

* **IN THE HIGH COURT OF DELHI AT NEW DELHI**
% **I.A. No.10879/2012**
in
CS(OS) 1698/2012
+ **Date of Decision: 29th January, 2014**
LIFE TECHNOLOGIES CORPORATION AND ANR. Plaintiffs
Through: Mr. Amit Sibal with Mr. Jayant Kumar
& Mr Abhimanyu Kumar, Advocates

VERSUS
\$ **ATZ LAB SOLUTIONS (INDIA) PVT. LTD. & ORS. Defendants**
Through: Mr. Maninder Singh, Sr. Advocate
with Ms.Pratibha Singh &
Mr.Abhishek Saket, , Advocates

CORAM:
* **HON'BLE MR. JUSTICE P.K.BHASIN**

ORDER

P.K.BHASIN, J:

The two plaintiffs have filed this application under Order XXXIX Rules 1 and 2 of the Code of Civil Procedure, 1908 in their suit for permanent injunction for restraining the defendants from using their trade marks, trade names, domain names etc.

2. The relevant averments made by the plaintiffs in different paras of the plaint, which need to be noticed for the disposal of this interim

injunction application and in respect of which only submissions were made from both sides during the course of arguments, are as under:-

“4. That the Plaintiff No. 1 is a global biotechnology tool company. The Plaintiff No. 1 is dealing in goods and services primarily falling in classes 1, 5, 9, 16, 35, 37 and 42. The Defendants are involved in the business of distributing and supplying third party(which are also competitors of the Plaintiffs) products in the fields of Discovery Biology, Immunology, Molecular & Environmental Biology, Stem Cells, Human Cytogenetics, Embryo Transfer, Tissue Culture and Plant Biology, some or all of which are similar/identical to the Plaintiffs' goods.....

9. The Plaintiff No. 1 is the owner of the each of the suit trademark -



10. LIFE TECHNOLOGIES is a trademark owned by the Plaintiff No. 1. The mark LIFE TECHNOLOGIES is in use since 1983 by the Plaintiff No. 1 [including its predecessor-in-interest, viz. Life Technologies Inc.] in relation to its name as well as all its products and services as a tradename, housemark and trademark. In India, the mark LIFE TECHNOLOGIES is in use by the Plaintiff No. 1 since at least April 1, 1997.....

Through long years of marketing, advertisement and promotion, LIFE TECHNOLOGIES, which is an invented mark, has acquired distinctiveness as a trademark owned exclusively by the Plaintiff No. 1.....

15.In 1983, Gibco Corp.(GIBCO) merged with Bethesda Research Laboratories (BRL) to form Life Technologies, Inc. producing all media and reagents under the brand GIBCO BRL.....

The marks GIBCO and GIBCO BRL have acquired a significant degree of fame and reputation and are marks having public repute not only globally but also in India and are indeed well-known marks.....

17. On August 11, 1997, Life Technologies Corporation, the predecessor-in-interest of the Plaintiff No. 1, established a subsidiary in India -Defendant No. 1, by its erstwhile name of Gibco Brl (India) Pvt. Ltd. for its Indian operations. As a subsidiary, the Defendant No. 1 enjoyed a general license

from the Plaintiff No. 1 to use the Plaintiff No. 1's various trademarks, including suit trademarks.....In 1998, Defendant No. 2 joined as a full time employee in India as a Senior Manager on the personnel rolls of the aforesaid Indian subsidiary company. As a full time employee and particularly in his capacity as Senior Manager, he became fully aware of the business including its product range and its trademarks. On November 27, 1998, the Defendant No. 1 (then subsidiary of the Plaintiff No. 1) registered the domain name <gibcoblindia.com> featuring the Plaintiff's marks GIBCO and GIBCO BRL. On March 16, 2001, the Defendant No. 1 (pursuant to the merger in 2000 of Life Technologies Corporation and Invitrogen Corp., both predecessors-in-interest of the Plaintiff No. 1) registered the domain name <invitrogenindia.com> featuring the Plaintiffs' mark INVITROGEN. The Defendant No. 1 being the subsidiary of the Plaintiff No. 1 was licensed and authorized by the Plaintiff No. 1 at that time to be the registrant of the domain names featuring the trademarks owned by the Plaintiff No.1.

18. Pursuant to the merger in 2000 of Life Technologies Corporation and Invitrogen Corp., Plaintiff No. 1 started operating primarily under the name Invitrogen Corp. In the meantime, however, Plaintiff No. 1 [through its Predecessor-in-interest Invitrogen Corp.] continued to retain and use the mark LIFE TECHNOLOGIES,..... On June 2, 2001 (pursuant to the merger in 2000 of Life Technologies Corporation and Invitrogen Corp.), the Defendant No. 1, while being a subsidiary of now named Invitrogen Corp., was renamed as Invitrogen India Private Limited. Towards the end of 2001, the Plaintiff No. 1 decided to establish and appoint a distributor-cum-licensee company in India, to be incorporated with a company name featuring any of the Plaintiff No. 1's marks so as to indicate that the distributor company was an affiliate of the Plaintiff No. 1's predecessor-in-interest without which it would not be able to succeed in doing business as a distributor. An initial unsuccessful attempt to implement this decision was first made on December 15, 2001, when the Defendant No. 2 signed a distributor agreement with Plaintiff No. 1, as a promoter of, and for and on behalf of, an entity identified in the agreement as one "NEWCO" which entity was intended to be incorporated by him to serve as the distributor company of the Plaintiff in India..... To implement the decision, it was agreed between the Plaintiff No. 1 and Defendant No. 2 that the intended distributor company be incorporated with a company name containing essentially the trademark, housemark and tradename LIFE TECHNOLOGIES.....under a limited license for such incorporation and continued company existence, in addition to the already contemplated other manner of general use. Accordingly thereafter, on January 22, 2002, while still an employee as Senior Manager, Defendant No. 2 incorporated Defendant No. 3 company — Life Technologies (India) Pvt. Ltd. - on Plaintiff No. 1's leave and license as aforesaid viz. limited license - in

respect of Defendant No. 3's name featuring Plaintiff No. 1's trademark, housemark and tradename LIFE TECHNOLOGIES.....

