



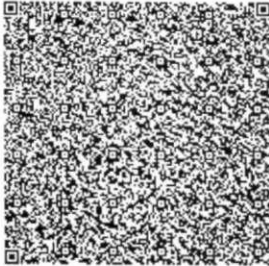
सत्यमेव जयते

INDIA NON JUDICIAL

Government of National Capital Territory of Delhi

e-Stamp

Certificate No.	: IN-DL57726491196712P
Certificate Issued Date	: 27-Nov-2017 02:25 PM
Account Reference	: IMPACC (IV)/ dl851303/ DELHI/ DL-DLH
Unique Doc. Reference	: SUBIN-DL85130318004050883134P
Purchased by	: RAJEEV SINGH CHAUHAN
Description of Document	: Article 12 Award
Property Description	: 82, NEW COLONY NEAR DEEPAN HOSPITAL, KAPASHERA, NEW DELHI-110037
Consideration Price (Rs.)	: 0 (Zero)
First Party	: RAJEEV SINGH CHAUHAN
Second Party	: Not Applicable
Stamp Duty Paid By	: RAJEEV SINGH CHAUHAN
Stamp Duty Amount(Rs.)	: 100 (One Hundred only)



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BEFORE THE SOLE ARBITRATOR UNDER THE .IN DISPUTE RESOLUTION POLICY

IN THE MATTER OF:

M/s. Butterfly Gandhimati Appliances Limited
143, Pudupakkam Village, Kelambakkam
Kancheepuram District, Tamil Nadu- 603103

...Complainant

Vs.

Amit Sindhwani
The Jay Engineering Works Limited
Surya Kiran Buidling,
New Delhi- 110001

...Respondent

Statutory Alert:

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A. THE PARTIES:

The Complainant in this administrative proceeding is Butterfly Gandhimati Appliances Limited, a company incorporated under the laws of India, having its registered address at 143, Pudupakkam Village, Kelambakkam, Kancheepuram District, Tamil Nadu- 603103, India, also having its corporate office at No. 34 (2nd floor), Rajiv Gandhi Salai, Egattur Village, Chennai- 600130, Tamil Nadu, India.

The Respondent in this proceeding is Amit Sindhvani, The Jay Engineering Works Limited, at Surya Kiran Buidling, New Delhi- 110001. However the reply has been filed by Usha International Limited, public limited company, registered under the laws of India, having its registered office at Surya Kiran Building, 19, Kasturba Gandhi Marg, New Delhi- 110001. Usha International Limited has pointed out in its reply that vide order dated 26.05.2008 of Hon'ble High court of Delhi, it merged with Jay Engineering Works Limited, subsequent to which Jay Engineering Works Limited changed its name to Usha International Limited. Thus, in the present proceedings, the Respondent is Usha International Limited.

B. THE DOMAIN NAME AND REGISTRAR:

The disputed domain name is **butterfly.in** and is registered with Net4India (R7-AFIN).

C. PROCEDURAL HISTORY:

I was appointed as the Arbitrator by the .IN Registry to adjudicate upon the complaint of the Complainant regarding the dispute over the domain name BUTTERFLY.IN.

.IN Registry has supplied the copy of the complaint and the annexures to me.

The Complainant has filed various documents as annexures in support of their contentions. A copy of the complaint along with the annexures has been served upon the Respondent via email. The hard copy of the complaint was also sent to the Respondent.

The Respondent filed its reply to the complaint along with various documents in support of their contentions, after taking extension of 15 days, on 17.10.2017 and the same was sent to Tribunal through email.

Thereafter, the Complainant also filed its rejoinder through email dated 03.11.2017 after taking extension of one week, along with supporting documents.



I have perused the record and annexures/ documents. Apropos of the material on record before me, this award is passed.

