of confusion.

16.2. Defendants' counsel during arguments submitted, on instructions, that they are not using ARMOR anymore, though used on some products earlier to arrive at a symmetrical abbreviation with AERO. The defendants will be bound by this statement and will not use "ARMOR" in any form or manner on any product of theirs, during the pendency of this suit.

16.3. Defendant's counsel also submitted that placement on the sleeve of the "AERO ARMOR" mark was an infrequent and isolated use and they do not intend to insist on the same. The defendants would be bound to this statement and will not use their mark in the manner depicted in para 9 above, during the pendency of this suit.

16.4. Defendant's counsel also submitted that they are only in casual wear and not sportswear, as distinct from the plaintiffs who are into sportswear. Defendants would be held bound to this statement and will not venture into sportswear and not market their goods as sportswear, during the pendency of this suit.

16.5. It was also submitted that predominantly the defendant don't use just the word mark on the front of their apparel, akin to the plaintiff's use, but only the device mark. Defendants would be held bound to this statement and will not use, on the outside layer of the apparel, their word mark "AERO ARMOR", but are permitted to use their registered device



mark, during the pendency of this suit.

**17.** Before leaving this discussion, it may be instructive to extract some relevant passages from McCarthy on Trademarks Vol 4, which also inform this opinion of the



court:

*“Purchasers of retail services do not engage in trademark dissection. Legal surgery, in which trademarks have parts enhanced or discarded, is of little aid in determining the effect of design marks on purchasers who merely recollect. The scalpel is employed by lawyers, not purchasers” (23: 58 page 370).*

*“A side-by-side comparison is improper, if that is not the way buyers see products in the market.....the Court must determine purchasing public's state of mind when confronted by somewhat similar trade names singly presented” (23: 59 pages 371 – 373).*

*“To arrive at a realistic evaluation of the likelihood of buyer confusion, the court must attempt to recreate the conditions under which prospective purchasers make their choices” (23: 57 pages 366)*

**18.** Accordingly, the plaintiff is not entitled to the injunction it seeks in its application under Order XXXIX Rules 1 & 2, CPC being I.A. 23362/2023 which is disposed of, with only specified limitations on the defendant, as directed in para 16.2-16.5 above.”

## REASONS AND CONCLUSION

38. At the outset, it is relevant to refer to sub-sections (1) to (4) of Section 29 of the TM Act. The same are set out below:

**“29. Infringement of registered trade marks.—(1)** A registered trade mark is infringed by a person who, not being a registered proprietor or a person using by way of permitted use, uses in the course of trade, a mark which is identical with, or deceptively similar to, the trade mark in relation to goods or



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

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

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

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

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

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

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

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

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

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

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

39. It is the appellant’s case that its registered trademarks are infringed by the use of the impugned marks by the respondents in respect of goods that are similar. According to the appellant, this is a clear case of infringement of



trademark under sub-section (1) of Section 29 of the TM Act. There is no dispute that the impugned marks are being used in respect of goods for which the appellant's trademarks are registered. As noted, at the outset, the appellant's trademarks are registered in various classes including in class 25 [clothing, footwear and headgear] of the NICE classification.

40. A plain reading of Section 29(1) of the TM Act indicates that a registered trademark is infringed by a person who is not its registered proprietor if: (a) an identical or deceptively similar mark is used; (b) the use is in relation to goods and services in respect of which the trademark is registered; and (c) the mark is used in a manner likely to be perceived as being used a trademark. All the said conditions are required to be cumulatively satisfied. In the present case, there is no dispute that the impugned mark is used in relation to goods and services for which the appellant's trademark is registered, that is, in class 25 [clothing, footwear and headgears]. There is no dispute that the impugned marks are used by the respondents as a trademark for their goods. Thus, the only question to be examined is whether the impugned marks are deceptively similar to the appellant's trademarks, and in particular its trademark 'UNDER ARMOUR'.

41. If at this stage it is, *prima facie*, found that the impugned marks are deceptively similar to the appellant's trademark 'UNDER ARMOUR', the appellant would be entitled to an interim order restraining the respondents from using the impugned marks in connection with the class of goods in respect of which the appellant's trademarks are registered.



## ARMOUR – A DOMINANT PART OF THE TRADEMARK AND ANTI-DISSECTION RULE

42. It is the appellant's contention that 'ARMOUR' is a dominant part of its trademark 'UNDER ARMOUR'. Thus, the impugned marks are similar to its trademarks. As noted hereinbefore, the learned Single Judge did not accept the appellant's case that it could plead that ARMOUR is a dominant part of its trademark, *inter alia*, for the reasons that it did not have a registration of the trademark 'ARMOUR' in India, and that the appellant had, when confronted with other marks using the word 'ARMOUR', taken a stand before the Trademark Registry that the cited marks are visually and structurally different from the appellant's mark. The learned Single Judge also referred to the anti-dissection rule.

43. It is well settled that the question whether competing trademarks are similar cannot be decided by dissecting them and then comparing their parts for similarities. In *M/s South India Beverages India Private Limited v. General Mills Marketing Inc. & Anr.*<sup>2</sup>: a Division Bench of this court had observed "*conflicting composite marks are to be compared by looking at them as a whole, rather than breaking the marks up to their components parts for comparison*".

44. In *Pinto v. Badman*<sup>3</sup>, Lord Esher had observed that "*the truth is that the label does not consist of each particular part of it but consists of the combination of them all*".

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<sup>2</sup> 2014 SCC OnLine Del 1953

<sup>3</sup> (1891) 8 RPC 181



45. In *Registrar of Trade Marks v. Ashok Chandra Rakhit Ltd.*<sup>4</sup> the Supreme Court had referred to the observations of Lord Esher in *Pinto v Badman*<sup>3</sup> and had held that “where a distinctive label is registered as a whole, such registration cannot possibly give any exclusive statutory right to the proprietor of the trade mark to use any particular word or name contained therein apart of the mark as a whole”

46. Having stated the above, it is necessary to note that the anti-dissection rule is not inconsistent with ascertaining whether the competing marks are similar by taking note of their dominant parts. It is not impermissible to evaluate the portions of the composite marks for the purposes of determination of the overall similarities between the competing marks. The guiding principle being that the exercise is for the purpose of determining the overall similarity of the competing marks and not the similarities between the components of the competing composite marks. Clearly, if the composite marks are dissimilar the fact that portions of the marks may be similar would be of a little relevance.

47. We consider it apposite to refer to the following text from *McCarthy on Trademarks and Unfair Competition*, which explains the said principle as under: -

“23.15 Comparing Marks: Differences v. Similarities

[1] The Anti-Dissection Rule

[a] Compare composites as a Whole : Conflicting composite marks are to be compared by looking at

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<sup>4</sup> AIR 1955 SC 558



them as a whole, rather than breaking the marks up into their component parts for comparison. This is the “anti dissection” rule. The rationale for the rule is that the commercial impression of a composite trademark on an ordinary prospective buyer is created by the mark as a whole, not by its component parts. However, it is not a violation of the anti-dissection rule to view the component parts of conflicting composite marks as a preliminary step on the way to an ultimate determination of probable customer reaction to the conflicting composites as a whole. Thus, conflicting marks must be compared in their entirety. A mark should not be dissected or split up into its component parts and each part then compared with corresponding parts of the conflicting mark to determine the likelihood of confusion. It is the impression that the mark as a whole creates on the average reasonably prudent buyer and not the parts thereof, that is important. As the Supreme Court observed: “The commercial impression of a trademark is derived from it as a whole, not from its elements separated and considered in detail. For this reason it should be considered in its entirety.” The anti-dissection rule is based upon a common sense observation of customer behavior: the typical shopper does not retain all of the individual details of a composite mark in his or her mind, but retains only an overall, general impression created by the composite as a whole. It is the overall impression created by the mark from the ordinary shopper's cursory observation in the marketplace that will or will not lead to a likelihood of confusion, not the impression created from a meticulous comparison as expressed in carefully weighed analysis in legal briefs. In litigation over the alleged similarity of marks, the owner will emphasize the similarities



and the alleged infringer will emphasize the differences. The point is that the two marks should not be examined with a microscope to find the differences, for this is not the way the average purchaser views the marks. To the average buyer, the points of similarity are more important than minor points of difference. A court should not engage in “technical gymnastics” in an attempt to find some minor differences between conflicting marks.

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

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

[emphasis supplied]

48. In *M/s South India Beverages India Private Limited v. General Mills Marketing Inc. & Anr.*<sup>2</sup>, the Division Bench of this Court had also observed “*while a mark is to be considered in entirety, yet it is permissible to accord more or less importance or ‘dominance’ to a particular portion or element of a mark in cases of composite marks*”.