20. That the Plaintiff No. 1, thereafter, entered into a Distributor Agreement with Defendant No. 3 with effect from April 1, 2002. The Distributor Agreement granted Defendant No. 3 a limited license to use the trademarks

(including the marks LIFE TECHNOLOGIES, LIFETECH, , INVITROGEN, GIBCO and GIBCO BRL) of the Plaintiff No. 1 and only during the term of the Agreement. Clause 12 of the Agreement is produced hereunder (underlining and bolding supplied for emphasis):

*Ownership and all right, title and interest in and to many trademarks, trade names or service marks relating to Principal and any Good are and shall remain vested solely in Principal. **Principal grants to Distributor a limited license to use the trade name of Principal and the Principal logo solely to identify Distributor as a distributor of Principal in the Area and to use the trademarks of Principal to promote and sell Goods. All rights and interest in such trademarks shall revert to Principal upon any termination or expiration of this Agreement.** (emphasis added)*

The Plaintiff No. 1 then made available the domain names <invitrogenindia.com> and <gibcobrlindia.com> to Defendant No. 3 for its use as its distributor subject to the terms of the Agreement, while having the registration retained in the name of the Defendant No. 1. That on July 19, 2002, Defendant No. 1's name was changed to ATZ Lab Solutions (India) Pvt. Ltd. In 2002, it was also decided by the Plaintiff No. 1 that the existing Indian subsidiary — Defendant No. 1 - would be sold under a share-transfer to Defendant No. 3. The Plaintiff No. 1, under the terms of the Distributor Agreement, also authorized the Defendant No. 3 to register the Domain Name <lifetechindia.com>, which was registered on August 24, 2002 and host an active website thereat.

21..... Defendant No. 1 ceased to be a subsidiary of the Plaintiff No. 1 w.e.f. December 23, 2002 by the sale of shares in it by Invitrogen Corp. to Defendant No. 3. The Plaintiff No. 1, while selling the subsidiary to the Defendant No. 3, did not assign any of its trademark.....

That when the Defendant No. 1 ceased to be a subsidiary of the Plaintiff No. 1, the previously subsisting general license in its favor as a subsidiary to use the Plaintiff No. 1's marks..... came to an end but since the Defendant No. 1 became a subsidiary of the licensee Defendant No. 3, the license in favor of Defendant No. 3 as distributor to use the Plaintiff No. 1's

marks.....came to cover the continuing use of the Plaintiff No. 1's marks....., by the Defendant No. 1 as well. That the Plaintiff No. 1's authorization to the Defendant No. 1 to maintain registration of the domain name <invitrogenindia.com> and <gibcoblindia.com>, which was earlier a part and within the scope of the license to the Defendant No. 1 itself, was now continued, as part and within the scope of the license to its parent company Defendant No. 3.

23. That on June 27, 2005, the Plaintiff No. 1 terminated the Distributor Agreement with Defendant No. 3. Upon termination of the Distributor Agreement, Defendant No. 3's license as distributor to use the Plaintiff No. 1's marks in India stood terminated. Automatically as a direct consequence thereof, Defendant No. 3's authorization to feature Plaintiff No. 1's LIFE TECHNOLOGIES mark in its company name stood terminated..... After the termination of the Distribution Agreement by the Plaintiff No. 1, the Plaintiff No. 1 was given to understand that the Defendant No. 3 company has become defunct.....It was only in November 2008, the Plaintiffs noticed use of the suit trade marks by the Defendants and learnt that the Defendant No. 1 and Defendant No. 3 have not gone defunct but also have started trading in same goods as it was dealing earlier under the Distribution Agreement with the Plaintiff No. 1. It was on account of this that on November 11, 2008, Plaintiff No. 1 sent a legal notice to Defendants objecting, inter alia, to Defendants' use of the suit trademarks, generally as well as in Defendant No. 3's company name. Defendant No. 3, vide its letter dated November 20, 2008 issued under the signature of Defendant No.2, refused compliance with Plaintiff No. 1's demands.

24. The above sequence of events today establishes the sheer lack of bonafides on the part of the Defendant No.2 and his concerns (Defendant No.1 and Defendant No.3) and the blatant abuse of his position as a former employee and former Distributor of the Plaintiff No.1 to infringe upon the trademark rights of the Plaintiffs even after termination of Distribution Agreement and cessation of all business dealings with the Plaintiff No.1.....

26. Thereafter protracted negotiations were held with Defendants for them to surrender their registration of the infringing domain names and company name but the Defendants have not met this request and demand of the Plaintiff No.1. Finally, in 2010, the Plaintiff No.1 sensing no progress through friendly non-legal attempts, decided to take legal action. That on December 16, 2010 the Plaintiff No.1 also filed a domain name dispute complaint at the National Arbitration Forum (NAF) for transfer of the domain name <invitrogenindia.com>.....