D. FACTUAL BACKGROUND:

The following information is derived from the complaint and supporting evidence as submitted by the Complainant:

COMPLAINANT:

1. The relevant submissions of the Complainant as per the complaint are as under:
 - a) That the Complainant 'Gandhimati Appliances Limited' is the flagship company of the Butterfly group and was originally incorporated as Private Limited Company on 24th February, 1986 and was converted into a Public Limited Company on 25th April, 1990. Subsequent to merger of its associate, Gangadharam Appliances Limited, the name of the Complainant was rechristened to 'Butterfly Gandhimati Appliances Limited' with effect from 25th October, 2011. Butterfly Gandhimati Appliances Limited is listed with the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).
 - b) That the Complainant was the first in India to introduce Stainless Steel Pressure Cookers, Stainless Steel LPG Stoves and Unbreakable Stainless Steel Vacuum Flasks; first to acquire the ISO-9001 Certificate of Registration for manufacture and supply of LPG Stoves, Domestic Electric Food Mixers and Table-Top Wet Grinders. Over the years, under the enterprising leadership of Late V. Murugesu Chettiar (Founder – Chairman) and his five sons, the Complainant has grown to be a household name among billions in India.
 - c) That today, the Complainant is a leading brand in the country with Pan- India presence. The Complainant has its own branches/C&F arrangement all over the country viz., Madurai, Salem, Vijayawada, Hyderabad, Bangalore, Cochin, Mumbai, Indore, Ahmadabad, New Delhi, Ghaziabad, Amritsar, Mohali, Zirakpur, Kolkata, Bhubaneswar, Ranchi and Guwahati. Across the globe, 'Butterfly' products have been recognised for their quality standards by various international organizations and are

currently exported to several countries, including the United States of America, Mauritius, Srilanka, Japan and United Arab Emirates.

- d) That the Complainant has a long track record of accreditations and has also registered the domain name consisting of the mark BUTTERFLY.
- e) That the Complainant Company has been listed both in the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) with an increasing share value. This patently shows the rising popularity and the trust that public have towards the Complainant Company and their business.
- f) That the Complainant's service mark BUTTERFLY has attained tremendous reputation and goodwill with respect to its services. The Complainant states that the mark BUTTERFLY has become distinctive and has acquired secondary meaning to connote and denote the trade source and origin of the Complainant company's goods provided thereof.
- g) That the trade and public exclusively identify the service mark / trade name BUTTERFLY with services offered by the Complainant Company and none else.
- h) That the Complainant states that they are using the service mark/ trade name BUTTERFLY for its services since the year 1987. The service mark/trade name BUTTERFLY is associated exclusively with the Complainant Company and its quality products, namely, LPG Stoves, Mixer grinders, Table Top Wet Grinders, Pressure Cooker, Stainless Steel Cookware and Non-Stick Cookware. Other products comprise Juicers, Hand Blenders, Electric Irons, Power Hobs, Electric Rice Cookers, Water Heaters (Geysers), Air Coolers, Electric Water Kettle, Electric Sandwich Maker, Electric Bread Toaster, Fans (all types) and Washing Machines, to name a few. The Complainant has also spent substantial sums of money every year towards advertisement and sales promotion activities of their products under the service mark / trade name BUTTERFLY. The Complainant has advertised its goods under the mark BUTTERFLY in all forms of print and electronic media.
- i) That the Complainant's business and services are well known and well received among the general public. The Complainant entered into manufacturing of electrical and kitchen appliances in the year 1986.
- j) That the Complainant, in keeping with modern trends and for customer attraction, has coined and adopted various trademarks and devices with a view to identify



their unique services and distinguish the same from third parties. 'BUTTERFLY' and other variants of the mark, including their distinctive colour scheme, logos and other artistic features have all earned sufficient goodwill and reputation in the market and are associated only with the Complainant.

- k) That the Complainant is the registered proprietor of the mark 'BUTTERFLY' with several suffixes in respect of kitchen and electrical appliances. The Complainant coined and adopted the said mark BUTTERFLY and the same forms a predominant feature in their promotional activities and also forms a predominant feature of the complainant's trading style world over. The Complainant is also keen in protecting their rights with regard to their intellectual property and has thus applied for and obtained registration in respect of the mark BUTTERFLY per se and along with various prefixes and suffixes, under various classes.