49. We also consider it relevant to refer to the following observation of





this Court in *Vasundhra Jewellers Pvt. Ltd. v. Kirat Vinodbhai Jadvani & Anothers*<sup>5</sup>: -

“33. Having stated the above, it is also necessary to bear in mind that examining the dominant part of the trademark for comparing it with the conflicting mark is solely for the purpose of determining whether competing marks are deceptively similar when viewed as a whole. It is, thus, not permissible to hold that two competing marks are deceptively similar by examining a portion of one mark and comparing it with the portion of another mark, if the composite marks viewed as a whole are dissimilar....”

50. Bearing the aforesaid principles in mind, it was necessary for the learned Single Judge to evaluate the similarities between the competing marks viewing them as a whole but also taking into account that the word ‘ARMOUR’ is undoubtedly a significant part of the competing trademarks. If it is found that much of the similarities between the competing marks stem from the word ‘ARMOUR’ being a part of the competing marks, the same cannot be disregarded. It would be erroneous to ignore the similarity of the overall commercial impressions of the competing marks, viewed as a whole, merely because the similarity may be attributable to the fact that parts of the competing marks are identical or lend similarity to the trademarks when viewed as a whole.

51. However, we find that the learned Single Judge appears to have approached the issue of determining the overall similarities between the marks by presuming that the word ‘ARMOUR’, which is common to the

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<sup>5</sup> Neutral Citation No.: 2022:DHC:4255-DB



competing marks, was required to be excised for the purpose of appreciating whether the competing marks are similar. This is apparent from the learned Single Judge's observation to the effect that if the word 'ARMOUR' is excluded, the remaining words 'UNDER' and 'AERO' of the competing marks do not bear any similarity. In our view, this is clearly contrary to the anti-dissection rule, which compels us to evaluate the composite competing marks as a whole, but at the same time does not restrict us from taking into account the portions of the marks, which contribute to the overall similarities between the competing trademarks when viewed as a whole. A strong registered mark with a distinctive portion, may be infringed if a part of the later mark, which dominates the commercial impression of the said mark is identical to the distinctive portion of the earlier mark. It is thus essential to assess the strength of the senior mark and the part of the said mark makes it distinctive.

52. The fact that the appellant did not have registration of the word 'ARMOUR' in India is not relevant for the purposes of determining whether the impugned marks, viewed as a whole, bore similarities to the appellant's trademark.

53. It is also settled that there can be multiple dominant parts<sup>6</sup> of a single trademark. Whilst the appellant claimed that ARMOUR was a dominant part of its trademark, which was common with the impugned mark 'AERO ARMOUR', a close examination of the appellant's contentions indicates that the claim was in aid of its case that the overall commercial impression of the



competing trademarks was similar.

54. The question whether ARMOUR dominated the over all commercial expression of the impugned mark which was necessary to be evaluated, remained unaddressed. This was because the court did not consider the ARMOUR as the dominant part of the mark ‘UNDER ARMOUR’.

55. The appellant had also relied on the decision of the Coordinate Bench of this court in *Under Armour, Inc. v. Aditya Birla Fashion & Retail Ltd.*<sup>1</sup> in support of its contention that the Coordinate Bench had found the trademark ‘STREET ARMOUR’ to be deceptively similar to the appellant’s trademark ‘UNDER ARMOUR’.

56. Whilst the learned Single Judge rejected the contention that ‘ARMOUR’ could be considered a dominant part of the appellant’s trademark; the learned Single Judge failed to consider whether there was any visual or phonetic similarity between the competing trademarks viewed as a whole. In our view, this was necessary for determining whether the appellant’s registered trademark was infringed.

57. The question whether the appellant was estopped from claiming that ARMOUR was a distinctive part of its mark because of its stand before the Trademark Registry was required to be evaluated by considering the import of its statement before the Trademark Registry. It does not appear that any such evaluation was done. It appears that the learned Single Judge proceeded on the basis that the appellant had conceded that ARMOUR was

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<sup>6</sup> M/s South India Beverages India Private Limited v. General Mills Marketing Inc. & Anr., 2014 SCC OnLine Del 1953; Allied Blenders & Distillers Pvt. Ltd. v. SNJ Distillers Pvt. Ltd. & Anr., 2023 SCC



not a distinctive feature of its mark. This inference does not flow from the assertion that the cited marks were not similar when viewed as a whole. It is material to note that the impugned marks were not cited and therefore, it became imperative to examine the statement made by the appellant and its content to determine its import.

58. The learned Single judge did not examine the *overall commercial impression*<sup>7</sup> of the competing marks from the standpoint of a person of average intelligence and *imperfect recollection*<sup>8</sup>.

***Global Appreciation Test – Aspects leading to dissimilarity***

59. The learned Single Judge noted the various tests for determining similarity between the trademarks but relied primarily on the *global appreciation test* to determine whether the impugned marks are deceptively similar to appellant's trademarks. The learned Single judge also referred to the decisions of this court in ***ABROS Sports International Pvt. Ltd. v. Ashish Bansal & Ors.***<sup>9</sup>, and ***AMPM Fashions Pvt. Ltd. v. Akash Anil Mehta***<sup>10</sup>.

60. In ***AMPM Fashions Pvt. Ltd. v. Akash Anil Mehta***<sup>10</sup>, the court had observed as under:

“61. When applying the test, one has to make a “global appreciation”. The “global appreciation” test requires one to

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OnLine Del 2251 .

<sup>7</sup> Amritdhara Pharmacy v. Satya Deo Gupta, 1962 SCC OnLine SC 13

<sup>8</sup> Cadila Health Care Ltd. v. Cadila Pharmaceuticals Ltd., (2001) 5 SCC 73; Corn Products Refining Co. v. Shangrila Food Products Ltd., 1959 SCC OnLine SC 11.

<sup>9</sup> 2024 SCC OnLine Del 3165

<sup>10</sup> 2021 SCC OnLine Del 4945



examine, *inter alia*, the following facets, albeit, holistically as they are inter-dependent:

- (i) The degree of visual, aural and/or conceptual similarity between the marks.
- (ii) The overall impression created by the marks.
- (iii) The impact that the impugned marks have on the relevant public i.e., the matter should be considered through the eyes of an average consumer, who would buy or receive the goods or services.
- (iv) The distinctive character that the infringed mark has acquired i.e. either because of the mark per se or on account of reputation that it has enjoyed in the public space.
- (v) That the average consumer has an imperfect recollection.
- (vi) The degree of similarity between the goods or services, which are purveyed under the rival marks.

62. It needs to be emphasized that, while evaluating the aforesaid facets, one has to bear in mind the global/composite appreciation test, which enjoins that each of them is inter-connected and explicable, as a whole. In other words, an integrated rather than a compartmentalized approach is required to be adopted. The proclivity of giving weight to one facet as against the other facet(s) is to be abjured. It is only an overall evaluation of all facets which helps in ascertaining, whether or not there is a likelihood of confusion. Likelihood of confusion would arise, if there is a risk of the relevant consumers/public believing that the goods or services offered by the defendants originate from the plaintiff or in some way, are economically or commercially linked to the plaintiff.”

61. The learned Single Judge noted the above extract in the impugned order and observed as under:

“15.7. This involves an assessment of various factors, not only one. All aspects must be considered e.g. strength of the marks,



similarity between the marks, intent, nature of goods, possibility of confusion, nature of the consumer and market presence. This aspect has already been elaborated upon above in para 13 and 14.”

62. There is no cavil with the aforesaid principles or the global appreciation test. However, having noted the above, the learned Single Judge failed to examine the various factors that are required to be considered while comparing competing trademarks. The learned Single judge proceeded to return a finding that there would be no confusion largely on the basis that the designs and themes used by the respondents in respect of their goods were different. The learned Single Judge also dismissed the argument that there was likelihood of confusion on account of the deceptive similarity between trademarks, on the ground that the goods were not identical.

63. In our view, none of the two grounds are sustainable or support the conclusion as drawn by the learned Single Judge. The fact that the printed T-shirts manufactured and dealt with by the respondents bore taglines relating to valour, courage and bravery, which are associated with armed forces, or that the T-shirts carried the prints of weaponry and combat aircrafts showing association with the Indian Armed Forces, did not affect the overall commercial impression of the impugned marks. The primary function of a trademark is that of a source identifier. The taglines and prints on the t-shirts were not used by the respondents as trademarks but merely as designs on t-shirts. These prints are not the source identifiers of the products; the competing marks are. Thus, the impugned mark could also be mistaken as a mark associated with the appellant but in respect of a new range of designs.