On December 16, 2010 the Plaintiff No. 1 also filed a domain name dispute complaint at the National Arbitration Forum (NAF) for transfer of the domain name <gibcoblindia.com>.....

35. That the Defendants are not using the suit trademarks as part of product name for any of their products and are only using them as domain names, company name and on their website solely to divert business of the Plaintiffs and to trade upon the reputation and goodwill attached to these marks.....”

3. On the basis of aforesaid averments made in the plaint many prayers were made in the plaint but for the present purpose the relevant prayer made in the plaint as well as in this interim injunction application is for:-

“a) restraining the Defendants from using in any manner whatsoever the Plaintiffs' suit trademarks LIFE TECHNOLOGIES, LIFETECH, INVITROGEN, GIBCO and GIBCO BRL, including marks deceptively similar thereto, including use in respect of Plaintiffs' goods falling in classes 1, 5, 9, 16 or services falling in international class(es) 35, 37, 42 and 44; use as trade name; use as or in company name (including "Life Technologies(!ndia)Pvt. Ltd."); use on website; use in URLs, use in email addresses, use in domain names (including <invitrogenindia.com>, <gibcoblindia.com>, <lifetechnologiesindia.com>, <lifetechnologiesindia.co.in>, <lifetechindia.com>, <lifetechindia.co.in>); launching a website at <invitrogenindia.com>, <gibcoblindia.com>, <lifetechnologiesindia.co.in> and <lifetechindia.co.in>; hosting a website at <lifetechnologiesindia.com>, <lifetechindia.com>; commencing use of the mark INVITROGEN, GIBCO and GIBCO BRL — including use in the form of business papers, labels and packages and advertisements;

4. The defendants have not disputed the averments made in the plaint regarding incorporation of different predecessor companies of plaintiff no.1 and how they came into existence from time to time as also the making of defendant no.3 company as a distributor in India of Invitrogen Corporation, predecessor-in-interest of plaintiff no.1 by way of two distributorship agreements, first one of which was executed sometime in the year 2002 to be effective from 01.04.2002 and second one was executed on 30.11.2004. It is

also not in dispute that the first distributorship agreement was terminated by Invitrogen Corporation on 18th August,2004 but then in November,2004 a fresh distributorship agreement was executed by Invitrogen Corporation with defendant no.3 company. That agreement was also terminated on 27th June,2005 and it is that development which gave rise to the present litigation, though after about six years in the year 2012. The defendants have refuted the plaintiffs' claim that Invitrogen Corporation had asked defendant no.2 to float a company featuring 'Life Technologies' as a part of its corporate name or that actually he had incorporated defendant no.3 with the permission of erstwhile Invitrogen Corporation. They have pleaded that it was an independent decision of defendant no.2 to bring into existence a company in the name of defendant no.3 in January,2002 to secure his future since he had been served with a notice of termination of his service by his employer, predecessor-in-interest of defendant no.1 and which company during the year 2002 was the subsidiary company of erstwhile Life Technologies Corporation. It has also been pleaded that from the year 2000, when Invitrogen Corporation came to take over the erstwhile Life Technologies Corporation, the mark 'Life Technologies' also came to be stopped being used by Invitrogen Corporation. It is their defence that when the first distributorship agreement was executed in 2002 defendant no.3 was already in existence as an independent entity and there was nothing mentioned therein that this company floated by defendant no.2 was got incorporated with the permission, authorization or licence granted by Invitrogen Corporation and even otherwise also there was no such licence or permission granted to defendant no.2, as is being claimed in the suit. Similarly, it has also been denied by the defendants that they were given

a limited licence or any kind of authorization by Invitrogen Corporation to register and use the suit domain names as was also being claimed in the plaint. The defendants have claimed that they had become the owners of the suit trade marks and the domain names. It has been pleaded that the whole suit is based on falsehood and in fact the plaintiff no.1 was attempting to infringe the defendants' rights trade marks by submitting applications in the Trade Marks Registry in the year 2008, after its resurrection to get the suit trade marks, which have come to be owned by the defendants, registered once again after similar applications submitted way back in the year 1997 by the erstwhile Invitrogen Corporation were withdrawn in the year 2005.

5. The defendants have also opposed grant of any *ad interim* injunction to the plaintiffs.

6. Mr. Amit Sibal, learned counsel arguing for the plaintiffs started his submissions by giving detailed background facts leading to the institution of this suit for permanent injunction, damages etc. He contended that the original predecessor-in-interest company of plaintiff no.1 was Life Technologies, Inc. which had come into existence with the merger of two Companies, namely, Grand Island Biological Corporation(GIBCO) and Bethesda Research Laboratories(BRL) and that with the passage of time Life Technologies, Inc. came to own various trade marks and domain names etc. including the ones which are specifically the subject matter of this suit and which at the time of the filing of this infringement and passing off action were being continued to be used illegally and dishonestly by the defendants, namely, *LIFE*




 TECHNOLOGIES, *life* technologies™ LIFETECH, INVITROGEN,

 GIBCO and GIBCO BRL, <invitrogenindia.com>, <gibcoblindia.com>,

 <lifetechnologiesindia.com>, <lifetechnologiesindia.co.in>, <lifetechindia.com>,

 <lifetechindia.co.in>. In 1997, Life Technologies, Inc. was re-incorporated as Life

Technologies Corporation and in 1997 itself a company by the name of Gibco Brl(India) Pvt. Ltd. was incorporated in India. In 1998 Life Technologies Corporation acquired this company's entire share holding and then it became a subsidiary company of Life Technologies Corporation in India. Mr. Sibal further contended that as a subsidiary of Life Technologies Corporation Gibco Brl(India) Pvt. Ltd. came to enjoy a general licence for using the trade marks, domain names of Life Technologies Corporation, including 'Life Technologies' and 'Lifetech', 'GIBCO' and 'GIBCO BRL' it was also permitted to register the domain name 'gibcoblindia.com' in 1998. Mr. Sibal further submitted that Life Technologies Corporation was acquired in 2000 with Invitrogen Corporation, which was a cash rich company.

