
**M/s. Sambhu Nath and Brothers and Others Vs Jai Rajendra Impex Pvt.
Ltd. and Others**

G. A. No's. 1946, 1763, 2792 of 2010 and C. S. No. 133 of 2010

Court: Calcutta High Court

Date of Decision: July 25, 2011

Acts Referred:

Trade Marks Act, 1999 " Section 39, 9(1)

Citation: AIR 2012 Cal 76 : (2013) 53 PTC 510

Hon'ble Judges: Sanjib Banerjee, J

Bench: Single Bench

Advocate: Gautam Chakraborty, Bhaskar, Sen, S.N. Mookerji, s, Ranjan Bachawat, Sayantan Bose and Gautam Ray, for the Appellant; S.K. Kapoor Jishnu Saha, Prithwiraj Sinha, Atish Ghosh, Arindam Chandra, Niladri Khanra (for No. 1) Samit Talukdar Denath Ghosh and D. Chakraborty, (for No. 4), for the Respondent

Judgement

@JUDGMENTTAG-ORDER

Sanjib Banerjee, J.

The plaintiffs claim exclusivity over the label and word mark "Toofan" in connection with electrical fans. The plaintiffs

have no registration in respect of either. The plaintiffs have applied for registration of label "Toofan" which has a distinctive manner of presentation

of the word "Toofan" as "too-FAN"; and, the plaintiffs cite the use of the word "Toofan" in connection with electrical fans from the year 1987 to

suggest that even if the word mark is somewhat descriptive of the function of the appliance, a secondary meaning has evolved in respect thereof in

connection with the plaintiffs' long, exclusive and undisturbed use thereof. GA No. 1763 of 2010 is the plaintiffs' interlocutory application in aid of

the reliefs claimed in the suit. GA No. 1946 of 2010 is the first defendant's application for vacating the ad interim order passed in the plaintiffs'

favour. Upon the order passed in favour of the plaintiffs not being vacated at the ad interim stage of the vacating application, the first defendant

carried the order in appeal. The appeal was allowed by an order dated August 18, 2010 and the interim order passed in favour of the plaintiffs

was vacated. The plaintiffs' interlocutory application and the first defendant's vacating application were directed by the appellate Court order to

be taken up upon completion of affidavits. The first defendant has since applied for revocation of the leave granted under Clause 12 of the Letters

Patent, by way of GA No. 2792 of 2010.

2. In support of the application challenging the authority of this Court to receive the action, the first defendant says that the second, third and fourth

defendants or one or more of them are friendly parties and have been roped in by the plaintiffs for the purpose of carrying this suit to this Court and

harassing the first defendant which carries on business in Hyderabad. The first defendant claims that the first defendant has no agent or distributor

for its product at any place within jurisdiction or even in this State and the fact that one or more of the first defendant's products were deliberately

carried to a shop within jurisdiction for the purpose of founding this suit in this Court, should warrant the leave granted under Clause 12 of the

Letters Patent being revoked. The parties have referred to the judgments reported at AIR 1981 P & H 117; 42 PTC 361; 42 PTC 480; and, an

unreported judgment of the Delhi High Court rendered on January 27, 2010 in CS(OS) No. 1714 of 2001 and IA Nos. 12828 and 15940 of

2009 (Sholay Media Entertainment v. Yogesh Patel).

3. The principle that the first defendant enunciates is that a solitary unusual sale or a trap order for the purpose of creating territorial jurisdiction of a

Court before which the action is brought has always been frowned upon. The first defendant insinuates that the friendly defendants have apparently

purchased the fans of the first defendant's manufacture in Raxaul or Patna in Bihar and have carried them to their places of business within

jurisdiction, or have issued bills reflecting their addresses within jurisdiction, only to help the plaintiffs in filing the suit in this Court. Upon the

defendants' challenge to the authority of this Court to receive the action being filed, the plaintiffs have applied by way of G.A.No. 1346 of 2011

for amendment of the plaint. Though such matter does not appear in the list, by consent of the parties such matter is treated as on the day's list and

is dealt with in course of this order.

4. What is evident from the plaint and the other material produced by the defendant Nos. 2 to 4 in support of the plaintiffs' case is that the second,

third and fourth defendants have purchased some electrical fans of the first defendant's manufacture to be sold from their shops within jurisdiction.

In course of the amendment application, the plaintiffs also refer to other places within jurisdiction and elsewhere in Calcutta whereat electrical fans

of the first defendant's manufacture are sold and are available.

5. The point of jurisdiction urged by the first defendant requires evidence to be adduced. It is possible that the first defendant may ultimately be

able to establish that the other defendants are friendly neighbours of the plaintiffs and have aided the plaintiffs in instituting the suit in this Court, but

on an application in the nature of demurer, the statements contained in the plaint have to be accepted as correct and the challenge assessed on such

basis. It does not appear clear from the statements contained in the plaint, that the plaintiffs have caused the alleged friendly defendants to contrive

the sales of the first defendant's products for the purpose of founding the suit in this Court. G.A.No. 2792 of 2010 is disposed of by permitting the

first defendant to carry the objection as to the jurisdiction of this Court at the trial.