64. The question to be posed was whether a person of average



intelligence and imperfect recollection would mistake the impugned mark to be that of the appellant or otherwise associated with the appellant. Undisputedly, the appellant was using its registered trademarks in respect of goods of myriads of designs falling under Class 25. The appellant was not precluded from using a design bearing a military theme.

65. In these facts, we find it difficult to concur with the view that the designs and printed material on the T-shirts affected the overall commercial impression of the impugned mark. In our view, the learned Single Judge erred in proceeding on the basis that the designs and theme used by the respondents would have a material effect on the overall commercial impression of the impugned marks.

66. The premise that the impugned marks were used in respect of the goods that were not similar to the goods of the appellant is also *ex facie* erroneous. The learned Single Judge had observed that whereas the appellant manufactures and sells sportswear, the respondents' products fall under the category of casual wear. The learned Single Judge had further observed that the channels of distribution and sales are different.

67. *Prima facie*, none of these assumptions are borne out by the facts of the present case. The appellant's products are mainly apparels, which are commonly used as casualwear. Merely because some of the products are worn by sportspersons in sporting events, does not change the nature of the appellant's products. It is nobody's case that the appellant's products are confined to specialized apparel that can only be used for sports. On the contrary, the product profile indicated by the appellant reflects that its T-



shirts are commonly sold through retail outlets and online channels as apparel and not as specialized sporting wear.

68. It is necessary to note that, in terms of Section 29(1) of the TM Act, a registered trademark would be infringed on account of use of an identical or a deceptively similar trademark “*in relation to goods or services in respect of which the trademark is registered*”. In the present case, the appellant’s trademark ‘UNDER ARMOUR’ is registered in Class 25 and there is no dispute that the impugned marks are being used in respect of goods falling in the same class. Different designs used in respect of same class of goods, would have little bearing in determining whether the allegedly infringing mark is deceptively similar.

69. We are unable to subscribe to the view that the impugned marks could not be considered as similar to the appellant’s trademark on the ground that the T-shirts manufactured/sold by the respondents carried a military theme.

70. The respondents’ products are also sold through similar online channels and outlets. The fact that the respondents may have obtained some purchase orders for their products from certain institutions would not change the nature of their products or the channels of sale and distribution.

71. The learned Single Judge, at the outset, noted various tests for determining trademark confusion and the factors that are necessary to be considered in ascertaining whether there is likelihood of confusion. We find that some of the vital factors/aspects necessary for determining the likelihood of confusion have been overlooked.





## **FAILURE TO RENDER ANY FINDING QUA OVERALL STRUCTURAL AND PHONETIC SIMILARITY BETWEEN THE RIVAL MARKS**

72. The learned Single Judge held that the competing trademarks are required to be examined in toto and not dissected. Clearly, there is no cavil with this proposition.

73. The first and foremost facet to be examined was the degree of visual and phonetic similarity between the competing marks. In the present case, the learned Single Judge has not returned any finding as to whether the impugned marks are visually or phonetically similar to the appellant's trademark 'UNDER ARMOUR'. It is not the appellant's case that it had any monopoly rights in respect of the word 'ARMOUR'. The appellant had contended that the overall commercial impression of the impugned mark was similar to its mark 'UNDER ARMOUR'. The overall similarity was also on account of the fact that one of the two parts of the appellant's word mark was a part that dominated the overall commercial impression of the impugned mark – AERO ARMOUR.

74. The learned Single Judge's finding qua overall similarity is based on dissimilarity in the device marks of the parties and the central theme of armed forces adopted by the respondents in their marketing strategy and product design. However, the learned Single Judge erred in not accepting that, *prima facie*, there is a similarity in the overall structure of the word marks, where both marks are written in capital letters consisting of non-hyphenated words.

75. There is also phonetic similarity between the competing marks,



considering that part of the rival word marks are identical.

76. In our view, the learned Single Judge has erroneously evaluated the overall commercial impression of the competing marks as different by giving undue importance to the overall design used on the t-shirts and by creating an almost illusory distinction between the appellant's goods being sportswear as against the respondents' goods being casualwear.

### **FAILURE TO EVALUATE STRENGTH OF THE APPELLANTS MARKS**

77. The learned Single Judge failed to evaluate the strength of the appellant's mark. The appellant herein has claimed use since 1996. It has placed on record sales data through e-commerce platforms from 2017 to 2018 amounting USD 3,196,968 and sales data from 2018 to 2021 amounting ₹132,61,56,177/-. In addition, the appellant has placed on record the use of its products by athletes in various competitions and their use in popular movies and TV series. The appellant has placed sufficient material on record, which are not disputed, to show they have significant reputation and goodwill not just in India but globally. This includes a decision of the Trademark Trial and Appeal Board of the United States Patent and Trademark Office dated 21.05.2009 in Opposition No. 91178653 in "***Under Armour, Inc. vs. Renee Bode***" wherein the Board held that "*its mark UNDER ARMOUR is famous in the field of sporting goods and clothing*". Considering the above, the fact that the appellant enjoys considerable goodwill and reputation even in the Indian market may, *prima facie*, be taken to be established.

78. This court in ***Hamdard National Foundation (India) and Another v.***



**Sadar Laboratories Pvt. Ltd.**<sup>11</sup>, had reiterated the well settled proposition that the protection to be granted to a mark is directly related to the strength of the mark:

“63. As noted above, the trademark “ROOH AFZA” has been used in respect of the appellant’s product for over a century. *Prima facie*, it is a strong mark. It is also well settled that the requirement of protection varies inversely [sic. rect directly] with the strength of the mark; the stronger the mark, the higher the requirement to protect the same. Trademarks serve as source identifiers. It is also well-settled that in case of a well-known mark, which has acquired a high degree of goodwill, the mark requires higher protection as it is more likely to be subjected to piracy from those who seek to draw an undue advantage of its goodwill. In the present case, the appellants claim that the trademark “ROOHAFZA” is a well-known mark.

64. In *Planters Nut & Chocolate Co. v. Crown Nut Co.*, 305 F.2d 916., the United States Court of Appeals for the Federal Circuit had observed that a mark’s fame is an incentive for competitors “to tread closely on the heels of a very successful trademarks”. In cases of a weak trademark, where the trademark has not acquired significant goodwill, a higher degree of similarity is permissible. However, strong marks which have acquired immense goodwill are vulnerable from competitors seeking to ride on their goodwill. Such marks require a higher degree of protection and it is necessary to ensure that the marks of a competitor do not come close to the said senior marks.”

79. In ***Kenner Parker Toys v. Rose Art Industries***<sup>12</sup>, the court had observed that “strong marks cast a long shadow, which the competitors must avoid”. The aforesaid decision was noted by this court in ***Hamdard***

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<sup>11</sup> 2022 SCC OnLine Del 4523

<sup>12</sup> 963 F.2d 350



*National Foundation (India) and Another v. Sadar Laboratories Pvt. Ltd.*<sup>11</sup>. *Prima facie*, in the present case, the appellant's trademark is a very strong mark, which has significant goodwill and therefore, it is necessary to extend a higher protection against competing marks, the use of which may have a propensity to take unfair advantage of the goodwill associated of the appellant's trademark. In the present case, considering that the trademark 'AERO ARMOUR' is used in respect of goods falling within the same class, it comes very close to the appellant's trademark 'UNDER ARMOUR'. *Prima facie*, it is not difficult to accept that customers, upon viewing the mark 'AERO ARMOUR', may be led to believed it to be associated with the appellant.

#### **IDENTICAL GOODS MANUFACTURED BY BOTH PARTIES**

80. It is an admitted fact that both the appellant and the respondents are in the business of manufacturing clothes and accessories such as T-shirts, hoodies, belts and caps. The learned Single Judge found that there is a distinction between the goods supplied even though they fall under the same Class, that is, 25 of the NICE classification. The relevant extract of the impugned order is set out below:

“15.18. A very critical differentiation, even though the larger category of goods of the plaintiff and defendant are identical, is that while the plaintiff is selling sports apparel, the defendant's goods are casual apparel and even though at first blush it seems like an overlap, this does create different market channels and different sets of consumers who would purchase these products...”

81. The learned Single Judge accepted the contention that the goods



manufactured by the parties are different, on the basis that the appellant predominantly manufactures sports apparel and the respondents manufacture casual wear apparel. This distinction, as argued by the appellant, is inconsistent with the NICE Classifications and contrary to market practice. The appellant has argued that Class 25 covers a wide range of apparel, which are manufactured by both parties. Further, when a consumer seeks to purchase an article of clothing, he would typically search using broad prompts such as “T-shirts” or “polo shirts,” upon which products from both parties would appear, thereby placing them in direct competition with one another. We find merit in the appellant’s argument. Whilst the goods manufactured by both parties may be priced differently and may have varied uses, the average consumer would encounter the appellant’s products using the mark ‘UNDER ARMOUR’ and other ‘ARMOUR’-formative marks alongside the respondents’ ‘AERO ARMOUR’ products within the same search bracket.