7. It was further submitted by Mr. Sibal that with the merger of Invitrogen Corporation and Life Technologies Corporation the trade mark 'Life Technologies' was not used as a part of any corporate name thereafter but the same mark was never abandoned also and it continued to be used as a trade mark and trade name by Invitrogen Corporation in conjunction with its own trade mark 'INVITROGEN'. Mr.Sibal further contended that when Invitrogen Corporation took over Life Technologies Corporation in 2000 the name of the Indian subsidiary company of Life Technologies Corporation also came to be

changed to Invitrogen India Private Ltd. in 2001 and then it was authorized to register a domain name featuring the trade mark 'Invitrogen' also and accordingly the domain name 'invitrogenindia.com' came to be registered at the instance of the Invitrogen Corporation's Indian subsidiary company in 2001. Mr. Sibal also contended that as a subsidiary of Invitrogen Corporation the suit trade marks and domain names were permitted to be continued to be used by its Indian subsidiary company on a general and limited licence basis which was to remain in force till its existence as a 100% owned subsidiary company of Invitrogen Corporation in India.

8. Mr. Sibal also contended that the subsidiary company's name finally came to be known as 'ATZ Lab Solutions (India) Pvt. Ltd., defendant no.1 herein, in July,2002 by which time it had been decided in principle by Invitrogen Corporation to sell off this company and finally in December, 2002 this subsidiary company was sold also to defendant no.3 as a going concern but the suit trade marks and domain names remained the assets of Invitrogen Corporation even after that sale and were never transferred to defendant no.3 but the existing licence/permission granted to defendant no.3 as a distributor to make use of the same only continued. After its sale to defendant no.3, which had already been made the distributor of Invitrogen Corporation in 2002 for marketing its products in India and had also been authorized on a limited licence basis to register the domain name 'lifetechindia.com' and the same was registered in August,2002, the general and limited licence in respect of the two domain names featuring 'gibcobl' and 'invitrogen' earlier being enjoyed by the Invitrogen Corporation's Indian subsidiary company was

permitted to be enjoyed by defendant no.3 also as the parent company of defendant no.1. However, according to Mr. Sibal, that limited licence was to remain in operation only till defendant no.3 was to remain Invitrogen Corporation's distributor in India. And, when the distributorship of defendant no.3 came to an end in June,2005 the limited licence which was at that time being enjoyed by defendant no.3 as a distributor of Invitrogen Corporation and by defendant no.1 as the subsidiary of defendant no.3 stood revoked automatically and the suit trade marks, domain names etc. reverted back to Invitrogen Corporation and the defendants were obliged to stop making use of the same any more. Mr. Sibal contended that the defendants, however, illegally and dishonestly continued to use the same without the knowledge of Invitrogen Corporation and when the present plaintiff no.1, which once again came into existence and was reincorporated with the merger of Invitrogen Corporation and one other company by the name of Applied Biosystems Inc. in the year 2008, all necessary steps were taken by it to prevent the defendants from continuing to infringe its legal rights by using the suit trade marks and domain names. Those steps included initiation of settlement talks as well as approaching National Arbitration Forum(NAF) in USA and when nothing positive materialized between the parties the present suit for passing off action came to be filed, submitted Mr. Sibal.

9. Regarding the defendants' claim in their written statements that there was never any limited licence or any kind of authorization given to them by Invitrogen Corporation in respect of the suit trade marks, trade names and domain names, as claimed by the plaintiffs in the plaint and the application for

ad interim injunction, learned counsel for the plaintiffs very forcefully tried to convince this Court that even though before the execution of the distributorship agreement between Invitrogen Corporation and defendant no.3 company through defendant no.2 as its Managing Director there was no specific written understanding or agreement between them that defendant no.2 shall float a company whose name will feature the trade mark 'Life Technologies' but from the fact that defendant no.2 was those days an employee of the then Indian subsidiary of Invitrogen Corporation having full information of all the trade marks of the erstwhile parent company of that subsidiary company and he was going to be made a distributor in India by invitrogen Corporation and the first proposed distributorship agreement executed between Invitrogen Corporation and NEWCO through defendant no.2 was not acted upon and was to be superseded by a fresh agreement with the new company to be floated by defendant no.2 having plaintiff no.1's trade mark 'Life Technologies' as a part of its corporate name it becomes more than clear that 'Life Technologies' came to be used as a part of the corporate name of defendant no.2's company which was incorporated in January,2002, only on a limited licence given by Invitrogen Corporation. Mr. Sibal further submitted that that limited licence was to remain in force only during the subsistence of the distributorship agreement which also came to be excuted on the same day when the new company was incorporated i.e. 22nd January,2002. Otherwise, Mr. Sibal submitted, there was no occasion for defendant no.2 to incorporate a company using 'Life Technologies' as a part of its corporate name and he could have gone ahead to incorporate his company by any other name including NEWCO by which name he wanted to

