

Assam Roofing Ltd. and Others Vs JSB Cement LLP and Others

Court: Calcutta High Court

Date of Decision: Dec. 9, 2015

Acts Referred: Trade Marks Act, 1999 - Section 135(2), 159(4), 2(1)(h), 2(h), 2(m)

Citation: (2016) AIR (Cal) 41 : (2016) 1 MIPR 119

Hon'ble Judges: Soumen Sen, J.

Bench: Single Bench

Advocate: Jayanta Mitra, Ld. Adv. Gen., Ranjan Bachawat, Debnath Ghosh, Soumya Roy Chowdhury and Gautam Banerjee, Advocates, for the Appellant; Pratap Chatterjee, Senior Advocate and S. Bose, Advocate, for the Respondent

Final Decision: Disposed Off

Judgement

Soumen Sen, J.

The plaintiffs have filed the instant suit seeking reliefs on account of infringement of trademark, passing off and infringement

of copyright.

2. The case of the petitioners in short is stated hereinafter.

3. The petitioner No. 1 was incorporated in 1972 and is engaged in the business of manufacturing galvanized iron sheets, asbestos, cement sheet

and roofing accessories. The petitioner No. 2 is a 100% subsidiary of petitioner No. 1. The petitioners claim that its asbestos unit started

manufacturing in 1977 and started selling asbestos sheets under the mark ""Rhino"" in colour scheme of red, black and white. This colour scheme

was adopted in 1998 and by virtue of continuous and extensive use of mark ""Rhino"" by the petitioners, the same has become a well-known

trademark and acquired a secondary significance. The petitioners claim that their products were marketed all over India, especially in North-East

Region and Bengal. It was considered to be a well-known trademark synonymous with the petitioners. The sales of products under said trademark

Rhino"" is around Rs. 395 crores per annum. The petitioners also spent large amounts on advertisement and publicity. The petitioners claim that the

colour scheme and the pictorial presentation of the mark ""Rhino"" are identifiable with the petitioners and their products only. The petitioners have

obtained registration over the ""Rhino"" (per se) as also of ""Rhino"" labels and the device of ""Rhino"" in Class 6 and 19. The first of such registrations

dates back to 10th October, 1977. The petitioners have also disclosed other certificates of registration of the mark ""Rhino"". All the registrations

are valid and subsisting. It is argued that use of the mark ""Rhino"" in cognate and/or allied goods would indicate their source of origin from

petitioners and none else as public associated their products with the petitioners due to long and continuous use of the same by them.

4. In the second week of April, 2015, the petitioners came to learn that the respondents had recently started marketing and selling cement under

the mark ""Rhino"". Such user by the respondents was dishonest as they were not only using the identical mark ""Rhino"", but also the device of the

Rhino and the same colour scheme. The goods of the petitioners and respondent No. 1 are cognate and/or allied goods and are sold through the

same trade channels. It is stated that such acts of the respondents in using the identical mark ""Rhino"", the device of the Rhino and an identical

colour scheme in relation to cognate goods in Class 19 are not only in violation of the statutory rights conferred on the petitioner under the Trade

Marks Act, 1999 and the Copy Right Act, 1957 but also constitute the tort of passing off.

5. The petitioners further contended that cement manufactured and sold by the respondents are cognate goods, thus, making them the same class

of goods under the Trade Marks Act, 1999.

6. The petitioners alleged that the respondents being aware of the reputation and goodwill earned by the petitioners in their business dishonestly

adopted the same trade name ""Rhino"" with the same colour scheme and device of Rhino with the ulterior motive of deceiving general public and

are passing off their goods as the goods of the petitioner.

7. The petitioners sought to establish that the respondents, who had recently entered into business, have developed no system to maintain quality

control of its products. On the other hand, the petitioners try to provide a detailed method of maintaining quality control of the products

manufactured by them. Petitioners state that they have to ensure that the asbestos manufactured by them does not suffer any latent or patent defect

which is sure to happen if the respondents are allowed to operate under the same trademark. Petitioners further claim that the balance of

convenience is entirely in favour of the petitioners.

8. Therefore, the petitioners instituted an instant suit praying:

a) A decree for perpetual injunction, as the use of the same trademark would cause a loss of reputation of the petitioners, which is not quantifiable

and, therefore, monetary compensation would not be sufficient.

b) Cancellation and delivery up of all materials, papers, documents bearing the mark "Rhino" and/or the packing, bearing mark which were

deceptively similar and/or identical and/or fraudulent imitation of the registered mark of the petitioners.

c) An enquiry into the loss and damages suffered by the petitioners due to the fraudulent activity of the respondents and decree against the

respondents for the sum due on such enquiry.

9. The petitioners further prayed before this Court that by virtue of Section 135(2) of the Trade Marks Act, 1999, pass ex parte order against the

respondents, preventing them from manufacturing, marketing, selling, advertising and dealing in cement and packaging using the mark, label, get-up,

colour scheme and device of the petitioners, as it was necessary for the protection and preservation of the subject matter of the suit.

10. Mr. Jayanta Kumar Mitra, learned senior Counsel appearing with Mr. R. Bachwat, Advocate appearing for the petitioners submits that the

parties are admittedly using an identical word as also an identical device of the "Rhino" with an identical Red, White and Black colour scheme. The

plaintiff is admittedly the prior user even according to the respondents, their use of the mark is January 1, 2015 as against the petitioners' use from

1977. It is submitted that it is well-settled that a prior user of trademark will also succeed over a later user of the trademark. Reliance was placed on

the decision of the Hon'ble Supreme Court in Satyam Infoway Ltd. Vs. Sifynet Solutions Pvt. Ltd., and Amar Nath Chakroborty Vs. Dutta

Bucket Industries and Others, .

11. The learned Advocate General has torn apart the defence raised in the affidavit-in-opposition with regard to bona fide and honest adoption of

mark. It is submitted that the respondent is trying to make out a case of honest and bona fide adoption. The respondent has run the case that they

have adopted the trademark "'Rhino'" after making diligent searches, and thereafter commenced use of the said mark on January 1, 2015. The said

stand of the respondent is wholly false, misleading and unbelieving as it would appear from the disclosures made in the affidavit that the required

searches of the Trade Mark Registry and the Registrar of Companies was made on 1st January, 2015.