RESPONDENT

The Respondent has filed its reply wherein it has submitted as under:-

1. That the Respondent is a part of the Siddharth Shriram Group, which is today among India's most dynamic and reputed business houses with a wide range of interests that include inter alia electrical and household appliances, automotive components, sewing machines, fans, sugar, edible oils, chemicals, air conditioning and refrigeration, automobiles, power equipment, engineering, etc. and related goods and services. The Respondent has become a household name not only in India but in more than sixty countries around the world. The Respondent and its affiliate companies own several trademarks in connection with its business including but not limited to USHA, SHRIRAM, LEXUS, BUTTERFLY, etc.
2. That the Respondent has left no stone unturned in promoting its products under its marks USHA, SHRIRAM, LEXUS, BUTTERFLY, etc. The extensive advertisement and promotional activities have provided recognition to the Respondent and an identity to the products originating from the Respondent. This is evident from the sale figures which run into several crores.
3. That the Respondent has a major presence in the international scenario. It exports its products to various countries in the Middle-East and other parts of the globe. It has



also been continuously participating in various exhibitions/ trade fairs across the globe.

4. That the Respondent honestly conceived and adopted the mark BUTTERFLY in India in the year 1975 and has been using the same since decades. The first registration for the mark BUTTERFLY by the respondent dates back to 1975 in class 7.
5. That the mark BUTTERFLY has been used in isolation and in conjunction with the Respondent's house mark i.e. USHA. The mark BUTTERFLY has been continuously and extensively used in connection with the Respondent's business. By virtue of the long-standing use, registrations and extensive publicity, the mark BUTTERFLY has become distinctive of and exclusively identified with the Respondent's business and products alone by the members of the trade and public.
6. That the Respondent has invested substantial amounts of money in the promotion and advertising of the mark BUTTERFLY, which are advertised on a regular basis via various media. The Respondent has been continuously and extensively selling sewing machines under the mark BUTTERFLY since its adoption.
7. That there are various other entities which are using BUTTERFLY as its name and mark and in view of same, the complainant is not entitled to preclude any entity from using the mark/name Butterfly in relation to its business and services.

FURTHER SUBMISSIONS OF THE COMPLAINANT:

The relevant submissions made by the Complainant in its rejoinder are as under:

1. That the reply filed by the Respondent shall not be taken on record as it has been filed by an entity named Usha International Limited, an unconnected entity.
2. That the Respondent has filed fabricated and concocted documentary evidence on record such as invoice from the year 2007.
3. That the Complainant is the prior adopter of the mark "Butterfly" as its sister concern company M/s LLM Appliances Limited has a registered trade mark for term "butterfly" which dates back to 1973 with user claim of 02.05.1973.
4. That the Respondent has failed to provide any evidence on record to illustrate the usage of the disputed domain name.



E. DISCUSSIONS AND FINDINGS:

Rule 8 (b) of the INDRP Rules of Procedure provides that *"In all cases, the Arbitrator shall ensure that the Parties are treated with equality and that each Party is given a fair opportunity to present its case"*.

Therefore, the proceedings have been proceeded in accordance with the aforementioned provision of the INDRP Rules of Procedure.

Rule 12 (a) of the INDRP Rules of Procedure provided that *"An Arbitrator shall decide a Complaint on the basis of the statements and documents submitted to it and in accordance with the Arbitration and Conciliation Act, 1996, Dispute Resolution Policy, the Rules of Procedure and any bye-laws, rules and guidelines framed there under, and any law that the Arbitrator deems to be applicable"*

Under paragraph 4 of .IN Domain Name Dispute Resolution Policy, the Complainant is required to satisfy three conditions outlined below:

- i. The Respondent's domain name is identical or confusingly similar to the name, trade mark or service mark in which Complainant has rights;
- ii. The Respondent has no rights or legitimate interest in respect of the domain name; and
- iii. The domain name has been registered or is being used in bad faith.

In these circumstances, the decision of the Arbitrator is based upon the Complainant's and Respondent's assertions in the form of the complaint, reply and rejoinder and evidence submitted to the Tribunal.

F. BASIS OF FINDINGS:

- 1. The Disputed Domain Name is identical or confusingly similar to a name, trademark or service mark in which the Complainant has rights:**

COMPLAINANT'S SUBMISSIONS:

- a. The Complainant submits that the domain name www.butterfly.in is held by the Respondent to essentially capitalize on the use of the trademark, trade name, corporate name and domain name of the Complainant per se. The Complainant submits that as the Complainant is well recognized in India as well as globally, the use of such a misleading term only adds to the confusion in the minds of an internet user that the domain name is associated with the Complainant.