82. The Hon’ble Apex Court in *Vishnudas Trading as Vishnudas Kishendas v. Vazir Sultan Tobacco Co. Ltd.*<sup>13</sup> had considered the products in Class 34 and the various products covered within it. While considering identical mark of ‘Charminar’ in respect of manufactured Tobacco (cigarettes) and ‘quiwam’ & ‘zarda’ the Court noted:

“47. The respondent Company got registration of its brand name “Charminar” under the broad classification “manufactured tobacco”. So long such registration remains operative, the respondent Company is entitled to claim exclusive use of the said brand name in respect of articles

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<sup>13</sup> (1997) 4 SCC 201



made of tobacco coming under the said broad classification “manufactured tobacco”. Precisely for the said reason, when the appellant made application for registration of *quiwam* and *zarda* under the same brand name “Charminar”, such prayer for registration was not allowed. The appellant, therefore, made application for rectification of the registration made in favour of the respondent Company so that the said registration is limited only in respect of the articles being manufactured and marketed by the respondent Company, namely, cigarettes. In our view, if a trader or manufacturer actually trades in or manufactures only one or some of the articles coming under a broad classification and such trader or manufacturer has no bona fide intention to trade in or manufacture other goods or articles which also fall under the said broad classification, such trader or manufacturer should not be permitted to enjoy monopoly in respect of all the articles which may come under such broad classification and by that process preclude the other traders or manufacturers from getting registration of separate and distinct goods which may also be grouped under the broad classification. If registration has been given generally in respect of all the articles coming under the broad classification and if it is established that the trader or manufacturer who got such registration had not intended to use any other article except the articles being used by such trader or manufacturer, the registration of such trader is liable to be rectified by limiting the ambit of registration and confining such registration to the specific article or articles which really concern the trader or manufacturer enjoying the registration made in his favour. In our view, if rectification in such circumstances is not allowed, the trader or manufacturer by virtue of earlier registration will be permitted to enjoy the mischief of trafficking in trade mark. Looking to the scheme of the registration of trade mark as envisaged in the Trade Marks Act and the Rules framed thereunder, it appears to us that registration of a trade mark cannot be held to be absolute, perpetual and invariable under all circumstances. Section 12 of the Trade Marks Act prohibits registration of identical or



deceptively similar trade marks in respect of goods and description of goods which is identical or deceptively similar to the trade mark already registered. For prohibiting registration under Section 12(1), goods in respect of which subsequent registration is sought for, must be (i) in respect of goods or description of goods being same or similar and covered by earlier registration and (ii) trade mark claimed for such goods must be same or deceptively similar to the trade mark already registered. It may be noted here that under sub-section (3) of Section 12 of the Trade Marks Act, in an appropriate case of honest concurrent use and/or of other special circumstances, same and deceptively similar trademarks may be permitted to another by the Registrar, subject to such conditions as may deem just and proper to the Registrar. It is also to be noted that the expression “goods” and “description of goods” appearing in Section 12(1) of the Trade Marks Act indicate that registration may be made in respect of one or more goods or of all goods conforming a general description. The Trade Marks Act has noted distinction between description of goods forming a genus and separate and distinctly identifiable goods under the genus in various other sections e.g. goods of same description in Section 46, Sections 12 and 34 and class of goods in Section 18, Rules 12 and 26 read with Fourth Schedule to the Rules framed under the Act.

**48.** The “class” mentioned in the Fourth Schedule may subsume or comprise a number of goods or articles which are separately identifiable and vendible and which are not goods of the same description as commonly understood in trade or in common parlance. Manufactured tobacco is a class mentioned in Class 34 of Fourth Schedule of the Rules but within the said class, there are a number of distinctly identifiable goods which are marketed separately and also used differently. In our view, it is not only permissible but it will be only just and proper to register one or more articles under a class or genus if in reality registration only in respect of such articles is intended, by specifically mentioning the names of such articles and by indicating the class under



which such article or articles are to be comprised. It is, therefore, permissible to register only cigarette or some other specific products made of “manufactured tobacco” as mentioned in Class 34 of Fourth Schedule of the Rules. In our view, the contention of Mr Vaidyanathan that in view of change in the language of Section 8 of the Trade Marks Act as compared to Section 5 of the Trade Marks Act, 1940, registration of trade mark is to be made only in respect of class or genus and not in respect of articles of different species under the genus is based on incorrect appreciation of Section 8 of the Trade Marks Act and Fourth Schedule of the Rules.”

83. The aforesaid decision sets out the principle that even though competing goods fall within the same class, they may be materially different. It is therefore necessary to examine Class 25 of the NICE classification and the goods covered under that class. The respondents use the impugned trademarks in respect of the following categories of clothes/apparel:

- a. half-sleeve T-shirt
- b. Polo neck T-Shirts both half and full sleeves
- c. Hoodies
- d. Jackets
- e. Shirts
- f. Belts
- g. Caps
- h. Socks

84. Admittedly, the appellant uses its trademarks in respect of the same goods. The appellant’s trade mark UNDER ARMOUR is registered in respect of “*READYMADE GARMENTS, CLOTHING INCLUDING*





*HOSIERY AND KNITTED CLOTHING; FOOTWEAR; HEADWEAR; INNERWEAR, GLOVES; HAND-WARMERS; ALL BEING GOODS INCLUDED IN CLASS 25”.*

85. The appellant also holds registration of the trademark in respect products, which are specially attuned for different sports under Class 28, that include “*PROTECTIVE EQUIPMENT AND PADDING, GUARDS AND GLOVES WORN BY ATHLETES; SPORTS BALLS; SPORTS EQUIPMENT NOT INCLUDED IN OTHER CLASSES; BAGS ADAPTED FOR SPORTING AND ATHLETIC EQUIPMENT; BAGS ADAPTED TO CARRY SPORTS IMPLEMENTS; SPORTS BAGS SHAPED TO CONTAIN SPECIFIC APPARATUS USED IN PLAYING SPORTS AND IN ATHLETICS [OTHER THAN CLOTHING OR FOOTWEAR]; GAMES AND PLAYTHINGS, GYMNASTIC AND SPORTING ARTICLES NOT INCLUDED IN OTHER CLASSES; DECORATIONS FOR CHRISTMAS TREES; ALL BEING GOODS INCLUDED IN CLASS 28”.*

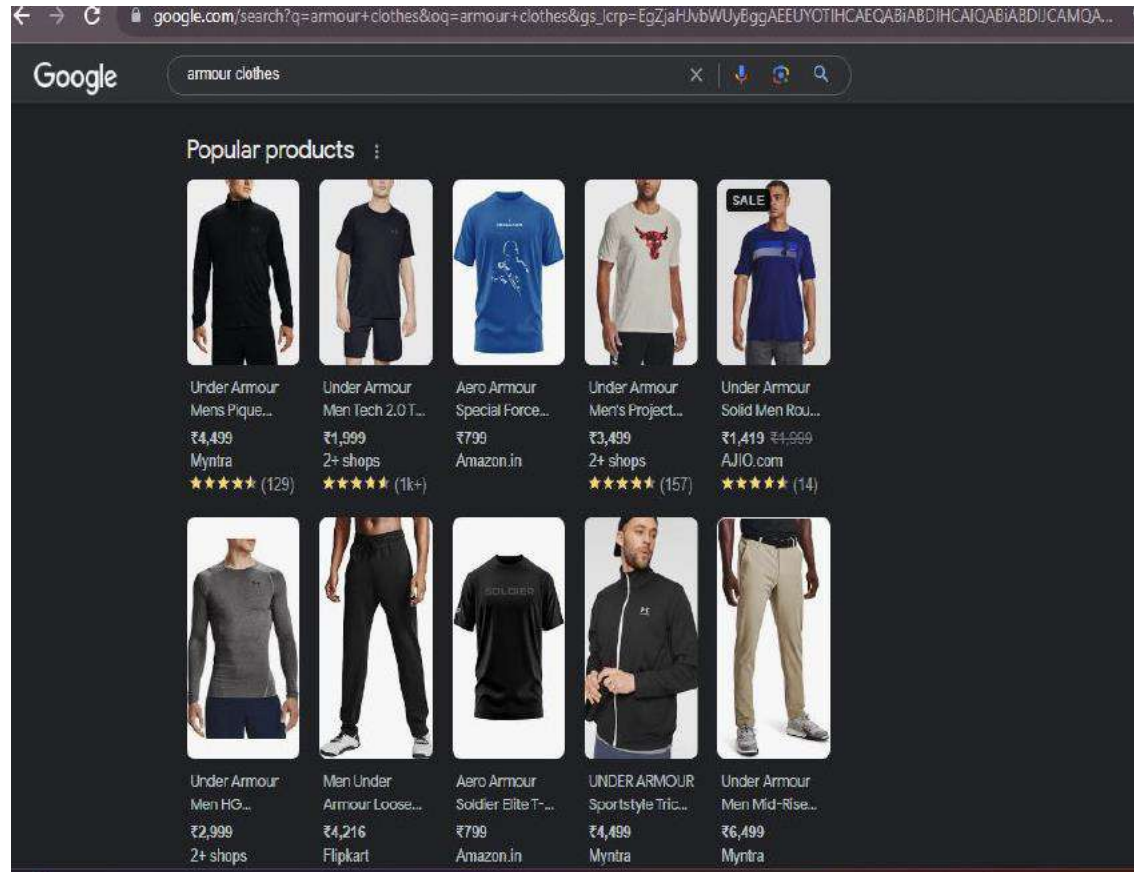
86. Considering the law as laid down in *Vishnudas Trading v. Vazir Sultan Tobacco Co. Ltd.*<sup>13</sup> and the fact that Appellant manufactures the same categories of goods as the respondents, coupled with other sub-categories of goods in relation to sports covered within Class 25, the finding of the learned Single Judge in the impugned order – that the appellant manufactures sports apparel and the respondents manufacture casual apparel – cannot be sustained.