12. It is unbelievable that in a single day i.e. January 1, 2015 the respondent No. 1 conceived of the mark, carried out trade mark and company

searches, adopted the mark "'bona fide'" after such search, caused labels and bags to be printed, commenced manufacture of the goods, packed

and thereafter put the same on the market. The trademark search reports relied on by the respondent No. 1 shows that the said respondent was

aware, inter alia, of the fact that the petitioner was registered proprietor of the mark "'Rhino'" in respect of Asbestos Sheets and that there were at

least two other companies who had obtained registration of the mark "'Rhino'" in respect of cement. Having regard thereto, the purported use and

adoption of the trademark ""Rhino"" by the respondent No. 1 cannot be said to be honest. The application for registration of the trademark ""Rhino

was made on January 9, 2015 after knowledge of the use of the ""Rhino"" word, label and colour scheme of the plaintiff as also the fact that there

were other claimants of the mark in relation to cement.

13. The purported explanation given by the respondents is, thus, wholly unbelievable and falsified by documents disclosed by them. It is well-

settled that in the absence of any credible explanation with regard to adoption, courts would readily infer dishonest adoption and pass an order of

injunction against such user.

14. It is further argued that the respondents have deliberately suppressed that the respondent No. 1 and the UD Group of Companies of which it

has been selling cement under the trademark ""Best"" for many years. The attention of the Court was drawn at Page 25 of the Affidavit-in-reply and

the Web address appearing therein. It is argued that not only has such fact been suppressed, no explanation has also been offered for change of

trademark and the purported adoption of the petitioner's said trademark, device and colour scheme. In view of the aforesaid, the respondent's

plea of bona fide adoption is required to be rejected. It is submitted that the documents disclosed in the Affidavit-in-reply would show the user of

the said trademark ""Best"" by the respondents and its Group Companies. It would be evident from the visiting card of the deponent of the

respondent affidavit, namely, Mr. Swapan Deb, that he was fully aware of the aforesaid fact. The respondents are using the mark ""Best"" and

Rhino"" simultaneously which would appear from the documents disclosed at Page 31 of the Affidavit-in-reply. The respondent was previously

dealing with cement under the mark ""Best"", the respondent No. 1 has dishonestly adopted the mark ""Rhino"". The user of the same trademark, logo

device and labels which are deceptively similar has led to actual confusion. The petitioner has disclosed documents evidencing actual and possible

confusion and deception including the following:--

a) Several dealers of Rhino Asbestos Sheets have applied to the petitioner for obtaining dealership for ""Rhino Cement"" (obviously under the belief

that the same originates from the petitioner).

b) The respondent No. 1 has purported to select dealers of the petitioner as dealers for its product.

c) Cement and asbestos are cognate goods being sold side by side and in the same stores.

15. The same establishes beyond any doubt that there has been actual deception and confusion and there is every likelihood of further deception

and confusion. The defence based on dissimilar goods should also be rejected as:--

a) The goods of the rival parties are allied and cognate goods both falling in Class 19 and are sold through the same trade channels i.e. hardware

shops.

b) Proof of actual confusion and dishonesty by the respondent is on record.

c) It is now well-settled that use of similar trademarks for dissimilar goods is not permissible.

16. In this regard, the learned Advocate General has relied upon the following decisions:--

i) Pidilite Industries Limited Vs. Jubilant Agri and Consumer Products Limited, ;

ii) Shri Harish Motichand Sariya, Karta and Manager of R.S. Champalal Vijaychand Sariya (H.U.F.) Vs. Ajanta India Limited and Ajanta

Transistor Clock Mfg. Co., .

17. It is argued that the very fact that the defendant has itself applied for registration of a mark described by it as Rhino as the leading and essential

feature, it is no more open for the respondents to contend that no one can claim any right over the word mark ""Rhino"" as Rhino is synonymous with

north-east. The very fact of making the application it is argued would clearly manifest the intention of the defendant to use the said word as a mark

which was conceived and being used by the plaintiff in relation to its products duly registered under Class 6 and Class 19 and admittedly a prior

user in respect of the said mark. The learned Advocate General has relied upon Paragraph 11.1, 11.2 and 11.4 of Pidilite Industries (supra) to

make home the point that a common word by reason of long, continuous and extensive use may become distinctive by use and in the instant case

the plaintiff has been the only user of the Rhino mark since 1977 and has used it extensively and on a pronounce scale for almost 37 years. The

learned Advocate General was critical about the adoption of the word Rhino in relation to the goods which form part of the same class and

submitted that the defendants must be deemed to have knowledge of the plaintiff's reputation in the trademark Rhino in different form. Inasmuch as

the cement is a cognate goods forming part of the same class of goods, there is every likelihood of confusion. The learned Advocate General has

referred the large number of documents disclosed in this proceeding to show that the plaintiff has acquired a considerable reputation and goodwill

in the market in respect of asbestos under the trade name Rhino and the defendants are prima facie passing off their goods as those of the plaintiff

by dishonest adoption of the mark Rhino in relation to its goods.

18. The learned Advocate General has relied upon T.V. Venugopal Vs. Ushodaya Enterprises Ltd. and Another, and submitted that the trademark

being the property of the manufacturer and the purpose of the trademark is to establish connection between the goods and the source thereof

which would suggest the quality of goods, the use of the said mark by the defendant, if allowed, would seriously affect the goodwill and reputation

of the plaintiff. The similarity of the goods would likely to cause confusion on the part of the public inasmuch as the public is likely to associate the

product of the defendant with the product of the plaintiff. The learned Advocate General has relied upon Section 29(2) and (4) and submitted that

having regard to the fact that the said registered trademark is a reputation in India and the use of the mark without due cause would be detrimental

to the distinctive character or the reputation of the registered trademark. The defendant is required to restraint from using the said trademark in any

immutable form.