- b. The Complainant submits that the fact that the defunct website makes use of the Complainant's trademark only goes to show that the Respondent intends on tarnishing the hard earned reputation and goodwill of the Complainant.
- c. The Complainant submits that in order to usurp on the goodwill and reputation earned by the Complainant over the years, the Respondent has deliberately used the domain name www.butterfly.in to blatantly mislead the public into believing that the Complainant is an inept company that is incapable of maintaining their high standards and providing instant information to its consumers. The Complainant submits that the Respondent's acts amount to infringement, passing off and misrepresentation.
- d. The Complainant submits that the acts of the Respondent in registering a domain name comprising of the Complainant's well known trademark/corporate name in its entirety and in a manner clearly intended to cause confusion/deception as to the source/origin of such domain name, creates an irrefutable impression of an association / sponsorship / relationship between the Complainant and the domain name, which is not the case in any manner whatsoever.

RESPONDENT'S SUBMISSIONS:

The Respondent has denied the averments made by the Complainant. The Respondent submits that by virtue of its honest adoption of the mark Butterfly in 1975, it is the prior adopter and user of the mark "butterfly" for sewing machines and its parts thereof.

The Respondent further submit that there are various other Butterfly marks currently registered as trade marks and are being used by independent third parties.

The Respondent submits that the complainant cannot preclude or exclude any of the third parties who are the registered proprietor of the mark Butterfly from registering a domain name comprising of the word "butterfly". It further point out that there exists other domain names/websites having the word BUTTERFLY as part thereof.

COMPLAINANT'S FURTHER SUBMISSIONS:

The Complainant submits that the Respondent has admittedly never used the mark, nor have they made any use of the impugned domain name thus the Respondent does not have any legitimate rights or interest in the same.



FINDINGS:

After perusing the contentions of both the parties and the evidence filed by them, the Tribunal finds the arguments of the Respondent persuasive. It is pointed out that both the parties have proprietary and statutory rights in the trade mark/name "butterfly". Also none of the parties have denied proprietary rights of each other in the trade mark/name "butterfly". The Respondent has placed on record evidence showing that there are various other entities that have proprietary rights in the mark "butterfly", thus the tribunal finds that neither party has exclusive rights to use the mark/name "butterfly" for its business and goods.

It is also noteworthy that the Complainant all these years was aware of other entities including the Respondent using the mark/name "butterfly" for their business and goods which can be evinced by the response of the examination report filed by the Complainant and here filed as Annexure B by the Respondent. A simple perusal of the Annexure B filed by the Respondent evinces the knowledge of the complainant about other entities using the mark/name "butterfly" and admittedly complainant has not taken any action against any such entities. Further, the contention of Complainant that they are prior user as its sister concern company M/s. LLM Appliances Limited has a registered trade mark for term "butterfly" which dates back to 1973 with user claim of 02.05.1973, does not help Complainant as the present matter has filed by them on their behalf and not on behalf of M/s. LLM Appliances Limited.

In view of above, the tribunal finds that even though the Respondent's domain name is identical or confusingly similar to the name, trade mark or service mark in which Complainant has rights, but it cannot be denied that the Respondent also has valid proprietary and statutory rights in the mark/name "butterfly" which is also being used by the Respondent in relation to its business and products. Therefore, the Respondent cannot be precluded from using butterfly for its domain name as it also hold valid rights in the mark/name "butterfly".

2. The Respondent has no rights or legitimate interests in the respect of the Disputed Domain Name:

According to paragraph 7 of the .IN Dispute Resolution Policy, the following circumstances show the Registrant's rights or legitimate interest in the domain name for the purpose of para 4(ii):



- (i) before any notice to the Registrant of the dispute, the Registrant's use of, or demonstrable preparations to use, the domain name or a name corresponding to the domain name in connection with a bona fide offering of goods or services;*
- (ii) the Registrant (as an individual, business, or other organization) has been commonly known by the domain name, even if the Registrant has acquired no trademark or service mark rights; or*
- (iii) the Registrant is making a legitimate non-commercial or fair use of the domain name, without intent for commercial gain to misleadingly divert consumers or to tarnish the trademark or service mark at issue.*

COMPLAINANT'S SUBMISSIONS:

- a. The Complainant submits that "butterfly" forms the predominant part of its any trademarks and is a coined term.
- b. The Complainant submits that in the disputed domain name, the Respondent had used the word "BUTTERFLY" to prevent the Complainant from using the same. The Complainant submits that the Respondent had no legitimate right to use the name "BUTTERFLY".
- c. The Complainant submits that the Complainant has not permitted or licensed the Respondent to use the terms "BUTTERFLY". It is submitted that the said Disputed Domain Name has been contrived for the express purpose of blocking the use by the Complainant apart from exploiting the goodwill of the Complainant and to mislead the general public. The Complainant contends that the Disputed Domain Name registered by the Respondent is clearly intended to create a perception of ineptitude on the part of the Complainant herein, and to prevent the Complainant from making bona fide use of its own trademark.
- d. The Complainant further submits that Respondent's registration and use of the disputed domain name is a clear case of cyber-squatting, and their intention is to take advantage of the Complainant's substantial reputation and goodwill in order to prevent the Complainant from using the same and to confuse the public, potentially divert business, tarnish the reput and goodwill of the Complainant and the said marks and unduly gain.



- e. The Complainant further contends that the use of the term "BUTTERFLY" by the Respondent, which belongs to the Complainant, the Respondent has demonstrated a pattern of conduct calculated to ensure that the Complainant is unable to use the domain names best suited to its organizational interests and statutory rights. The Complainant also submits that Respondent has engaged in a clear and discernible pattern of conduct, aimed to prevent the Complainant from registering its domain names in desirable combinations and to misuse the wide recognition that the Complainant enjoys.

RESPONDENT'S SUBMISSIONS:

The Respondent submits that the Respondent is the honest and prior adopter and user of the mark BUTTERFLY in respect of sewing machines and parts thereof.

The Respondent submits that there has not been a single instance where the Respondent has encountered an objection from any entity including the Complainant. The Respondent emphasises on the extensive use of the mark BUTTERFLY by it for years, without there being an instance of confusion in connection with the use of the mark BUTTERFLY for sewing machines by the Respondent.

COMPLAINANT'S FURTHER SUBMISSIONS:

The Complainant submits that the Respondent's alleged successor M/s Usha International Ltd has not bothered to provide any documentary evidence of use of the mark BUTTERFLY in particular of the impugned domain name by the registered proprietor and Respondent, which is Jay Engineering Works Limited.

The Complainant submits that if it is the Respondent's contention that they have made excessive use of the mark and the trade and public now exclusively identify the mark with the Respondent's alleged successor M/s Usha International Ltd, then it is befuddling to see why the Respondent never objected to the Complainant's heavy handed use of the mark BUTTERFLY or why the Respondent continued its uncontroverted non-use of the domain name.

The Complainant submits that the Respondent has never used the impugned domain name, and the Complainant has sought to protect its valuable intellectual property rights with the



current proceeding, while the Respondent has never bothered to make use of its impugned domain name.

FINDINGS:

Under this condition, the Complainant is required to make a prima facie case that the Respondent lacks rights or legitimate interest in respect of the disputed domain name. From the contentions and the evidence produced, the Complainant has made a prima facie case against the Respondent and the burden of proving the rights or legitimate interest in respect of the disputed domain name shifts to the Respondent.

The Respondent has produced cogent information or documents on record to establish that it has bonafide/legitimate interest in using the disputed domain name 'butterfly.in' for its business. The Respondent has also placed on record documents illustrating the use of the mark/name butterfly in relation to its business and goods. It is once again pointed out that the Respondent is also one of the registered owner of trade mark "butterfly" per se or in conjunction with other elements and has been using the same over the period of time. Moreover, the term "butterfly" is not a coined term as claimed by Complainant.

The Tribunal points out that paragraph 7 of the INDRP talks about the "usage" of the domain name or a name corresponding to the domain name by the Respondent in regards to its business and products before any notice was given to the Respondent of the dispute at hand. Under the said condition, it has to been seen if the Respondent was using the *domain name or a name corresponding to the domain name* or carrying on any business under the *domain name or a name corresponding to the domain name* before the notice was given to the Respondent of the dispute at hand and has no intent for commercial gain to misleadingly divert consumers or to tarnish the trademark or service mark at issue.