#### **SIMILAR TRADE CHANNELS**

87. The appellant has placed on record screenshots of Google searches for



the term “armour clothes” that show products from both the appellant and the respondents for purchase on e-commerce platforms. The said screen images are reproduced below: -



88. It is important to note that the learned Single Judge had sought to draw a distinction between trade channels of the competing trademarks on an assumption that trade channels differed for persons with different preferences. We find no basis for this submission. Merely because a particular buyer would be attracted to buy casualwear that bears prints with themes relating to armed forces and carrying motivational banners/taglines/mottos does not establish that the trade channel of the clothing line is different from the channels used to sell similar apparels. The



customer's varying mindsets at the time of the purchasing the product absent any other feature, also does determine that the distribution or trade channels are different. Admittedly, the respondents are also marketing their goods through online channels and e-commerce websites such as Amazon Fashion, Myntra etc. The consumer preferences for certain designs do not alter the trade channels. The learned Single Judge noted that the respondents also supplied to institutions. However, admittedly, sales made by the respondents are not confined to institutional buyers.

89. In our view, it would be erroneous to consider that there is no likelihood of confusion on account of products bearing the competing brands on the assumption that the same are distributed and sold through different channels. There is no material to substantiate the said assumption.

90. We are also unable to prima facie accept that the market segments for both the products are different. Customers looking to purchase t-shirts and casualwear, would, consider both the products. Some of the customers may prefer the designs based on the themes of valour, weaponry and armed forces. However, this did not mean that those customers are not potential buyers for similar goods that do not carry the said themes. Some of the customers may be willing to pay a higher price for the appellant's product considering its reputation. But that too does not place the competing products in separate market which operate in their own silos. Thus, the likelihood of confusion is not eliminated on the assumption that the competing products serve different market segments.



### INITIAL INTEREST CONFUSION TEST:

91. As noted above, it is a matter of record that both the appellant and the respondents conduct sales through identical trade channels, that is, through e-commerce websites such as Amazon Fashion, Myntra etc. Any finding suggesting a distinction in market channels due to differences in sub-category of clothing has already been dealt with above and found unsustainable. In view of *prima facie* finding of overall structural and phonetic similarity in impression of the rival marks – where both parties manufacture identical goods – the appellant's argument regarding *Initial Interest Confusion* is merited. A customer of average intelligence and imperfect recollection who comes across the respondents' products on any of the e-commerce platforms used by both parties or through other interactive websites, may wonder whether there is a connection between the two marks, or whether they have previously seen the mark in association with the appellant's mark. Even if we assume that the confusion does not persist till the point of purchase, it would definitely arise for brief period of time.

92. It is evident from a reading of the relevant portion of the impugned order that the learned Single Judge erred in the application of the *Initial Interest Confusion* test. The learned Single Judge while relying on the decision in *Mountain Valley Springs India Pvt. Ltd. v. Baby Forest Ayurveda Pvt. Ltd.*<sup>14</sup>, held that "*today's customer is not an ignorant customer but an informed customer who chooses, even if faced with transient wonderment, to find out what the differences could be*".



93. The Court in *Mountain Valley Springs India Pvt. Ltd. v. Baby Forest Ayurveda Pvt. Ltd.*<sup>14</sup> had qualified the application of the Initial Interest Confusion Test with the concept of sophisticated consumer possessing greater resources and access. The Court in *Mountain Valley Springs India Pvt. Ltd. v. Baby Forest Ayurveda Pvt. Ltd.*<sup>14</sup> had held that:

“8.23 The ‘initial interest confusion test’, therefore, may not strictly apply. This is so because a customer of average intelligence and imperfect recollection also has substantial data and resources available at their fingertips through access to the internet through their smart phones or other devices and a plethora of search engines. An initial feeling/wonderment usually will trigger a search by an average consumer before purchase. Possibly the test of ‘customer of average intelligence and imperfect recollection’ will have to be evolved to add the factor of a customer with access to greater resources and greater knowledge of the market. It is important to note that a full evolution and disruption of the traditional market has happened since, with the introduction of online e-commerce retail.

8.24 Confusion, therefore, if at all at the initial stage may not subsist for very long and may be ephemeral, transient, since even an average customer will be prompted to check. The journey of the consumer is a new consumer journey starting from *awareness to information to purchase*. There is a changing landscape of consumer behavior which is duly recognized by various authoritative advertising publications/commentaries on brands and consumer behavior.”

94. It is apparent that the aforesaid view does not align with the concept of Initial Interest Confusion Test. The Initial Interest Confusion Test recognizes that confusion in the minds of the customers arises only at the

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<sup>14</sup> 2024 SCC OnLine Del 3665



stage prior to consummating the purchase. However, at the time of completing the transaction, there is no doubt in the customer's mind regarding the origin of the goods. The confusion, *albeit* limited to the initial stage, is sufficient to satisfy the condition of deceptive similarity as contemplated in Section 29 of the TM Act. In some cases – particularly, when the senior trademark is a famous or a well-known mark – it may serve the infringer's purpose merely to capture the customer's attention. The customer may eventually choose the infringer's product based on its qualities and attributes, fully aware that it has no association with the registered trademark.

95. This Court in *Shree Nath Heritage Liquor Pvt. Ltd. v. M/s Allied Blenders & Distillers Pvt. Ltd.*<sup>15</sup> had explained as under:

“5. Confusion can be of the following categories:

- Point of sale confusion - this refers to confusion that takes place at the time of purchase.
- Post sale confusion - this includes confusion of those other than the purchaser.
- Initial interest confusion - this refers to confusion that may be caused initially, i.e. prior to purchase, but at the time of purchase of the alleged infringer/tortfeasor's product or using its service, the consumer is not confused.
- Reverse confusion - this occurs when consumers purchase the goods or use services of the senior user thinking them to originate from the junior user.”

6. When a person knows that the mark in question does not originate from the senior user but the senior user is called to mind, then it's a step before confusion. If on the other hand, the consumer is in a state of wonderment if there's a

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<sup>15</sup> (2015) 221 DLT 359 (DB)



connection, this is confusion. Further, if this consumer then purchases the junior users product, this is then deception.”

96. We consider it apposite to refer to the decision of the US District Court in *Grotrian, Helfferich Schulz v. Steinway & Sons*<sup>16</sup>, the appellate decision of which was referred to by this Court in *Google LLC v. DRS Logistics (P) Limited*<sup>17</sup>. The US Court of Appeals for the Second Circuit had explained the doctrine of Initial Interest Confusion. This is one of the earliest cases where the doctrine was applied. In the said case, the Court was tasked with determining whether there was any infringement of Steinway & Son's trademark on their pianos, following Grotrian's use of the mark 'Grotrian-Steinweg' on its pianos. The Court considered the contentions – similar to those raised in the present case – regarding significant price differences between the products and sophisticated customers, and held as under:

“Plaintiff argues that purchaser will not be confused because of the degree of their sophistication and the price (*B & L Sales Associates v. H. Daroff & Sons, Inc*, supra). It is true that deliberate buyers of expensive pianos are not as vulnerable to confusion as to products as hasty buyers of inexpensive merchandise at a newsstand or drug store [Callmann, *Unfair Competition-Trademarks and Monopolies*, [3<sup>rd</sup> ed. 1971]. The sophistication of buyers, however, does not always assure the absence of confusion [*Communication Satellite Corp. v. Comcet. Inc.*]. It is the subliminal confusion apparent in the record as to the relationship, past and present, between the corporate entities and the products that can transcend the competence of even the most sophisticated consumer.