19. The respondents have filed an affidavit.

20. The respondents in their affidavit annexed few documents in order to show that they had extensively searched and gathered information from

the record of the trademark registry before adopting the trademark ""Rhino Cement"" after being convinced that no person in business is having

registration of the same mark Rhino in relation to cement.

21. Mr. Pratap Chatterjee, learned senior Counsel appearing on behalf of the respondent No. 1 submits that although the petitioner is claiming to

use Asbestos Cement Sheets and Roofing accessories, but from the documents it appears that such claim is arbitrary. Furthermore, the petitioner

does not have any registration for such goods. The petitioner has not ventured into cements and cannot claim monopoly on a class of goods for

which no intention to use is shown. In this regard reference is made to Vishnudas Trading as Vishnudas Kishandas Vs. Vazir Sultan Tobacco Co.

Ltd., Hyderabad and another, .

22. The petitioner has obtained the registration of the trademark ""Rhino"" for Asbestos Sheets etc. in Class-19, but as NICE Classification

(Internationally accepted), such goods come under Class-17 of the Fourth Schedule to the Trade Marks Rules, 2002. Therefore, there is no

registration of the word mark ""Rhino"" for asbestos.

23. The registrations for Galvanized Iron Sheets in Class-06 for a device (which however has been disclaimed) have got no nexus in the instant

proceeding and/or the issues.

24. The petitioner No. 1 has produced few coloured labels showing that their labels are used in Black, Red and White combination. These

documents are unsupported, unauthenticated and mere photographs of letter pad, umbrella, pen, clock, key ring etc., and such documents can be

prepared at any time for the purpose of the proceeding. There is no documentary evidence on record showing the use and advertisement of such

labels by the petitioner No. 1 in that particular colour combination. The petitioner No. 1 does not have any registration of any label containing the

word ""Rhino"" for any goods in Class-19 and Class-06 with such colour combination. The word mark ""Rhino"" for asbestos being not there, no case

of infringement nor any case of passing off could be established. In this regard the learned senior Counsel has relied upon Three-N-Products

Private Limited Vs. Emami Limited--> .

25. The goods of the plaintiff and of the defendant being of different class there cannot be any confusion and deception among its customers and in

such a situation the balance of convenience is also in favour of defendant. In cement defendant is first, but it being different goods no injunction can

be granted.

26. There is a bona fide adoption of the trade mark ""Rhino"" for cement by the respondent No. 1 who is a limited liability partnership firm, and has

independent identity. The respondent No. 1 conducted market survey and made search in the records of the Trade Marks Registry, and after

being satisfied that there was no other person carrying the business with the trademark ""Rhino Cement"" and/or has valid registration of the said

trademark, bonafidely adopted the trademark.

27. It is apparent from the search report that Jupiter Cement Industries Limited, Porbandar and Black Diamond Cement Private Limited were

registered proprietors of the trademark ""Rhino"" under Nos. 471522 as of 29.04.1987 and 951039 as of 30.08.2000 for the mark ""Rhino"" , for

Cement, but due to non-renewal of registration/liquidation of the Company, both the registrations have become invalid. The defendant is an honest

concurrent user of the mark and, accordingly, no injunction can be granted.

28. It would be evident from the search report of the Trade Marks Registry that the mark ""Rhino"" stands registered for the goods, Roof Tiles,

Bricks, Ridges, Fancy Bricks etc. in the name of Shetty Tiles Private Limited under trade mark No. 413259 in Class-19. There are several

applications and/or registrations in the name of different proprietors for the mark ""Rhino"" in the name of different persons/entities, for the goods,

namely, Plywood, Black Board etc.

29. The respondents are using the mark since 1st January, 2015 and have developed operating structures and research unit to cater to the

demands of the customers and ensure the quality of the product delivered by it, thereby denying the allegation of the petitioners on this front. It

goes on to state that in a short period of time, they have gained considerable popularity and also attached sufficient proof to show that they have

worked towards advertisement of their trade name RHINO CEMENT, with the device of rhinoceros and tag "BOND WITH THE STRENGTH"

and has acquired much distinctiveness.

30. The users of the trade name RHINO are myriad manufacturers and merchants of different goods including slotted angles, pipes, nut bolts, wire

melting, etc., under classes 19 and 6 and service class 37 of the IV Schedule of Trade Mark Rules, 2002. Thus, it is not a mark that can be

exclusively associated with the plaintiff, creating monopoly over the same.

31. The respondents deny that the plaintiff was engaged in the manufacturing of galvanized sheet or asbestos, cement sheet, as there were no

documents to support the same. It further denied the presence of petitioner No. 2 in the said business of manufacturing roofing sheet for 36 years,

as was claimed by the petitioners, as petitioner No. 2 started its business in 2002. The respondents, further submitted that no document was

produced by the petitioners to show that either the colour scheme used by the petitioners, since 1998 as claimed by them, or the pictorial

representation of RHINO was registered in respect of any goods produced by them.

32. The respondents also submit that cement goods and asbestos fibres cannot be called cognate goods. Since these were different goods,

therefore, the allegation of passing off did not hold ground. The claim based on copyright does not provide any protection to colour combination

and the design, style, get-up etc of the products of the defendant were conspicuously different from that of the petitioners. The goods of the

defendant were totally different and the marks were constructively and structurally different. The petitioners neither have any registration in respect

of mark "RHINO" nor any use of the trademark RHINO for cement. Thereby, the allegations of the petitioners are without any legal basis.

33. In view thereof the petitioner No. 1, cannot claim any exclusivity in the trademark ""Rhino"" for the goods in Class-19, since there are numerous

Registered Proprietors/Applicants for the said trademark in Class-19. The word ""Rhino"" is a commonly use trademark at least in the perspective

of the business environment in the North-East states. In this regard the learned senior Counsel has referred to Skyline Education Institute (Pvt.)

Ltd. Vs. S.L. Vaswani and Another, and submitted that when the fact remains that it is a commonly use word and number of persons and/or

proprietors and/or institutions are using the said trademark which existed in the record of the Trademark Registry, the plaintiff cannot claim any

distinctive character of the said mark.