6. In G.A.No. 1346 of 2011 the plaintiffs have not attempted to change the nature or character of the suit but the plaintiffs have sought to give

further particulars of the sales of the first defendant's products within jurisdiction and elsewhere in Calcutta. Since the amendments sought do not

take away any right that may have accrued to the first defendant in the interregnum and since the amendments do not alter the fundamental basis of

the suit for passing-off, the application is allowed and the proposed amendments as indicated in a copy of the proposed amended plaint appended

to the petition in G.A.No. 1346 of 2010 are directed to be carried out. The amendment and re-verification should be completed within a period of

six weeks from date and copies of the amended plaint served on the defendants. The date of lodgment of the writs of summons and the returnable

dates thereof would stand correspondingly enlarged.

7. As to the merits of the claim, the plaintiffs make out a very simple case. According to them, they have been using the label ""Toofan"" and the

word mark from or about the year 1987. They rely on their impressive sales figures and advertisement expenses. They say that they applied in or

about the year 1996 for registration of the label but no registration has yet been granted despite passage of more than 15 years. They allege that

they discovered the first defendant's application for registration of the word ""Toofan"" in Telugu in October, 2008 and it was only in or about April,

2010 that they noticed electrical fans of the first defendant's manufacture being sold. They say that they had issued a caution notice on May 31,

2008 announcing to the world that they were the rightful owners of both the label and the word marks.

8. The plaintiffs refer to the documents in support of their claim, including a solitary bill of the year 1987 evidencing sale of some material to a party

in Jamshedpur. Printed across the relevant bill is an announcement that the relevant plaintiff was the manufacturer of ""Toofan"" brand of fans.

Between 1987 and 1997, there are several years for which the plaintiffs have not relied on any bills or invoices evidencing sale of their ""Toofan

products. The bills are more readily available for the later years.

9. The plaintiffs rely on the judgments reported at 25 PTC 438; 30 PTC 1; Cadila Health Care Ltd. Vs. Cadila Pharmaceuticals Ltd., They also

cite Kerly's Law of Trade Marks and Trade Names (14th Ed.) for the proposition that in cases relating to passing-off, the facts decide as to

whether the plaintiff would be entitled to an order of injunction, though it is elementary that no man can pass off his products as another's. On the

basis of the authorities cited, the plaintiffs contend that a descriptive trade mark may be entitled to protection if it has assumed a secondary

meaning which identifies it with a particular product. In such context, the plaintiffs rely on the proviso to Section 9(1) of the Trade Marks Act,

1999.

10. The plaintiffs contend that the substance of the defence is that one Sunlight Electricals, a partnership firm, had assigned the Telugu word mark

Toofan"" in favour of the first defendant on March 30, 2006. The plaintiffs say that since it is the first defendant's case that Sunlight Electricals was

the owner of both the Telugu word mark ""Toofan"" which, according to the plaintiffs, should be regarded only as a label registration, and in respect

of word ""Toofan"" otherwise, the deed of assignment should have provided for the rights in respect of both the English and Telugu marks passing on

to the first defendant. The plaintiffs refer to the relevant document, a copy whereof has been appended to the vacating application, to demonstrate

that it is only the registered Telugu mark which has been assigned and the goodwill and reputation in respect of the unregistered English word mark

Toofan"" had not been assigned. The plaintiffs refer to Section 39 of the Act to say that even an unregistered mark is capable of assignment, with

or without the goodwill therein.

11. The first defendant says that there is more to the innocent case that the plaintiffs have made out than meets the eye. The first defendant refers to

a previous suit filed in the year 1998 by these plaintiffs, or at least one of them, against Rajendra Industries, Aman Marketing Company and Sunita

Electricals, again claiming exclusivity over the word mark ""Toofan."" The first defendant claims that in the previous suit, the plaintiffs herein had

claimed that they had appointed Aman Marketing and Rajendra Industries as their distributors and upon the termination of the distributorship, such

defendants in the previous suit had unscrupulously appropriated the mark ""Toofan"" in derogation of the plaintiffs' exclusive rights therein. In the

previous suit, an ex parte ad interim order was passed on September 17, 1998 which was subsequently continued on September 24, 1998 and

confirmed on March 4, 2008. On a vacating application filed by first and second defendants in such previous suit, an order was made on

December 11, 2008 to the effect that the interim order that was confirmed in favour of the plaintiffs in the previous suit would be limited in its

operation till February, 2009. The first defendant narrates in the affidavit affirmed on its behalf on March 16, 2011 as to how the previous suit has

been effectively abandoned and there is no subsisting order of injunction in favour of the plaintiffs therein. The first defendant says that the matter

relating to the previous suit ought to have been referred to in the present proceedings. The first defendant claims that Aman Marketing and