<sup>16</sup> 365 F. Supp. 707 (1973),

<sup>17</sup> 2023 SCC OnLine Del 4809



Misled into an initial interest, a potential Steinway buyer may satisfy himself that the less expensive Grotrian-Steinweg is at least as good, if not better, than a Steinway, Deception and confusion thus work to appropriate defendant's goodwill. This confusion, or mistaken beliefs as to the companies' inter-relationships, can destroy the value of the trademark which is intended to point to only one company [*American Drill Busing Co. v. Rockwell Mfg. Co.*]. Thus, the mere fact that purchasers may be sophisticated or discriminating is not sufficient to preclude the likelihood of confusion. "Being skilled in their own art does not necessarily preclude their mistaking one trademark for another when the marks are as similar as those here in issue, and cover merchandise in the same general field" [Id]."

97. We also consider it apposite to refer to the following extract from the said decision: -

"The issue here is not the possibility that a purchaser would buy a Grotrian-Steinweg thinking it was actually a Steinway.... The harm to Steinway, rather, is the likelihood that a consumer, hearing the 'Grotrian-Steinweg' name and thinking it had some connection with 'Steinway', would consider it on that basis. The 'Grotrian-Steinweg' name therefore would attract potential customers based on the reputation built up by Steinway.... The harm to Steinway in short is the likelihood that potential piano purchasers will think that there is some connection between the Grotrian Steinweg and Steinway pianos. Such initial confusion works an injury to Steinway."

98. In *Google LLC v. DRS Logistics (P) Ltd.*<sup>17</sup>, a Division Bench of this court (of which one of us, Vibhu Bakhru, J., was a member) considered the concept of *Initial Interest Confusion* in the context of infringement on account of use of Adwords and embedded meta tags. We consider it apposite to refer to the following extract from the said decision:





**“149.** Primarily, infringement of trade mark rests on confusion. The doctrine of “initial interest confusion” has been developed to restrain infringement of trade marks resulting from confusion prior to confirmation of any transaction of purchase.

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**151.** In *Mobil Oil Corpn. v. Pegasus Petroleum Corpn.* [Mobil Oil Corpn. v. Pegasus Petroleum Corpn., 818 F 2d 254 (2nd Cir. 1987)], the defendant company (Pegasus Petroleum) was held liable, by applying the doctrine of “initial interest confusion”, for infringing the plaintiff’s (Mobil Oil) trade marks including the trade mark “Flying Horse” and by adopting the name “Pegasus Petroleum” in respect of oil trading business. On commencing the business, the defendant’s owner, Gregory Callimanopulos sent letters to several persons in the oil trade business informing them about the Pegasus Petroleum. Although he did not use the symbol “Flying Horse”, he used a trade mark of interlocking “Ps”. Although the court [US Court of Appeal for the Second Circuit] found that there was little possibility that consumers would be confused at the time of entering into sale and purchase transaction for oil; nonetheless, held that the defendant (Pegasus Petroleum) had infringed Mobil Oil’s trade mark because it was probable that “... Pegasus Petroleum would gain crucial credibility during the initial phases of a deal. For example, an oil trader might listen to a cold phone call from Pegasus Petroleum ... when otherwise he might not, because of the possibility that Pegasus Petroleum is related to Mobil.”

**152.** In such cases, if the SERP displays an advertisement, which the internet user is led to believe is associated with the trade mark, which is entered as, or is a part of, the search query, the use of the trade mark as keyword would infringe the trade mark. This is notwithstanding that on accessing the website, the internet user realises that it is not the website which he intended to access and that the goods and services are not those as associated with the trade mark which is keyed in as a search term or is a part, thereof. Although, there is no scope for any of



the internet users being misled or deceived into entering into any transaction in relation to goods and services believing the same to be associated with the trade mark, the use of the trade marks may be actionable. The courts, in such cases, found the use of meta tags, which are similar to the trade marks, for deceiving or confusing the internet user to click on the web link as an infringement of the trade mark and have accordingly interdicted the same.

**153.** In *Brookfield Communications Inc. v. West Coast Entertainment Corpn.* [Brookfield Communications Inc. v. West Coast Entertainment Corpn., 174 F 3d 1036 (9th Cir. 1999)] , the US Court of Appeal for the Ninth Circuit Court applied the doctrine of “initial interest confusion” in a case where the defendant had used a term “MovieBuff”, which was the plaintiff's trade mark, as a meta tag in the source code of the website. Thus, search of a term “MovieBuff” in the internet would also yield results including links to the website of the defendant. The contents of the website were not misleading and did not provide any room for confusion. The court used the following metaphor of a misleading road sign to explain the extent of confusion and for applying the doctrine of “initial interest confusion”:

“Suppose West Coast's competitor (let's call it ‘Blockbuster’) puts up a billboard on a highway reading — ‘West Coast Video: 2 miles ahead at Exit 7’ — where West Coast is really located at Exit 8 but Blockbuster is located at Exit 7. Customers looking for West Coast's store will pull off at Exit 7 and drive around looking for it, unable to locate West Coast, but seeing the Blockbuster store right by the highway entrance, they may simply rent there.”

**154.** In *Promatek Industries Ltd. v. Equitrac Corpn.* [Promatek Industries Ltd. v. Equitrac Corpn., 300 F 3d 808 (7th Cir. 2002)], the US Court of Appeal for the Seventh Circuit emphasised that the fact that confusion is for a brief period, is not relevant if there is misappropriation of goodwill. The court observed as under:



“[B]y [defendant] placing the [plaintiff's trade marked] term Copitrack in its meta tag, consumers are diverted to its website and [defendant] reaps the goodwill [plaintiff] developed in the Copitrack mark. That consumers who are misled to [defendant's] website are only briefly confused is of little or no consequence.... What is important is not the duration of the confusion, it is the misappropriation of [plaintiff's] goodwill. [Defendant] cannot unring the bell.”

**155.** It is also relevant to mention the case of *People for Ethical Treatment of Animals v. Doughney* [People for Ethical Treatment of Animals v. Doughney, 113 F Supp 2d 915 (ED Va. 2000)]. In that case, the action was premised on the use of the domain name “peta.org”, which was linked to a site captioned “People Eating Tasty Animals”. “Peta” is a well-known acronym for “People for Ethical Treatment of Animals” — an American animal rights non-profit organisation based in Virginia. Clearly, the site “People Eating Tasty Animal” would not mislead any person who was looking for the official website of “People for Ethical Treatment of Animals” (the plaintiff). Notwithstanding the same, the court applied the doctrine of “initial interest confusion” and found that misleading the parties to access the defendant's website, would warrant interdiction.

**156.** The doctrine of “initial interest confusion” has been applied where the courts have found material confusion albeit at an initial stage, resulting from the display of the use of meta tags, keywords and domain names for reflecting results which are identical or similar to registered trade mark. In cases, where the internet users are deceived, to access the websites other than the websites offering goods, services and information as may be associated with the trade mark, the use of the trade mark in internet advertising may be actionable.

**157.** In *Niton Corpn. v. Radiation Monitoring Devices Inc.* [Niton Corpn. v. Radiation Monitoring Devices Inc., 27 F Supp 2d 102 (D Mass 1998)], the defendant had used the phrase “The Home Page of Niton Corporation, makers of the finest lead, radon, and multi-element detectors” on its website. This



was identical to the texts on Niton Corporation's website. The search for the phrase “Home Page of Niton Corporation” yielded results that included pages from the defendant's website. The US District Court for the District of Massachusetts granted a preliminary injunction as it found that there was a likelihood of confusion, which would mislead the users to believe that the defendant was the plaintiff or affiliated to it.

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**162.** Under Section 29(2) of the TM Act, a registered trade mark is infringed by a person who not being a registered proprietor or a person permitted to use the same, uses the mark which is identical or similar to the registered trade mark in respect of goods “which is likely to cause confusion on the part of public or which is likely to have an association” with the registered trade mark. Section 29 of the TM Act does not specify the duration for which the confusion lasts. The trigger for application of Section 29(2) of the TM Act is use of a mark, which would result in confusion or indicate any association with the registered trade mark. Thus, even if the confusion is for a short duration and an internet user is able to recover from the same, the trade mark would be infringed. Once the applicability of Section 29(2) of the TM Act is triggered, it would be no defence to state that the interest user was not deceived in entering into the transaction and/or in fact, did ascertain that there was no association of the advertiser or its goods with the trade mark.