34. The name Rhino is a common name, derived from the animal Rhinoceros, and such name has been adopted by different persons particularly in

the North East States.

35. The respondents have relied upon certain search reports of the word ""Rhino"" in the Trade Marks Registry as given in Annexure -1, pages-145

to 160 to the Affidavit-in-opposition, and submitted that it would reveal that the trade mark ""Rhino"" stands registered in the name of different

proprietors for various goods and services.

36. The case, thus, is not for infringement but passing off and the principles of passing off are to be satisfied. In this regard, the learned senior

Counsel has referred to the seven factors that are required to be taken into consideration for deciding the question of deceptive similarity as laid

down in Cadila Health Care Ltd. Vs. Cadila Pharmaceuticals Ltd., .

37. The respondent No. 1 is a reputed Company and the products under the mark ""Rhino Cement"" conforms with BIS SPECIFICATION of IS :

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38. : 1991, and has manufactured 11,470.25 metric tonne of Cement with the sale value of nearly Rs. 60 crores within the span of four and half

months; and made promotional expenses of over Rs. 1 crore.

39. The respondent No. 1 has been carrying its business with number of dealers. Mr. Chatterjee has referred to the dealer's list being Annexure -

F to the affidavit.

40. To sum up the objections on the issue of infringement of the trademark Rhino are:--

a) The petitioner No. 1 does not hold any registration of the trademark Rhino for Cement, and since Asbestos Sheet and Cement are totally

goods of different description, there cannot be any infringement of the trademark Rhino by the use of the respondent No. 1 for Cement.

b) The petitioner No. 1 cannot claim any exclusivity over the trademark Rhino, since it is neither a coined/invented word, nor the petitioner No. 1

can claim that there is an unique distinctiveness of the said trade mark, since there are number of persons/entities exist in the record with the trade

mark Rhino, registered/pending for the goods in Class-19.

c) The petitioner No. 1's goods Asbestos Sheets can never be said to cognate/agnate goods with the goods of the respondent No. 1 namely

Cement.

41. On the issue of Passing Off the objections are:--

i) There has not been any single instance of confusion/deception on the part of any of the purchaser/consumer by the use of the trademark ""Rhino

Cement"" by the respondent No. 1, nor there is any likelihood of confusion and deception.

The goodwill and reputation created by the respondent No. 1 surrounding the trade mark Rhino Cement as well as the acquaintance amongst the

consumers for the said trade mark can be gauged from the sales figures and the advertisement/sales promotional expenses given by the

Respondent No. 1. The trade mark Rhino Cement has become sufficiently popular, enjoys goodwill and there is no scope of misrepresentation.

ii) It is a fact that different products in Class-19 are not only registered but also co-existed in the market with the trademark Rhino, including that of

Roof Tiles, Bricks etc., and there is no allegation raised by the petitioner No. 1 for any unauthorized use and/or passing off against those

persons/entities.

42. There cannot be a monopoly on colour combination.

43. The petitioner No. 1 does not have any registration of any label with the trademark Rhino comprising the colour combination Red, Black and

White for any goods, nor it has produced any documents showing the actual use of the labels with the said colour combination, at any point of

time.

44. All the documents produced by the petitioner No. 1 with the colour combination Red, Black and White are unsupported. Even not a single

advertisement of the label containing the colour combination with the place of publication and the date of publication have been produced by the

petitioner No. 1. Thus, petitioner No. 1 is not in a position to claim any right on the purported label of Rhino Asbestos Sheets with the said colour

combination.

45. Furthermore, the colour combination of Red, Black and White cannot be the exclusive property of the petitioner No. 1 since there are number

of persons/entities having the trade mark for different goods in Class-19 with the same/similar colour combination of Red, Black and White. The

learned senior Counsel rely upon an unreported decision of our Division Bench in Hindustan Unilever Ltd. v. Reckitt Benkiser (India) Ltd. APO

No. 36 of 2013, CS No. 222 of 2012 dated 5th December, 2013 argued that the petitioner cannot have any exclusivity on colour or combination

thereof.

46. On the question of the relationship with JUD Cements Limited and JSB Cement LLP it is argued that JUD Cement Limited is a public limited

company and JSB Cement LLP is a limited liability partnership firm.

47. It is known to all persons concerned in the Cement industry that there was a problem in Meghalaya for obtaining minerals namely Lime Stone

and other raw materials for manufacturing cement, and due to such problem most of the cement factories in Meghalaya have face difficulty in the

manufacturing of Cement for the paucity of the raw materials.

48. The Respondent No. 1 has set up the plant and factories in the State of Assam, and with the help of the State Government, has started its

cement plant in the State of Assam, independently, and marketing its products under the trade mark Rhino Cement, in a bona fide manner.

49. On the issue of the common dealership it is submitted that most of the documents annexed to the Petitioner No. 1 with its Affidavit-in-reply

trying to show that the dealers are common, are the documents which are subsequent to filing of the present suit, and have got no evidentiary value.

50. The respondent No. 1 during the course of last 7 months or so have created its own market under the trademark Rhino Cement, and the sales

of its products namely Cement is rising. Substantial amount has been expended for the Plant machineries and also the advertisement/sales

promotional campaign for the trade mark Rhino Cement by respondent No. 1 and if the respondent No. 1 is restrained from using the trade mark

Rhino Cement (which happens to be the only trademark of the firm) irreparable injury will be caused to the respondent No. 1. On the contrary, the

petitioner No. 1 who has been carrying its business with a different product namely Asbestos Sheet, will not suffer any loss and/or injury by the use

of the respondent No. 1's trademark Rhino Cement.