Rajendra Industries were business entities under the control of the same family of Jains which also controls the first defendant; and, the first

defendant is now entitled to the goodwill and business of such other entities in the mark ""Toofan."" The first defendant also claims to be an assignee

of the mark ""Toofan"" which is registered in favour of the Sunita Electricals in Class 11 in respect of, inter alia, electrical fans. Though the right

canvassed by the first plaintiff in such regard is slightly unclear in that it does not appear from the first defendant's affidavit that the appropriate

form relating to such assignment has been filed in the Trade Marks registry or that the first defendant's name now figures as the owner of the

registered mark, yet, it must be kept in mind that the first defendant has only made out a defence and it is not the first defendant's action in respect

of word mark ""Toofan"" against the plaintiffs herein.

12. What is evident from the vacating application and the first defendant's rejoinder I to the plaintiffs' affidavit-in-reply in the plaintiffs' injunction

application is that the plaintiffs were aware of the first defendant and/or the predecessors-in-business of the first defendant and their use of the

mark ""Toofan"" in same form. The plaintiffs were aware, at least in 1998, of Aman Marketing, Rajendra Industries and Sunita Electricals using the

mark. It is evident from the first defendant's application for registration of Telugu mark ""Toofan"" that the first defendant claimed use of such mark

from or about the year 1976 through its predecessors-in-business. It is also evident from the statements contained in the affidavits filed on behalf of

the first defendant that the first defendant is controlled by a family of Jains and Rajendra Industries was controlled by the father of the principal

person who is now in control of the first defendant and Aman Marketing was controlled by the uncle of such person.

13. The first defendant has relied on bills and challans raised by Aman Marketing for a considerable number of years demonstrating acquisition and

sales of electrical fans by the name of Toofan."" Not only do these bills clearly refer to word mark ""Toofan,"" the bills of Aman Marketing also bear

the label ""too-FAN"" in identical writing as the one claimed by the plaintiffs to be their exclusive. In addition, there is a document appended to the

first defendant's rejoinder that demonstrates that Aman Marketing had placed orders in the year 1995 on the first plaintiff herein for manufacture of

fans by the name of ""Toofan.

14. The first defendant's case is that the family business of the predecessors of the principal person in control of the first defendant was run under

several names and, in 1976 or thereabouts, when the family started using the mark ""Toofan"" in connection with electrical appliances, including fans,

the family did not have a manufacturing facility and had the products fabricated or manufactured by others but sold it under the mark ""Toofan."" The

first defendant suggests that the first plaintiff was also a recipient of several orders in the mid-1990s and it was upon such arrangement being

terminated, that the plaintiffs attempted to usurp mark ""Toofan"" and subsequently sought to claim it as their own.

15. Copies of several invoices have been relied upon by the first defendant, inter alia, at pages 168 to 364 of the vacating application. The copies

of the documents appearing at pages 168 to 186 of such petition reveal sales of the ""Toofan"" brand of electrical appliances, including fans, prior to

the year 1987. Prima facie, what the first defendant has been able to establish is that the first defendant, through its predecessors-in-business used

mark ""Toofan"" long prior to the plaintiffs' first use thereof. In addition, since it is evident that both Aman Marketing and Sunita Electricals sold,

inter alia, electrical fans under the word mark ""Toofan"" and since Sunita Electrical assigned its registered mark in favour of the first defendant by

the document of March 30, 2006, the first defendant has shown a better right to use the word mark ""Toofan"" than the plaintiffs herein.

16. Though it is not necessary in the present circumstances to consider whether the registration of the mark in an Indian language should be

regarded merely as a registered label without the registered proprietor having any exclusivity over the word mark embodied therein in English

language, it is significant that the Division Bench order of August 18, 2010 found, prima facie, a right in favour of first defendant since, phonetically,

the expression of the mark registered in Telugu in favour of the first defendant is similar to the mark over which the plaintiffs seek to assert

exclusivity.

17. Prima facie, it does not appear that the plaintiffs are entitled to the kind of primacy over the word mark ""Toofan"" as canvassed in the present

proceedings. It appears that the first defendant or its predecessors-in-business have used the mark since or about 1976 and. at any rate, well prior

to plaintiffs' alleged first use thereof in 1987. It is also evident that the word mark ""Toofan"" in respect of electrical fans was registered in favour of

Sunita Electricals and such right has been assigned to the first defendant herein. Even if it is accepted that the first defendant has not taken steps to

perfect the assignment by having its name recorded as the registered owner thereof, that may disentitle the first defendant from proceeding against

another on the ground of infringement; but it would hardly expose the first defendant to a charge of passing-off in respect of the same mark.

18. G.A.No. 1763 of 2010 and G.A.No. 1946 of 2010 are disposed of by refusing the interlocutory orders sought by the plaintiffs. There will be

no order as to costs in respect of any of the applications. Urgent certified photocopies of this order, if applied for, be supplied to the parties

subject to compliance with all requisite formalities.