have the distributorship in December,2001. Mr. Sibal further contended that defendant no.2 has not come forward to justify the incorporation of his company in the name of defendant no.3 only and not NEWCO. It was also submitted that defendant no.2 was permitted to use the trade mark 'Life Technologies' as a part of corporate name of the company to be floated by him for better business prospects since by the time defendant no.3 came into existence it had already been decided to make defendant no.2 a distributor in India of Invitrogen Corporation's products. Similarly, use of the mark 'Lifetech" by defendant no.2 as a part of his domain name was also on account of the limited licence given to him to use the suit trade marks, domain names etc. belonging to plaintiff no.1's predecessor-in-interest Invitrogen Corporation during the subsistence of the distributorship agreement with defendant no.3 and continuation of that user after termination of distributorship of defendant no.3 was dishonest and illegal. Almost on same lines were the submissions of Mr. Sibal in respect of the use by the defendants of the domain names featuring 'Invitrogen' and 'Gibco Brl' since that user was earlier, before the final termination of the distributorship of defendant no.3, also on the authorization and licence given by erstwhile Invitrogen Corporation and the erstwhile Life Technologies Corporation respectively.

10. However, this Court is unable to get convinced with these contentions of Mr. Sibal, at least at this interlocutory stage of the suit, in the absence of anything in writing having been brought on record by the plaintiffs to show that defendant no.2 had floated 'Life Technologies (India) Pvt. Ltd.' because he was permitted by Invitrogen Corporation to use the trade mark 'Life

Technologies' on limited licence basis as a part of corporate name of his company which he got incorporated in January,2002. Considering the fact that admittedly 'Life Technologies Corporation' came to be taken over by Invitrogen Corporation in the year 2000 and there remained no corporate entity by the name of 'Life Technologies Corporation' thereafter and also the fact that Invitrogen Corporation thereafter had also started planning to pack up its operations in India through its subsidiary company and to sell it because of the fact that the subsidiary company was allowed to be incorporated in India by the Indian government for manufacturing purposes only which activity it did not even commence and which subsidiary company eventually came to be sold to defendant no.3 only, the incorporation of a company by defendant no.2 in the name of defendant no.3 'Life Technologies (India) Pvt. Ltd. can, *prima facie*, be said to be an independent decision of defendant no.2 and not with any kind of permission or limited licence from Invitrogen Corporation. If actually that was not so, nothing stopped Invitrogen Corporation from clearly reducing it into writing that in view of the intended making of defendant no.2's company as a distributor of Invitrogen Corporation he was being permitted to float a company by using 'Life Technologies' as a part of the corporate name of that company.

11. Even in the two distributorship agreements with 'Life Technologies (India) Pvt. Ltd.' it was not mentioned that the use of the words 'Life Technologies' as a part of the corporate name of the distributor company had been permitted by Invitrogen Corporation and defendant no.2 was to get this company removed from the records of the Registrar of Companies upon

termination of its distributorship and was to stop carrying on his business in the name of defendant no.3 company. There is no explanation forthcoming from the side of the plaintiff no.1 as to why all that was not reduced into writing even at the time of incorporation of defendant no.3 Company. The distributorship agreements, in fact, did not even specify as to which of the trade marks/trade names belonging to Invitrogen Corporation were being permitted to be used by defendant no.3 on licence basis, as is being claimed in this suit. As far as defendant no.1 is concerned, it was not even a party to any of the agreements between Invitrogen Corporation and Life Technologies(India) Pvt. Ltd.

12. The defendants have rightly pleaded in their written statements that if actually Invitrogen Corporation had allowed defendant no.2 to use the trade mark 'Life Technologies' on limited licence basis there would have been a Board resolution to that effect but no such resolution has been placed on record and that fact also demolishes the plea that there was a licence given to defendant no.2 to use the trade mark 'Life Technologies' as a part of the corporate name of his company to be incorporated by him for being made a distributor in India of Invitrogen products . Even in the first notice dated 18th August,2004 terminating the first distributorship agreement with defendant no.3 it was not mentioned that since use of the trade mark 'Life Technologies' was allowed to be used as a part of the corporate name of the distributor company on a limited licence basis by Invitrogen Corporation the said trade mark should immediately be stopped being used in any manner and for any

purpose by defendant no.2 and particularly as a part of the corporate name of his company.

13. The plaintiffs did not object to the continuation of the business by defendant no.2 in the name of defendant no.3. In fact, in November,2004 Invitrogen Corporation entered into a fresh distributorship agreement with the same defendant no.3 whose alleged licence was revoked in August 2004. That development also negatives the grant of limited licence to the defendants 2 and 3 for the use of 'Life Technologies' as a part of their corporate name. Even in that second agreement it was not mentioned that the use of the mark 'Life Technologies' as a part of corporate name by defendant no.2 was with the permission and licence of Invitrogen Corporation and in that agreement also it was not mentioned as to which trade marks etc. defendant no.3 was being permitted to use as a distributor of Invitrogen products.

14. When the second distributorship agreement was terminated vide notice dated 27th June,2005 by Invitrogen Corporation even then in that notice it was not required from defendants 2 and 3 that the use of the corporate name 'Life Technologies (India) Pvt. Ltd.' should be stopped because of the limited licence granted to them having stood revoked. All these facts also, *prima facie*, negative the plaintiffs' case of limited licence having been granted by Invitrogen Corporation to defendant no.2 to make use of the trade mark 'Life Technologies' as a part of the corporate name of his company.