51. It is strenuously argued that the plaintiff cannot take advantage of Section 29(4) of the Trademarks Act, 1999. The said Act came into force

w.e.f. 15th September, 2003. There is no pleading supporting the case of the plaintiff within the purview of Section 29(4) of the said Act. The

requirements of Section 29(4) are not in the alternative. It is argued that no proof can be adduced in support of a case not pleaded and in this

regard reference was made to Sait Nagjee Purushotham and Co. Ltd. Vs. Vimalabai Prabhulal and Others, . It is submitted that the cases cited

under Section 29(4) has no manner of application since the said case was decided on 6th May, 2004 and at a point of time when the 1999 Act

was not applicable as the proceeding before the City Civil Court commenced earlier. The learned senior Counsel has referred to Section 159(4) of

the said Act in respect of his submission. It is further argued that the Siffynet Solutions Pvt. Ltd. v. Sathyam Infoway Ltd. (Miscellaneous First

Appeal No. 4277 of 2003 dated 18th November, 2003) was limited to the question of domain names. It was held that they are domain names and

they are also business identifiers and it was found that both the parties carried on business involving Internet. The case was mainly decided on the

principle of passing off. It is submitted that Sony Kabushiki Kaisha Vs. Mahaluxmi Textile Mills, was not a case under Section 29(4) of the said

Act. The said case was under passing off. It was argued on behalf of Sony that their mark is world famous and has acquired such a high degree of

distinctiveness that if the same is applied to other goods it is likely to cause confusion.

52. Mr. Chatterjee submits that it would be unthinkable to put plaintiffs' mark on a same category of a multinational business giant. It is argued that

only in cases where the trademark is so famous and acquired such a high degree of distinctiveness, other goods may be covered. In Enadu case it

is submitted the Hon'ble Supreme Court held that the mark Enadu has an extraordinary reputation and goodwill in Andhra Pradesh and the said

word literally means that the product/service provided by the respondent company. The said judgment was decided on this basic point. The

plaintiff, it is submitted, has not been able to make out any case in the pleadings that the said mark would mean the product of the plaintiff and none

else or that it has acquired an extraordinary reputation or goodwill.

53. Let me now examine the comparative merits in the argument put forth by the parties.

54. Section 2(m) of the Act gives an inclusive definition of "mark". "Mark" includes amongst others "word". Section 2(h) defines "deceptively

similar". It states that a mark shall be deemed to be deceptively similar to another mark if it so nearly resembles that the other mark as to be likely

to deceive or cause confusion. Under Section 29 a registered trade mark is infringed, if -

(a) the mark is identical and is used in respect of similar goods or services; or

(b) the mark is similar to the registered trade mark and there is an identity or similarity of the goods or services covered by the trade mark; or

(c) the trade mark is identical and is used in relation to identical goods or services;

and that such use is likely to cause confusion on the part of the public or is likely to be taken to have an association with the registered trade mark.

55. Section 2(m) "mark" includes a device, brand, heading, label, ticket, name, signature, word, letter, numeral, shape of goods, packaging or

combination of colours or any combination thereof;

56. This clause further lays down that in cases falling in category (c) above, there will be a legal presumption of likelihood of confusion on the part

of the public.

57. The ingredients of Section 29(1) are as follows:--

1. The plaintiff's mark is registered.

2. The defendant's mark is identical with, or deceptively similar to the plaintiff's registered mark.

3. The defendant's use of the mark is in the course of trade in respect of goods/services covered by the registered trade mark.

4. The use by the defendant is in such manner as to render the use of the mark likely to be taken as being use as a trade mark.

5. The defendant's use of the mark is not by way of "permitted user" and accordingly unauthorized infringing use.

(See Venkateswaran on Trade Marks And Passing-Off, 5th Edition, 2010)

58. The function of a trade mark is to distinguish the goods of one person from others.

59. As was said by UPJOHN, J., "A man infringes the mark of another if he seizes upon some essential feature of the plaintiff's mark. That

essential feature may be ascertained by the eye or by the ear in this sense, that goods bearing that mark may be likely to become known by a

certain name.....Furthermore evidence is admissible to establish what is or has become an essential feature, but evidence is not essential if the

Court feels satisfied on inspection in coming to the conclusion that some particular feature is a distinguishing feature of the Mark allegedly

infringed". (Cluett Peabody & Co. Inc. v. McIntyre Hogg Marsh & Co. Ltd.; 1958 RPC at 351)

60. In Hindustan Embroidery Mills Pvt. Ltd. Vs. K. Ravindra and Co., it was held that -

It is not the practice to consider the validity of the registration of a trade mark on motion for interlocutory injunction taken out by the persons who

has got the mark registered in his name. While a mark remains on the register (even wrongly), it is not desirable that others should imitate it.

61. It has long been accepted that, if a word forming part of a mark has come in trade to use to identify the goods of the owner of the mark, it is an

infringement of the mark itself to use that word as the mark or part of the mark of another trader, for confusion is likely to result. It is sufficient to

refer to the words of Lord Cranworth L.C., in *Seixo v. Provezende* (1866 LR 1 Ch. 192) "If the goods of a manufacturer have, from the mark or

device he has used, become known in the market by a particular name, I think that the adoption by a rival trader of any mark which will cause his

goods to bear the same name in the market, may be as much a violation of the rights of that rival as the actual copy of his device". The likelihood of

confusion or deception in such cases is not disproved by placing the two marks side by side and demonstrating how small is the chance of error in

any customer who places his order for goods with both the marks clearly before him, for orders are not placed, or are often not placed, under

such conditions. It is more useful to observe that in most persons the eye is not an accurate recorder of visual detail, and that marks are

remembered rather by general impressions or by some significant detail than by any photographic recollection of the whole".

62. The function of the trade marks is to identify the source of manufacture of goods. It is an indicia of origin. In the market the chief value of the

trade mark is its power to stimulate sales. In law, the fundamental theory upon which the interest in the trade mark is protected is that a trade mark

identifies the goods coming from a particular source, and that an infringing designation tends to divert customer from that source by falsely

representing that other goods come from it. (See *Ellora Industries Vs. Banarsi Das Goela and Others*,).

63. The action of the plaintiff is based on infringement of trade mark as also passing off and infringement of copyright. The plaintiff combines

infringement and passing off in this action presumably and in anticipation that the goods are dissimilar and, accordingly, even if the plaintiff fails to

succeed in an action for infringement of its registered trade mark, it might still succeed in an action for passing off. Mr. Advocate General for that

purpose has referred to *Pidilite (Supra)* and *Harish Motichand (supra)*.

