
Eagle Flask Industries Pvt. Ltd. Vs Bon jour International and Another

O.A. No. 360 of 2010 in C.S. No. 334 of 2010

Court: Madras High Court

Date of Decision: April 6, 2011

Acts Referred:

Designs Act, 2000 " Section 22(3)#Trade Marks Act, 1999 " Section 30(2)

Citation: (2011) 48 PTC 327

Hon'ble Judges: V. Ramasubramanian, J

Bench: Single Bench

Judgement

V. Ramasubramanian, J.

O.A. No. 360 of 2010:-

1. Original Application praying that this Hon"ble Court be pleased to pass an order of ad-interim injunction restraining the Respondents, their

Servants, agents, distributors, stockists or anyone acting under or through it from in any manner manufacturing or marketing Flasks with the designs

which are identical with or deceptively similar to the Applicants Registered Design Nos. 174903 & 174904 from being pirated pending disposal of

the above suit.

This Original Application coming on this day before this court for hearing the court made the following order:

Pending suit for a permanent injunction restraining the defendants from manufacturing or marketing flasks with the designs which are identical with

or deceptively similar to the plaintiff"s registered design Nos. 174903 and 174904, the plaintiff has come up with the above application for an

interim order of injunction restraining the respondents from committing infringement of the copyright that the plaintiff holds as registered design.

2. Heard Mr. S.P. Chockalingam, learned counsel for the applicant/plaintiff and Mr Shailen Bhatia, learned counsel for the respondents/defendants.

3. The plaintiff is a company engaged in The manufacture of flasks under the trade name ""Eagle"". It is claimed by the plaintiff that they had

developed a novel design of flask, referred to as a Air Pot lisa Flask, in the year 1997, having several novel features in the shape, configuration and

surface pattern. In order to protect the unique design and novelty of the flask, the plaintiff applied for registration under the Designs Act, 1911. The

designs were accepted and registered with the design registration Nos. 174903 and 174904 dated 27.10.1997 in Class 3 and Class 1 of the old

Act.

4. It is the case of the plaintiff that in July 2009, they came to know that the first defendant had pirated its registered design and were manufacturing

and marketing a deceptively similar product, whose service pattern and configuration were deceptively similar to that of the plaintiff. Therefore,

contending that the same amounted to infringement of their rights, the plaintiff has come up with the above suit, along with the application for an

interim order of injunction.

5. On 30.3.2010, when the application for interim injunction was moved for ad-interim exparte order, this Court ordered only notice to the

respondents. Thereafter, the respondents have filed a counter and I have heard the learned counsel on both sides and perused the documents filed.

6. Though the first respondent has raised several contentions in the counter affidavit, I am of the view that one important contention raised by them

is sufficient for the disposal of the application for injunction without much ado. In the counter affidavit filed on behalf of the first respondent, it is

claimed, apart from other things, that there are several distinctive features in the vacuum flask manufactured by the first respondent and that the

partner of the first respondent firm, by name Mr. Raman Gupta has himself obtained registration of design of the vacuum flask manufactured by the

first respondent under Class 07-01 with registration No. 218346. The registration was obtained by the partner of the first respondent on

03.9.2008.

7. While it is true that the applicant/plaintiff holds registration of their flask under design registration Nos. 174903 and 174904, as borne out by the

plaint documents, it is equally true that Mr. Raman Gupta, the partner of the first defendant, also holds the registration of the design of the vacuum

flask manufactured by the first respondent, as disclosed by document No. 3 filed on the side of the respondents. It is claimed by both parties that

both parties have filed applications before the Controller of Designs for the cancellation of the registration of each other and the proceedings are

pending. In such circumstances, I am of the considered view that both of them are not entitled to prevent each other from manufacturing and

marketing the product in respect of which they hold registration.

8. It is true that the Designs Act, 2000 does not contain a provision which is similar to the provisions of Section 30(2)(e) of the Trade Marks Act,

1999: u/s 30(2)(e) of the Trade Marks Act, it is made clear that a registered trade mark is not infringed where the use of the registered trade mark

is in exercise of the right to the use of that trade mark given by registration under this Act. Therefore, no proprietor of the registered trade mark

can complain of infringement of his registered trade mark by another, if the other person uses his own registered trade mark. A similar provision

does not exist in the Designs Act, 2000. But, it does not mean that the general principles which guide the Court in deciding an application for

injunction cannot be invoked, merely because those principles also find a place in one of the related enactments. The principles which form the

basis for the provision contained in Section 30(2)(e) of the Trade Marks Act, 1999 are based upon the general principles relating to the extent

upto which the rights conferred by the statute would go. The rights conferred by statute on a person could travel only as far as the area of

operation of another person's similar right commences.

9. Moreover, the plaintiff as well as the first defendant have filed applications for cancellation of the registration of each other. Apart from applying

for cancellation of the registration in favour of the plaintiff, the defendants have also raised grounds, by way of defence to this suit, on which they

are entitled to seek cancellation of registration of the plaintiff's registered design. They have done this by virtue of the prescription contained in

Section 22(3) of the Designs Act, 2000. Therefore, if I go into the merits of the grounds raised by the defendants, on which they challenge the very

registration of the plaintiff, it would have a bearing upon the first defendant's application for cancellation of registration of the plaintiff's design.

Therefore, in order to enable both parties to work out their remedies in the applications filed by them against each other before the Controller of

Designs, I deem it better to switch over to the hands off mode.

10. The above suit was instituted in March 2010. The plaintiff did not have the benefit of any exparte order of injunction for the past one year.

Therefore, at this stage, it is not proper for this Court to grant an order of injunction (i) which will have the effect of preventing the defendants from

making use of their registered design; and (ii) which will have the effect of pre-judging the application for cancellation of registration filed by both

parties against each other before the Controller of Designs. Hence, I am of the view that the application for injunction cannot be allowed.

11. Mr. S.P. Chockalingam, learned counsel for the applicant/plaintiff contended that the registration of the design claimed by the first defendant,

admittedly, stands in the name of one Mr. Raman Gupta. Therefore, it is the contention of the learned counsel for the plaintiff that unless there was

an assignment of the rights by Mr. Raman Gupta in favour of the first defendant, the first defendant cannot seek refuge under the registered design

standing in the name of Mr. Raman Gupta.

12. However, the said contention is fallacious. In paragraph 7 of the reply filed by the plaintiff to the counter affidavit filed by the first respondent,

the plaintiff has admitted that Mr. Raman Gupta is one of the partners of the first respondent firm. It is this Raman Gupta, who has filed the counter

affidavit on behalf of the first respondent, claiming to be its partner. Therefore, once there is no confusion about the relationship between Mr.

Raman Gupta and the first defendant and once it is found that there is also no controversy between Mr. Raman Gupta and the first defendant, it

cannot be contended that the first defendant cannot take advantage of the registration. It is well settled by a long list of authorities that the partner

of a partnership firm is entitled to bring any of his properties into the common hotchpot. If the partner of a partnership firm assigns in favour of the

partnership joint stock, any of the intellectual property rights acquired by him, he may do so for a consideration. But, if he treats it as the property

of the partnership firm itself, it would mean that his property has been brought as his contribution to the capital of the firm. A partnership firm is not

distinct and different from the individuals constituting the firm. Therefore, the contention that the registration in favour of Mr. Raman Gupta will not

enure to the benefit, of the first defendant firm cannot be accepted.

13. In view of the above, the application for injunction is dismissed.