15. The argument raised on behalf of the plaintiffs that distributor company was to have the trade mark 'Life Technologies' as a part of its corporate name for better business prospects is also hardly convincing. If actually that was so,

then why earlier in December,2001 agreement of distributorship was entered into with NEWCO by Invitrogen Corporation. There is no explanation given by the plaintiffs in that regard also. While the defendants' case is that if actually defendant no.3 had come into existence with the permission and licence of Invitrogen Corporation for better business prospects then Invitrogen Corporation would have raised a protest against defendant no.3 doing business of sale of products of not only Invitrogen Corporation but many other Companies as well. The plaintiffs did not file any replication to rebut the defendants' factual contentions. In fact, in para no.4 of the plaint, which has already been extracted, itself the plaintiffs themselves had pleaded that *"The defendants are involved in the business of distributing and supplying third party (which are also competitors of the Plaintiffs) products in India."* This plea of the defendants appears to be, *prima facie*, quite convincing.

16. From the material placed on record from both the sides it transpires that after some months only after terminating the distributorship agreement of defendant no.3 Invitrogen Corporation had started exchanging letters and e-mails with defendant nos.2 and 3 regarding claim of money in excess of \$300,000(USD) raised by Invitrogen Corporation upon defendant no.3 company arising out of the distributorship agreement. That time also no objection was raised by Invitrogen Corporation against the use of the corporate name 'Life Technologies (India) Pvt. Ltd.' by defendant no.2. The defendant no.3 was simply called upon to accept Invitrogen Corporation's demand of arbitration for that claim. Since no objection was raised in the letter dated 2nd November,2005 regarding continuation of the business by defendant no.2 in the name of

defendant no.3 company there was obviously no demand in that notice for arbitration for that dispute which would have been done by Invitrogen Corporation if actually it was aggrieved at that time itself by the retention of the corporate name of 'Life Technologies (India) Pvt. Ltd.' by defendant no.2. So, the protest raised against that user in the year 2008 was clearly an afterthought and dishonest.

17. In case it is permissible in law for the plaintiffs to lead oral evidence to show that in fact there was any kind of understanding between Invitrogen Corporation and defendant no.2 that he would be incorporating a company with 'Life Technologies' as a part of its corporate name and evidence to that effect is actually led during the trial then it might be a different situation for the Court to appreciate. For the present, however, it cannot be said, even *prima facie*, that defendant no.2 had brought into existence defendant no.3 company with the permission or limited licence given by Invitrogen Corporation which was to remain in force during the subsistence of the distributorship of defendant no.3 only.

18. There is another reason also for denying to the plaintiffs the relief of *ad interim* injunction restraining the defendants from continuing to do their business in the name of 'Life Technologies (India) Pvt. Ltd., which relief was not granted to the plaintiffs even at the time of *ex parte* hearing of the matter on 31st May,2012. That reason is the inordinate delay of many years in approaching this Court for the said relief. The plaintiffs' case is that after the termination of the distributorship agreement in the year 2005 the plaintiff no.1 was given to understand that the defendant no.3 Company had become

defunct which was evident from the fact that websites of the defendants featuring 'lifetech', 'invitrogen' and 'gibcobl', use of which marks in their domain names by defendants, according to the plaintiffs, was also on the licence of Invitrogen Corporation, were inactive during the period of 2005-2008 and they had come to know only in the year 2008 that the defendant no. 1 and 3 had not gone defunct and were continuing to do the business in the name of 'Life Technologies (India) Pvt. Ltd.' and was also using the aforesaid domain names of the plaintiff no.1.

19. However, in my view, this plea taken by the plaintiffs in the plaint for explaining the delay in filing this suit appears to be, *prima facie*, a false plea and that fact alone disentitles the plaintiffs from grant of any interim relief by this Court.

20. In November, 2005 itself some letters, as noticed already, were written by Invitrogen Corporation to 'Life Technologies (India) Pvt. Ltd.' demanding reference of some money dispute only to arbitration. So, how can the plaintiffs now say in this suit filed in the year 2012 that Invitrogen Corporation remained under the impression after terminating the distributorship agreement that defendant no.3 had become defunct and defendant no.2 was also not operating in the name of defendant no.3. Even many e-mails were sent by the officials of Invitrogen Corporation in the year 2005 after termination of distributorship agreements to defendant no.2 show that defendant no.2 was having e-mail addresses having 'lifetech' as a part of e-mail address. So, Invitrogen Corporation very well knew in 2005 itself that defendant no.2 had not stopped using its trade mark 'lifetech' also as a part of domain name.

Invitrogen Corporation did not raise any protest at that time as to why defendant no. 2 was continuing to use its trade marks a part of his company's corporate name and domain name.