64. Where defendant's mark is identical with the plaintiff's mark, the question is simple. The plaintiff, in such a situation, would not be required to

prove his use of the registered trade mark, but merely to establish that the defendant is using a trade mark which is identical to the plaintiff's mark

and in respect of goods which are covered by the plaintiff's registration. The plaintiff, in such a situation, need not prove that the defendant's use is

likely to deceive or cause confusion. The Act with precision has put the owner of the registered trade mark in an exalted position, whether he has

used the mark or not, a registered owner would be entitled to the exclusive use of it unless someone shows a continuous user from a date anterior

to the registered proprietor's use or registration, whichever is earlier.

65. In *Holterhoff v. Freiesleben* reported at (2002) F.S.R. 23, as expressed by the European Court of Justice ""Where a sign used to indicate the

origin of goods is identical to a registered trade mark and the goods are identical to those in respect of which the mark is registered, confusion as

to origin is by definition not only likely but practically inevitable. Where there is only similarity, however, there may not always be a danger of

confusion-all the circumstances must be taken into account.

66. Section 2(1)(h) defines ""deceptively similar"" as - ""A mark shall be deemed to be deceptively similar to another mark if it so nearly resembles

that other mark as to be likely to deceive or cause confusion"".

67. Where the alleged infringement consists of using, not the exact thing on the Register, but something similar to it, the Court must, in considering

whether there has been an infringement or nor, proceed upon the old principle, which prevailed both at law and equity before the Act, that a man is

not to pass off his goods as the goods of another.

68. In the matter of *Ruston and Hornsby Ltd. Vs. The Zamindara Engineering Co.*, , the Hon"ble Supreme Court has held that, "...it very often

happens that although the defendant is not using the trade mark of the plaintiff, the get-up of the defendant's goods may be so much like the

plaintiff's that a clear case of passing off would be proved. It is on the contrary conceivable that although the defendant may be using plaintiff's

mark the get up of the defendant's goods may be so different from the get up of the plaintiff's goods and the prices also may be so different that

there would be no probability of deception of the public. Nevertheless, in an action on the trade mark, that is to say, in an infringement action, an

injunction would issue as soon as it is proved that the defendant is improperly using the plaintiff's mark."

69. A trade mark is infringed if the essential features of the registered mark of a owner have been copied. A mark is said to be infringed by another

trader if, even without using the whole of it, the latter uses one or more of its "essential features". If a word forming part of a mark has come in

trade to be used to identify the goods of the owner of the mark, it is an infringement of the mark itself to use that word as the mark or part of the

mark of another trader. (See *Balsara Hygiene Products Limited Vs. Arun Chowdhury and Another*,

70. It is no answer to a charge of infringement - as contrasted with a passing off action that the defendant's mark, whilst including the plaintiff's

mark, includes other matters too. Still less is it an answer that by something outside that actual mark the defendant has distinguished his goods from

those of the plaintiff by adding his own name (*Kerly*, Para 14.22). However, the same principle is not absolute as the celebrated Author in the

same paragraph says:--

But the use of the defendant's name as part of the mark complained of is an element to be considered and in some cases it has turned the scale in

his favour" (*Jewsbury & Brown v. Andrew & Atkinson*, (1911) 28 RPC 293)".

71. However in the instant case, it cannot be said that the respondents are able to establish any such distinguishing feature which would distinguish

its goods from that of the plaintiffs. The trade mark is the whole thing. When a word mark or a label mark or a get up is considered, the court

would be required to consider the totality of the situation - the goods as a whole with due regard to the background provided by any other marks

shown to be in use.

72. The trade mark is the whole thing - the whole picture in relation to each of the marks being compared has to be considered. There may be

differences in the parts of each mark, but it is important to consider the mode in which the parts are put together and to judge whether the

dissimilarity of the part or parts is enough to make the whole dissimilar. (*Kerly's Trade Mark*, 14th Edn.)

73. Therefore, the question is whether the defendant has, so far as the common feature is concerned, copied any distinctive arrangement of the

common elements or has copied any unusual feature of the common element. The marks, names or get-up concerned must always be considered

as the whole thing, as the true test is whether the totality of the impression given both orally and variously is such that it is likely to cause mistake,

deception or confusion.

74. The Hon^{ble} Supreme Court in *M/S S. M. Dyechem Ltd. Vs. M/S Cadbury (India) Ltd.*, has quoted with the approval from the passages of

Kerly on Trade Mark and Halsbury's Laws of England (vol. 38, 34d Edn. Para 986) to lay down the guidelines and principles to be followed for

the Court to ascertain whether essential feature has been copied resulting in infringement. Where the essential elements have been copied, the

Hon^{ble} Supreme Court observed that the court ""would not return a finding on whether there was an intention to deceive or cause confusion in

infringement actions... It was further opined that a suit for passing-off may fail but a suit for infringement may succeed because the additions, the

get-up and trade dress may enable a defendant to escape in a passing-off action"".

75. It appears that the essential features of the trade mark of the plaintiff have been adopted by the defendant and in view thereof, the fact that the

get-up, packing of the goods in bags offered by the defendant for sale may be different, would not be a relevant consideration and would be

immaterial.

76. Whether or not two sets of goods or services are of the same description is not to be decided on the basis of the classification of goods and

services given in the 4th schedule to the Trade Marks Rules, 2002 (4th Schedule has now been omitted in the revised rules). The description of

goods may be narrower or wider than any of the classes according to the circumstances of the case. As was observed by Lindley J., in the

Australian Wine Importers Trade Mark. ""If you come to look at that classification, you will find goods of the same description, in one sense, in

different classes; and you will find goods of different description in the same class"".

77. Physical or chemical attributes of the goods are not relevant to determine whether the goods fall in the same class or would fall in the same

description. The test has to be, what is the trade channel through which the goods reach the consumer and which is the class of consumers

purchasing the goods.

78. The classification of goods and services adopted by the Registry or the International classification is not the determining or guiding factor for

ascertaining similarity of goods/service. The classification system is an administrative framework to facilitate search for conflicting marks and

examination by the Trade Marks Registry. In the Australian Wine Importers TM case [(1889) 6 RPC 311], the court observed that ""if you come

to look at the classification, you will find goods of the same description in one sense in different classes, and you will find goods of different

descriptions in the same class.