**163.** We, thus, accept the contention that even confusion for a brief period of time would offend Section 29(2) of the TM Act.”

99. In *Institute Europeen D. Administration Des Affaires, Insead, Association v. Fullstack Education Pvt. Ltd. & Anr.*<sup>18</sup>, the learned Single Judge of this court, while hearing a rectification petition concerning the mark INSAID — used for a higher education institute by the respondent —

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<sup>18</sup> 2023 SCC OnLine Del 3016



filed by the petitioner institute, which used the abbreviation INSEAD, held as follows:

“38. Where, therefore, there is marked phonetic similarity between INSEAD and INSAID, mere fact that, in the overall logos of the two marks, there may be accompanying pictorial representations or other features which may distinguish the marks as device marks, cannot detract from the confusingly similar nature of the two marks.

39. The contention of Mr. Tandon, predicated on the nature of the consumer in question, i.e., in the present case, students, can also fail to impress. On this aspect, it is well settled that the mere fact that, especially in the matter of infringement, as compared to passing off, the nature of the consumer who is dealing with the marks is a relevant consideration only thus far and no further. One may refer, in this context, to the following passages from *Baker Hughes*: (1998) 74 DLT 745, which enunciate the legal position in this regard:

“53. Learned counsel for the defendants pointed out that in this country only three customers, namely, ONGC, Oil India and Essar are buying oil field equipment and there is no likelihood of their being deceived into buying the products manufactured by the second defendant by mistaking them to be manufactured by the plaintiffs. He emphasised that the purchasers have sophisticated knowledge of the oil field equipment and the companies manufacturing the same, and in such circumstances the action for passing off is not maintainable. The learned counsel for the defendants contended that in ascertaining the possibility of deception or confusion it is important to identify the class of likely consumers in each case and in a specialised limited market consumers are not likely to be confused especially where they buy goods directly from the manufacturer. The learned counsel referred to passages from ‘*Passing Off Law and Practice*’ by John Drysdale and Michael Silverleaf,



Second Edition (Butterworths, 1995), para 4.03; *Law of passing Off by Christopher Wadlow*, Second Edition 1995, and the decision rendered in *John Hayter Motor Undertaking Agencies Ltd. v. RBHS Agencies Limited* [1977] 2 Lloyd's Rep. 105: [1977] Fleet Street Patent Law Reports 285.

54. I have given my anxious consideration to the submissions of the learned counsel for the defendants on this aspect of the matter. There can be an informed class of purchasers who have a degree of knowledge and a sense of discrimination more substantial than that of an ordinary purchaser, but the mere fact that the customers are sophisticated, knowledgeable and discriminating does not rule out the element of confusion if the trade marks/trade names/corporate names of two companies are identical or if the similarity between them is profound. In several cases it has been held that initial confusion is likely to arise even amongst sophisticated and knowledgeable purchasers under a mistaken belief that the two companies using the same corporate name, trading name or style are inter-related. It is the awakened consumers who are more aware of the modern business trends such as trade mark licensing, mergers, franchising, etc. It is this class of buyers who are likely to think that there is some sort of association between the products of two different companies when they come across common or similar trade names or corporate names or trading styles used by them. The sophistication of a buyer is no guarantee against likely confusion. In some case, however, it is also possible that such a purchaser after having been misled into an initial interest in a product manufactured by an imitator discovers his folly, but this initial interest being based on confusion and deception can give rise to a cause of action for the tort of passing off as the purchaser has been made to think that there is some connection or nexus between the



products and business of two disparate companies. This view finds support from various decisions gathered in Section 20.12 of the Filing Instructions 1988, Fall Cumulative Supplement from Callmann ‘Unfair Competition, Trademarks and Monopolies’. This Section reads as under:—

“But even apart from the doctrine of greater care, if the manner of purchasing becomes routine, the possibility of confusion can arise notwithstanding the expertise of the purchasers (*Layne-Western Co. v. Fry.*). The mere fact that all the customers are discriminating technicians does not by itself insure against confusion; being skilled in the relevant art does not necessarily preclude confusion if the similarity between the marks is great (*Wincharger Corpn. v. Rinco. Inc.*). “The words ‘sophisticated’ and ‘knowledgeable’ are not talismans which, when invoked, act magically to dissipate a likelihood of confusion. It must also be shown how the purchasers react to trademarks, how observant and discriminating they are in practice, or that the decision to purchase involves such careful consideration over such a long period of time that even subtle differences are likely to result in a recognition that different marks are involved before an irrevocable decision is made “(*Refreshment Mach, Inc. v. Read Industries. Inc.*”).

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“In some cases it has been held that a different type of confusion, referred to as “initial confusion”, is likely to arise even among sophisticated purchasers. As one court has said; by intentionally copying the trademark of another more established company, one



company attempts to attract potential customers based on the reputation and name built up by the first user; the older company. The danger here is not that the sophisticated purchaser [in the oil trading market] will actually purchase from Pegasus Petroleum believing that he has purchased from Mobil [Oil Co.], the danger is that the purchaser will be misled into an initial interest in Pegasus Petroleum based on a mistaken belief as to the two companies' inter-relationships [*Mobil Oil Corp. v. Pegasus Petroleum Corp.*]

(Emphasis supplied)

It has also been suggested that sophisticated consumers, being more aware of such modern business trends as trademark licensing and conglomerate mergers, are more rather than less likely to suspect some association between disparate companies or products when they see what appears to be one company's mark on another's product [*Lois Sportswear, USA Inc. v. Levi Straus & Co.*]'".

55. In **John Hayter's** case (supra) the court failed to notice the principle that even the informed, sophisticated and knowledgeable customers suffer from initial confusion where the corporate names trade names or trade marks of two different companies are the same or similar to each other. Therefore, the view expressed in the case does not commend to me and compels me to respectfully depart from the same.

56. In *Mobil Oil Corp. v. Pegasus Petroleum Corp.*, the court while dealing with the question of 'initial confusion' held as follows:—

“..... In short, the harm to Mobil is the





likelihood that potential purchasers will think that there is some connection or nexus between the products and business of Pegasus Petroleum and that of Mobil. “Such initial confusion works and injury to (Mobil)”. See *Grotrian-Steinweg*, supra”.

57. In *Lois Sportswear, USA. Inc. et al v. Levi Straus & Co.*, the Court of Appeal, Second Circuit, held as follows:—

“The eighth and final factor—the sophistication of relevant buyers—does not, under the circumstances of this case, favour appellants. The district court found, and the parties do not dispute, that the typical buyer of “designer” jeans is sophisticated with respect to jeans buying. Appellants argue that this sophistication prevents these consumers from becoming confused by nearly identical back pocket stitching patterns. On the contrary, we believe that it is a sophisticated jeans consumer who is most likely to assume that the presence of appellant's trademark stitching pattern on appellants' jeans indicates some sort of association between the two manufacturers. Presumably it is these sophisticated jeans buyers who pay the most attention to back pocket stitching patterns and their “meanings”. Cf. *Steinway*, supra, (buyers of quality pianos, being sophisticated, are more likely mistakenly to associate piano manufacturers using similar trade names). Likewise, in the post-sale context, the sophisticated buyer is more likely to be affected by the sight of appellant's stitching pattern on appellants' jeans and, consequently, to transfer goodwill. Finally, to the extent the sophisticated buyer is attracted to appellant's



jeans because of the exclusiveness of its stitching pattern, appellant's sales will be affected adversely by these buyer ultimatem realization that the pattern is no longer exclusive”.

58. In *Wincharger Corporation v. Rinco, Inc*, 297 F2d 261 (1962), it was observed as follows:—

“It is true that in most instances technicians would use the products of either party and they are a discriminating group of people but that does not eliminate the likelihood of purchaser confusion here. Being skilled in their own art does not necessarily preclude their mistaking one trademark for another when marks are as similar as those here in issue, and cover merchandise in the same general field”.

40. The mere fact that the consumers who would seek to take admission in the institutions of the petitioner and the respondent are students, therefore, is no guarantee against the likelihood of confusion between the two marks. It is necessary to reiterate, in this regard, that one is concerned with initial interest confusion. If, therefore, at an initial interest stage, the student has a chance of confusing the respondent's mark for that the petitioner, the tort of infringement stands committed ipso facto. The mere fact that, later, the student may be enlightened and come to realise that the two institutions does not take away the effect of the initial interest confusion that has already occurred.”