21. Mr. Maninder Singh, learned senior counsel for the plaintiffs also drew my attention to some documents which show that before 2008 the defendant no.3 was getting annual rate contracts from a Government Institute in Uttar Pradesh for supply of third party products with which also it was dealing and Invitrogen Corporation's Indian representative M/s Imperial Life Sciences(P) Ltd. and the names of defendant no.3 and the said representative of Invitrogen Corporation were being shown in the lists circulated by the government Institute in U.P. for different years some of which were for the years prior to 2008. Mr. Maninder Singh submitted that the said representative of Invitrogen Corporation was its agent and so it cannot be accepted that plaintiff no.1 was not aware before 2008 that defendant no.3 was not continuing its business. He also drew my attention to around hundred invoices raised by Invitrogen Corporation upon the said company which also *prima facie* support the defendants' case that it was distributor/agent of Invitrogen Corporation. Mr. Sibal, however, submitted that this company shown in the lists of parties to whom rate contracts were awarded had been dealing with the products of many other companies and not of Invitrogen alone and was not its agent and, therefore, on the basis of these documents no knowledge about the continued existence of defendant no.3 and its carrying on business could be attributed to Invitrogen Corporation. However, in my view the said company getting rate contracts for the supply of Invitrogen products was a distributor/agent of

Invitrogen Corporation or not can be decided after evidence is adduced by the parties during the trial but at this interlocutory stage these documents relied upon by the defendants do *prima facie* show that Invitrogen Corporation must have been aware of the presence of defendant no.3 in the same field in which it was operating. It is not acceptable that a company dealing with Invitrogen Corporation would not have noticed the name of defendant no.3 in the small list of parties getting rate contracts for supply of different products and its not getting in touch with Invitrogen Corporation to inform it that some company was trading in the name of 'Life Technologies' in India. Thus, the fact remains that the plaintiffs' predecessor company took no legal steps to restrain defendant no.2 from doing any business in the name of defendant no.3 company and using domain names featuring different suit marks allegedly belonging to Invitrogen Corporation for many years and it is falsely being claimed in the suit that the violation of suit marks etc. by the defendants came to the knowledge of plaintiff no.1 only in the year 2008.

22. I am also of the view that even if it is accepted that the plaintiffs were not aware before 2008 of the fact that defendant no.2 was actually continuing his business in the name of defendant no.3 Company and was also using the domain names featuring their trade marks 'lifetech' and 'life technologies' after the termination of distributorship agreements by Invitrogen Corporation even then the delay of about four years in filing this suit after serving a legal notice on the defendants 2 and 3 in November,2008, also disentitles the plaintiffs from grant of any interim injunction as has been sought for by them.

23. Though plaintiff no.1 after its alleged re-incorporation in 2008, which according to the defendants was resurrection of a entity which had died in the year 2000, had approached National Arbitration Forum, USA, in the year 2010 against the use of domain names by defendant no.1 featuring marks 'invitrogen' and 'gibcobrl' but even at that time the plaintiffs did not file any injunction suit in respect of the controversy regarding the use of trade marks 'life technologies', 'lifetech' in the domain names and use of corporate name featuring 'life technologies', by the defendants. As far as the proceedings initiated before the USA's National Arbitration Forum(NAF) are concerned Invitrogen Corporation could not succeed in getting any relief from that Forum.

24. It was rightly submitted by the learned senior counsel for the defendants that the present litigation was commenced only after plaintiff no.1 had lost before NAF for taking another chance to somehow or other get back the suit marks, domain names etc. from the defendants over which Invitrogen Corporation itself had been left with no rights much before the re-incorporation/resurrection of plaintiff no.1 in the year 2008.

25. Learned counsel for the plaintiffs had, however, sought to explain the delay beyond 2008 on the ground that in the year 2008 corporate name 'Life Technologies Corporation' i.e. plaintiff no.1 now, came to be revived and thereafter plaintiff no.1 and defendant no.2 had once again started settlement talks in the year 2011 and so the plaintiffs did not want to rush to the Court without waiting for the outcome of those talks and when no settlement could be arrived this suit was filed. This is also not a convincing argument. The alleged

talks started in the year 2011. Mr. Maninder Singh, learned senior counsel for the defendants rightly submitted that the plaintiffs had invited the defendants for settlement talks in 2011 only after they had failed to get any relief from the NAF in USA. It was also submitted that even those talks show that the plaintiffs were in fact at that time admitting that the trade marks and domain names 'Life Technologies', 'lifetechnologiesindia.com' 'invitrogenindia.com' and 'gibcoblindia.com' were the assets of the defendants and the same were sought to be acquired by plaintiff no.1 or taken on licence from the defendants. My attention was specifically drawn to the first para of Mutual Confidentiality Agreement dated 20th April,2011 entered into between plaintiff no.1 and defendant no.2 which reads as under:-

"Whereas it is agreed between the parties that this Agreement is solely for the purpose of evaluating and negotiating a possible transaction between the above parties relating to the potential settlement of the current trademark and domain issues, between the parties, including a potential acquisition and/or licensing of such brand names and related domain names, including, but not limited to Life Technologies, Gibcoblindia.com, Lifetechindia.com, Invitrogenindia.com, and potentially certain other assets of LTIPL (the "Proposed Transaction").

26. This para of the agreement between the parties does support the submission of Mr. Maninder Singh that the plaintiffs themselves were by that time clearly of the view, and as was clearly mentioned in the Share Purchase Agreement dated 23rd December,2002 also, that with the sale of the then subsidiary company by Invitrogen Corporation to defendant no.3 the suit domain names had become the assets of defendant nos.1 and 3. In fact, in one of the e-mails sent by defendant no.2 to plaintiff no.1 after initiation of settlement talks in 2011 he had clearly claimed that the suit trade

marks/domain names belonged to the defendants' and then the above referred Mutual Confidentiality Agreement was signed by plaintiff no.1 and defendant no.2 and as noticed above, in that agreement plaintiff acknowledged that the suit Marks etc. were the assets of defendant no.3 . This is the exact e-mail sent to plaintiff no.1 by defendant no.2:-

"Dear Ohri ji

I thank you for your mail vide which you have sent the MCA for the proposed Transaction pertaining to a potential acquisition and/or Licensing of our Trademarks and Domains (i) "Life Technologies", (ii) "Litetechindia.com", (iii) "Invitrogenindia.com", as well as (iv) "Gibcoblindia.com".