79. The test of similarity of goods is looked at from a business and commercial point of view. The nature and composition of the goods, the

respective uses of the articles and the trade channels through which they are brought and sold all go into consideration in this context.

80. The mere fact that goods are used in association is not by itself the reason that they should be regarded as goods of the same description.

(Venkateswaran on Trade Marks & Passing Off, 6th Edition, Vol. 1, Page-1550)

81. The registration of the word mark itself is a prima facie evidence of the validity of such registration inasmuch as the registration of the mark

gives the owner of the mark a valuable and indefeasible right to use it exclusively and jealously protect such mark as opposed to an action based

on passing off which solely rests on the concept of prior user. In Cadila (supra) the Hon"ble Supreme Court stated that in an action for passing off

on the basis of unregistered trade mark, generally in deciding the question of deceptive similarity, seven factors are required to be taken into

consideration which, however, would not be applicable in an action for infringement of a registered mark. The said factors are:--

(a) The nature of the marks i.e. whether the marks are word marks or label marks or composite marks i.e. both words and label works.

(b) The degree of resemblance between the marks, phonetically similar and hence similar in idea.

(c) The nature of the goods in respect of which they are used as trade in arks.

(d) The similarity in the nature, character and performance of the goods of the rival traders.

(e) The class of purchasers who are likely to buy the goods bearing the marks they require, their education and intelligence and the degree of care

they are likely to exercise in purchasing and/or using the goods.

(f) The mode of purchasing the goods or placing orders for the goods.

(g) Any other surrounding circumstances which may be relevant in the extent of dissimilarity between the competing marks.

82. The judgment of a Single Bench of the Delhi High Court in Walter Bushnell Pvt. Ltd. Vs. Miracle Life Sciences, lays down that when the

defendant has not challenged the registered trade mark of the plaintiff and there is no materials on record to show that it is a generic name, the

Court must recognize that a registered trade mark holder is enjoying an exclusive and statutory rights which should be adequately protected. In the

instant case, no application has been filed by the defendant before the Registrar for cancellation of the trade mark adopted by the plaintiff. It was

held in *Walter* (supra) that unless the trade mark challenged by the defendant is cancelled or ratified it is not the practice to infringe the same in an

action for infringement of the trade mark.

83. The learned single Judge has quoted with approval the views expressed in *Express Bottlers Service Pvt. Ltd.* that to establish the plea of

common use, the use by the other persons should be shown to be substantial. The mere use of the name is irrelevant because a registered

proprietor is not expected to act on filing suits or proceedings against infringers who are of no consequence.

84. There is nothing on record to show that the defendant has filed any application for rectification of the trademark of the plaintiff. Even if an

application is filed, mere pendency of an application for rectification would not be a ground to hold that the person who is having his trade mark

registered has no right to seek an interim injunction.

85. In *Gold Star Co. Ltd. v. Gold Star Industries & Ors.* reported at 1995 PTR 78 it was held that "what would happen to the rectification

proceedings nobody can predict. As of today prima facie evidence establishes plaintiffs exclusive rights regarding the trade mark... Plaintiff cannot

be deprived the fruit of registered trade mark nor can the defendant be allowed to use the trade mark of the plaintiff for passing off its goods... If

the defendants are allowed to use the trade mark of the plaintiff it would adversely affect the business of the plaintiff, internationally as well as in

India".

86. Similar was the view expressed by the Delhi High Court in the case of *M/s. Avis International Ltd. Vs. M/s. Avi Footwear Industries* and

another, .

87. In *Pidilite* (supra) the Defendant has contended that there are some other entities across India and internationally that are using the word

"MARINE" as a part of their label and the word "MARINE" has become publici juris/common to trade. The Defendant has also set out in a

tabular format the labels inter alia containing the word "MARINE" which it claims are in use. The Defendant has contended that the Plaintiff

therefore has no exclusive rights/monopoly over the word "MARINE". The Defendant has also produced copies of four invoices as evidence of

sale of two other products under the mark "MARINE".

88. It is a settled legal position that the use of a registered mark or the essential feature thereof by others is not a defence available to the

Defendant in an action for infringement and passing off. Merely because the Plaintiff has chosen to sue one infringer first and has not at such time

sued others for infringement is also no defence in an action for infringement and passing off and it is settled law that it is the prerogative of the

Plaintiff/registered proprietor/owner of a mark whom to sue so as to protect its rights. Furthermore, it is essential for the Defendant to demonstrate

substantial and continued use over a period of time of the mark by others failing which no defence of common to the trade/publici juris can be set

up. (Corn Products Refining Co. Vs. Shangrila Food Products Ltd., ; P.M. Diesels Vs. S.M. Diesels, ; Shaw Wallace and Company Ltd. and

Another Vs. Mohan Rocky Spring Water Breweries Ltd., . The Defendant failed to prove that there are a number of entities over India or

internationally that are using the word "MARINE", or that such use is substantial or continuous over a period of time. As submitted by the Plaintiff,

let aside proof, there is not even a pleading to this effect. The four invoices produced by the defendant are insufficient and deserve to be

disregarded. They do not satisfy the test of extensive, actual and continuous use in the market. The Defendant has tried to take advantage of the

reputation of the Plaintiff not only by the use of the mark "MARINE"/"MARINE PLUS" but also by the use of the copied impugned label and

hence cannot be allowed to rely upon the alleged use of the mark "MARINE" on other grounds.

89. The judgment of the Skyline (supra) was distinguished by submitting that the Hon"ble Supreme Court was considering an action for passing off

and not an infringement of a trade mark. It is submitted that it was found that the plaintiff in the said case did not have the required approval or

affiliation whereas the defendants are affiliated to statutory bodies. It was noticed in the said judgment in Paragraph 26 that the word ""skyline"" is

being used by various companies/or organizations as also for describing different types of institutes/institutions. The voluminous record produced

by the respondents before the Hon"ble Supreme Court also shows that in India as many as 117 companies including computer and software

companies and institutions are operating by using the word ""skyline"" as part of their name/nomenclature.