Considering under the present condition the Respondent has to establish usage of the domain name or a name corresponding to the domain name, the Respondent has successfully proved its usage of the mark/name butterfly in relation to its business and goods before the notice of the present proceedings was given to it. The same is also proved, if the Tribunal ignores the invoices of the year 2007 for which Complainant has raised dispute as there are



other documents to show the use of the name BUTTERFLY by the Respondent before the notice of the present dispute was given to them.

Thus, the above facts and evidence establish that the Respondent has right or legitimate interests in the disputed domain name or a name corresponding to the domain name under INDRP paragraph 4 (ii).

3. The Registrant domain name has been registered or is being used in bad faith:

COMPLAINANT'S SUBMISSIONS:

The Complainant submits that the disputed domain name is registered to one of the Complainant's competitors who manufactures and produces competing goods in several of the same classes that the Complainant has trademarked the term "BUTTERFLY".

The Complainant submits that the blatant intention is to block the Complainant from registering a domain name based on its registered trademark, and the WHOIS details provided is merely a front for the same, which is further confirmed by the non-usage of the impugned website. The Complainant submits that such act apart from being in bad faith, is grossly anti-competitive and unethical.

RESPONDENT'S SUBMISSIONS:

The Respondent submits that the Respondent is a prior adopter and user of the mark BUTTERFLY in the year 1975 in respect of sewing machines and parts thereof.

It submits that the adoption of the mark BUTTERFLY by the Respondent is much prior (more than 11 years) to the date of incorporation of the Complainant i.e. 1986.

COMPLAINANT'S FURTHER SUBMISSIONS:

The Complainant further submits that if the Respondent did register the domain name in good faith, why they would keep such a coveted domain name in a state of continual abandonment. It is submitted by the Complainant that the Respondent is hanging on to a domain name that they never had any use for, and it is with the sole intention of stifling the Complainant's exponential growth over the years.



FINDINGS:

The Tribunal after perusing the pleadings and documents of both the parties observes that the Complainant has failed to provide any cogent information or evidence on record evincing that the Respondent has registered or used the disputed domain name in bad faith. The pleadings and the documents on record do not show that the Respondent has registered the disputed domain name either:

- a) *primarily for the purpose of selling, renting, or otherwise transferring the domain name registration to the complainant; or*
- b) *has registered the domain name in order to prevent the owner of the trademark or service mark from reflecting the mark in a corresponding domain name, provided that the registrant has engaged in a pattern of such conduct; or*
- c) *by using the domain name, the Respondent has intentionally attempted to attract, for commercial gain, Internet users to its Website or other on-line location, by creating a likelihood of confusion with the complainant's mark as to the source, sponsorship, affiliation or endorsement of its Website or location or of a product or service on its Website or location.*

The tribunal observes that the Respondent also has statutory rights in the mark/name "butterfly" which have not been denied by the Complainant. Though the Respondent has not used the disputed domain name since its registration or have an operative website on the same, the same does not amount to bad faith because it has legitimate interest in the mark /name BUTTERFLY. Moreover, the annexure-A filed by the complainant, which is the result of WHOIS data base searched and web page of the disputed domain name shows that the disputed domain name was registered in the year 2005 by the respondent. The complainant has filed the present case after the expiry of more than twelve years and therefore, after expiry of such a long period it also cannot allege that its reputation is getting affected due to alleged bad faith registration of domain name by the respondent.

G. DECISION:

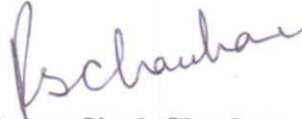
In view of the above facts and circumstances and finding of the Arbitrator, the Complainant has not succeeded in its complaint and the same is dismissed. The parties are left to bear their own cost.

The Tribunal also want to state that since the parties have filed voluminous documents with their pleadings and have also also sought additional time to complete their pleadings and



therefore the pleadings were only completed on 03.11.2017. In the light of the above facts, the award was passed after the period of 60 days (i.e. 11.11.2017). The same was also intimated to NIXI vide email dated 11.11.2017.

The Award is accordingly passed on this day of 7th day of December, 2017.



Rajeev Singh Chauhan
Sole Arbitrator
Date: 07.12.2017