I am in the process of going through the MCA and shall revert in the next few days.

I appreciate the fact that you have been cooperative and intend to carry the matter forward for a negotiated settlement of issue pertaining to our identified trademarks and domains. We value your involvement in the matter and we shall not be found wanting in reciprocity."

27. The plaintiff no.1 did not refute this claim in its reply e-mail or by filing replications. Thus, what transpired during settlement talks shows that the plaintiffs were themselves accepting the position that the suit trade marks etc. stood vested in defendant nos.1 and 3 before the reincorporation/resurrection of plaintiff no.1 and since plaintiff no.1 wanted to once again start its operations in India it had expressed its desire to the defendants to acquire from them or take on licence suit trade marks and domain names. At this stage the fact that no settlement could take place finally is irrelevant.

28. Mr. Sibal had placed reliance on one judgment of the Supreme Court in the case of “Midas Hygiene Industries(P) Ltd. vs Sudhir Bhatia & others”, (2004) 3 Supreme Court Cases 90 and one decision of this Court in the case of “M/s Hindustan Pencils Pvt. Ltd. vs M/s India Stationary Products Co. & another”, AIR 1990 Delhi 19 in support of the argument that interim relief cannot be denied in the case of infringement of trade marks merely on the ground of delay in the filing of injunction suit by the aggrieved party. Since, in the present case the use of suit trade marks etc. by the defendants cannot be said to be dishonest these judgments do not help the plaintiffs and at this stage the inordinate delay on the part of the plaintiffs in filing this suit does become a factor for declining the interim relief to them. In any case, this Court is not declining the relief of interim injunction to the plaintiffs merely on the ground of delay.

29. Learned senior counsel for the defendants Mr. Maninder Singh had also rightly pointed out that even in the notice dated 20th November, 2008 it was not claimed by plaintiff no.1 that defendants were licencees of various trade marks etc. given by its predecessor-in-interest but stoppage of use of the same was sought on the ground of prior user of the suit trade marks etc. and it is only in this suit the story of licencing of trade marks etc. to the defendants was being propounded. So, the continuation of the business by defendant no.2 in the name of defendant no.3 and retaining the domain names featuring ‘lifetech’ and ‘life technologies’ even after termination of their distributorship cannot be said to be, *prima facie*, fraudulent or dishonest justifying grant of any interim injunction to the plaintiffs.

30. The plaintiffs' prayer for interim injunction in respect of the two domain names of defendant no.1 is also liable to be rejected for the reasons given already in respect of the relief sought concerning 'life technologies' as they have no *prima facie* case to get this relief also. As noticed already, it is the plaintiffs own case that the defendants were using these domain names when defendant no.1 had not been sold to defendant no.3 and that before that defendant no.1 had also a licence from Invitrogen Corporation to make use of the suit trade marks and domain names. However, there is no material on record to show that defendant no.1 was given any licence either by erstwhile Life Techonologies Corporation or by Invitrogen Corporation as is being now claimed by the plaintiffs.

31. In fact, before the NAF, USA plaintiff no.1 had claimed that defendant no.1 had registered the two domain names in dispute featuring 'gibco' and 'brl' in bad faith while here in this suit it is claiming that the two domain names of defendant no.1 were allowed to be registered by Invitrogen Corporation being its subsidiary. The plaintiff no.1 is thus not even certain about its case. In any case, the fact remains that predecessor of defendant no.1 had itself got the two domain names registered in the year 2001 and if that was done in bad faith Invitrogen Corporation would have taken steps at that time to stop the user of the domain names got registered in bad faith. No steps were taken. Therefore, when defendant no.1 was sold to defendant no.3 those domain names got transferred to defendant no.3 since apart from those two domain names defendant no.1 did not have any other asset and which fact is not in dispute. Defendant no.1 admittedly was granted permission by the Government of India

through FIPB to start manufacturing business only in India which the subsidiary company never started and finally it was sold, lock stock and barrel, to defendant no.3. If its domain names were not to get transferred to defendant no.3 then what else was to be transferred to defendant no.3 in consideration of payment of about eighty lacs of rupees by it to Invitrogen Corporation. There is no explanation for that and learned counsel for the plaintiffs simply kept on contending that being the subsidiary of Invitrogen Corporation defendant no.1 had a general licence to use the suit domain names and trade marks. Prima facie, this submission is also not convincing at all. For the reasons given already in respect of the dispute relating to use of 'Life Technologies' by the defendants the plaintiffs do not have a *prima facie* case for grant of interim relief even in respect of use of the domain names 'gibcoblindia.com' and invitrogenindia.com' by the defendants.

32. Since the plaintiffs have not been able to make out a *prima facie* case for grant of *ad interim* injunction this application is dismissed. It is, however, clarified that nothing observed hereinbefore is a final opinion of this Court on the merits of any of the disputes between the parties and this application has been disposed of only on a *prima facie* view of the matter.

P.K. BHASIN, J

JANUARY 29, 2014