100. A similar argument was raised by the appellant herein before a learned Single Judge of this Court in *Under Armour, Inc. v. Aditya Birla Fashion & Retail Ltd.*<sup>1</sup> where the appellant sought and was granted an interim injunction against the mark “STREET ARMOUR”. Though the facts of each case are to be viewed separately, the following findings of the



learned Single Judge in respect of the Initial Interest Confusion are relevant and, in our view, apposite in the facts of the present case:

“4.7 In my *prima facie* opinion, when viewed as whole marks, the marks of the defendant have to be regarded as infringing the marks of the plaintiff within the meaning of Section 29(2)(b) of the Trade Marks Act, for the following reasons:

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(v) Besides, the matter has to be examined from the point of view of initial interest confusion. It has to be examined from the point of view of a customer of average intelligence and imperfect recollection who, after having come across the goods bearing the plaintiff's mark, comes across the mark of the defendant at a somewhat later point of time. The question that is to be asked is whether, in such a situation, the customer of average intelligence and imperfect recollection is likely to be placed in a state of wonderment as to whether the mark is the same as that one he had earlier seen, or whether the mark which is before him bears an association to the mark that he had seen earlier. If such a feeling arises *when the customer initially views the defendants' mark* - having seen the plaintiff's some time earlier - that feeling, by itself, suffices to make out a case of infringement. The *initial impression* is what, fundamentally, matters.”

101. The plain reading the impugned order, indicates that the learned Single judge had accepted that a customer may be confused at the initial stage (transient wonderment) but would undertake the necessary enquiries. The court had observed as under:

“A customer who will purchase a defendant's product will be doing it for its very Indian iconic theme, imbued with a patriotic fervour or a desire to associate with the ‘Indian-



ness'. The plaintiff's goods on the other hand are categorized for sports and are not nationalistic in their theme or flavour but more designed to appeal to a sportsperson or a person involved in sports. These two kinds of consumers mindsets, even though may be resident in the same person, will involve a different purchasing journey, as also highlighted in ***Mountain Valley*** (*supra*), today's customer is not an ignorant customer but an informed customer who chooses, even if faced with *transient wonderment*, to find out what the differences could be.

102. It is apparent from the above paragraph that the learned Single Judge accepted that the customer who comes across the impugned marks may be faced with "transient wonderment", but being an informed customer would proceed to find out the differences between the products. In our view, if the customer looking at the impugned marks associates the same with the appellant's marks even though for a brief period, the appellant's trademarks would be infringed on the plain reading of Section 29(1)/ Section 29(2) and even Section 29(4) of the TM Act. The duration of the confusion in the minds of the customer is not material. The fact that the customer is confused, even if it be momentarily, would be sufficient to establish infringement of trademark. Thus, the question to be considered by the court was essentially whether a customer looking at the impugned trademarks would be led to believe that the same is associated with the appellant's trademark, even it be for a brief moment. The fact that he may on a closer examination of products and enquiries find that the impugned trademarks are not associated with the appellant's trademarks would not take away from the fact that the impugned marks bear a similarity with the appellants trade mark, which led to the confusion. Similarly, if a customer of average intelligence and imperfect recollection, who seeks the appellant's product



UNDER ARMOUR is for a brief moment deceived to think the respondent's product as associated with the appellants mark, the appellants action for infringement has to be sustained as the test of likelihood of confusion would stand satisfied.

103. As noted above, in some cases, it may be sufficient for a new entrant to merely attract the customers of a well-known brand to look at its product. In some cases, it would be enough for a new entrant to get its foot in the door. It is not necessary that the customer must necessarily be deceived in buying the product under a junior mark for the registered senior mark to be infringed. If such the initial interest is elicited by any similarity with the well-known trademark, the requirement of Section 29 of the Act would be satisfied.

104. Given the degree of similarity between the competing marks, the nature of the goods and the use of similar trade channels; we are of the *prima facie* view that there exists a real likelihood of confusion. Even if we were to accept – which we do not – that there is no likelihood of confusion at the stage of purchase, there remains a real possibility of confusion at the initial stage.

#### **DISHONEST ADOPTION**

105. The appellant has vehemently argued that the respondents' adoption of the mark 'AERO ARMOUR' is dishonest, as evidenced by the perceptible overall structural and phonetic similarity with the appellant's mark 'UNDER ARMOUR' coupled with the respondent's placement of the mark on the sleeves and the near identical use of 'ARMR' in their apparel to mimic the products of the appellant.



COMPETING GOODS/PRODUCTS OF THE APPELLANT	COMPETING GOODS/PRODUCTS OF THE RESPONDENTS
	
	



106. The learned Single Judge rejected the arguments of the appellant based on an evaluation of the marketing strategy and the centralised theme of Armed Forces/ valour/ weapons used by the respondents, which the Court found to be consistent with the tag-lines and logo.

107. However, the impugned order also notes as under:

“15.15. The plaintiff's contention that dishonest adoption was evident. from the use of “ARMR” by the defendant, could have had some relevance if seen in isolation. However, as the counsel for defendant clarified that “ARMR” was used on a very few products initially, and since has not been used, as also an undertaking was given in the Court by the counsel, that they do not intend to use “ARMR” at all, or at the very least, would give that up, during the suit proceedings.

15.16. The second aspect of dishonest adoption was of the use of the brand “AERO ARMOUR” in a similar manner on the sleeves of their t-shirts, pictures of which have been extracted in para 10.13 above. Yet again, those pictures in isolation give the impression that it is defendant’s intent to copy in order to cause confusion. However, it has to be appreciated in the



context of other factors as well. While counsel for the defendant did point out that using a brand on the sleeve of a t-shirt is normal in the industry, it is not as if this usage was across all their products in order to cause confusion for every customer. In any event, the defendant would be better restrained from using their brand in a manner that is placed similarly to that of the plaintiff's brand, in particular, this example of the use on the sleeve."

108. We also find merit in the appellant's contention that *prima facie* the use of the impugned trademarks may not be entirely honest. The manner in which "AERO ARMOUR" has been used across the length of sleeves is deceptively similar to the use of appellant's word mark "UNDER ARMOUR". The appellant had contended that the other manufacturer also depicts their brand lengthwise on the sleeves. However, in the present case, the phonetic similarity of the competing marks coupled with the manner in which it was used do *prima facie* indicate that there is a real likelihood of a customer with average intelligence and imperfect recollection confusing the respondents' mark to be associated with that of the appellant. The fact that the respondent also used the short form "ARMR", which was used by the appellant also supports the aforesaid view.

109. The learned Single Judge had accepted the respondents' claim that respondent no.1 had coined the mark "AERO ARMOUR" inspired by the fact that as he was an Aviator and the word "ARMOUR" also alluded to cladding worn by warriors. That respondent no.1 claims that he had conducted a search and found that the mark "AERO ARMOUR" was not registered and therefore proceeded to obtain a registration of the said mark. However, it can hardly dispute that the respondents being in the business of





apparel and clothing would have known about the appellant's Trademark "UNDER ARMOUR" and its worldwide reputation. Notwithstanding the same, the respondents had decided to adopt a mark, which *prima facie* bears phonetic and visual similarity with the appellant's trademark. The respondent had, as noted above, also used the impugned trademark in the same manner as used by the appellant. This in our *prima facie* view, indicates that the use is less than dishonest. It is well settled that an entrant must maintain a longer distance from a strong and a well known mark, than which is necessary in case of a weak make. The degree of protection accorded to a trademark is directly proportional to strongest of the make. In the present case, the respondents' choice of the impugned mark does, *prima facie*, indicate that it had, in fact, attempted to get closer to the appellant's registered trademark than what may be permissible.

110. In ***Midas Hygiene Industries (P.) Ltd. v. Sudhir Bhatia & Ors.***<sup>19</sup>, the Hon'ble Supreme Court has clarified that an injunction would follow dishonest adoption. The relevant extract is set out below: -

"5. The law on the subject is well settled. In cases of infringement either of trade mark or of copyright, normally an injunction must follow. Mere delay in bringing action is not sufficient to defeat grant of injunction in such cases. The grant of injunction also becomes necessary if it *prima facie* appears that the adoption of the mark was itself dishonest."

111. In view of the above, the impugned order is set aside. The respondents are restrained from using the impugned marks or any other mark deceptively similar to the appellant's word mark 'UNDER ARMOUR' till the disposal



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of the suit.

112. The appeal is allowed in the aforesaid terms. All pending applications are also disposed of.

**VIBHU BAKHRU, J**

**SACHIN DATTA, J**

**MAY 23, 2025**

**M/RK**

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<sup>19</sup> (2004) 3 SCC 90