90. The plaintiffs have placed reliance on Sections 29(2) and 29(4) of the Trade Marks Act which reads:--

29.(2) A registered trade mark is infringed by a person who, not being a registered proprietor or a person using by way of permitted use, uses in

the course of trade, a mark which because of -

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

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

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

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

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

course of trade, a mark which -

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

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

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

distinctive character or repute of the registered trade mark.

91. In an action based on Section 29(4) infringement would arise even by usage of a trade mark in relation to dissimilar goods if following three

conditions are satisfied:--

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

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

(c) The registered trade mark has a reputation in India and the use of the mark without due cause takes unfair advantage of or is detrimental to the

distinctive character or repute of the registered trade mark.

92. The said section jealously protects a reputed mark. The Trade Mark Law does not permit and protect a person who is trying to take the

benefit of someone else's reputation with references to goods which may not be similar when it is established that the said mark has acquired same

reputation.

93. The learned Advocate General would submit that the case of the petitioner comes both under Sections 29(2) and 29(4) . Since an argument

was made by Mr. Chatterjee that there is no pleading of Section 29(4) and, accordingly, the plaintiff has to confine itself to Section 29(2) , it is

necessary to find out if there is any necessary pleading to attract Section 29(4) . In the petition, in Paragraph 27 it has been stated that the products

manufactured by the respondents bearing the mark ""Rhino"" with the red, black and white colour combination with the device of a Rhino is being

sold all over the country. However, on examination of the documents it appears that such advertisement or sale is by and large restricted to the

North-East and not to other parts of the country. These documents, per se, would not show that the said mark has acquired a reputation in India

and for which the plaintiff may take the benefit of Section 29(4) of the Trade Marks Act, 1999. However, it cannot be disregarded that the plaintiff

is a registered holder of the mark ""Rhino"" and the defendant has adopted the said name ""Rhino"" only recently without offering any explanation for

adoption of the said name for its products. The products are sold extensively in the North-East. The plaintiffs have presence in the market since

1977 and the said mark ""Rhino"" was and is being used continuously and extensively. Although the cement could be an ingredient for manufacturing

of asbestos, cement sheet, the goods are not similar. However, both asbestos and cement are used for building purposes and are likely to be sold

through the same trade channel. There is an overall similarity between the mark used by the plaintiff and the mark used by the defendant. Even if

the plaintiff may not succeed in establishing its right under Section 29(4) of the Trade Marks Act, 1999, certainly the petitioner has been able to

establish that using the infringed mark is likely to cause confusion in the mind of the public that the products sold is as of the plaintiff. The common

law of passing off has been retained in Section 27 of the Trade Marks Act, 1999.

94. In order to delve into the matter of determining whether RHINO CEMENT can conveniently create a deception as to the source or origin of

the product, I may refer to Baker Hughes Limited and Another Vs. Hiroo Khushalani and Another, , where it was observed that:--

there can be an informed class of purchasers who have a degree of knowledge and a sense of discrimination more substantial than that of an

ordinary purchaser, but the mere fact that the customers are sophisticated, knowledgeable and discriminating does not rule out the element of

confusion if the trade marks/trade names/corporate names of two companies are identical or if the similarity between them is profound. In several

cases it has been held that initial confusion is likely to arise even amongst sophisticated and knowledgeable purchasers under a mistaken belief that

the two companies using the same corporate name, trading name or style are inter-related. It is this class of buyers who are likely to think that there

is some sort of association between the products of two different companies when they come across common or similar trade names or corporate

names or trading styles used by them. The sophistication of a buyer is no guarantee against likely confusion. The Court further held that in some

cases, however, it is also possible that such a purchaser after having been misled into an initial interest in a product manufactured by an imitator

discovers his folly, but this initial interest being based on confusion and deception can give rise to a cause of action for the tort of passing off as the

purchaser has been made to think that there is some connection or nexus between the products and business of two disparate companies.

95. In Punjab Tractors Ltd. Vs. Pramod Kumar Garg., , the Hon"ble Judge held that the criteria for determining what is likely to deceive or cause

confusion is whether the trade mark by its resemblance to another trade mark already on the register is likely to deceive in the normal course of its

legitimate use in the trade and that the goods are such that by virtue of some similarity, affinity or other circumstance the purchasing public will

consider them as coming from the same source if marketed under similar trademarks. The approach has to be from a business and commercial

point of view and the test of sameness and description should be a business and practical test. In judging the nature and composition of the goods,

their respective usages and functions and the trade channels through which they are bought and sold are to be taken notice of.

96. In this regard it is pertinent to mention the observation of the Court in the case of Jolen Inc. Vs. Doctor and Company, which says:--

when a party after copying a trade mark comes out with an explanation as to its invention which is unbelievable or may be plausible, its attempt to

synchronize combination of words is a mere after-thought and an act of searching excuses and explanation. It is natural for the parties who have

copied trade mark to try and explain its conduct and to look out for means to explain derivation of words so adopted. If trade mark having

element of prior continuance and use has been copied, no amount of explanation even if it is plausible is capable of defending infringement of

copyright of such prior user. The Court further held that there is an uncanny degree of similarity between the plaintiff and defendant's trade mark,

colour scheme, get up, lay out of the container and the carton etc. which could only mean that one of the parties has copied from the other and it

has never been the case of the defendant that the plaintiff has copied from them. The defendants have quagmire themselves to invent explanation.

The Court further held that the explanation of the defendant in choosing the impugned trade name is highly implausible, farfetched and wholly

unconvincing, and the dishonesty in choosing the name and the ill design to trade and cash upon the reputation and goodwill of the plaintiff is

pronounced and prominent. The Court held that passing off involves elements of misrepresentation and deceit. The object of adopting the trade

name or deceptively similar name of another person is to trade upon and derive the financial benefit from the reputation and goodwill of that

person. As a consequence the business or the goodwill of the other person suffers damage in financial as well as in terms of reputation. That is why

the remedy against passing off action is independent of the infringement action arising from the violation of the statutory right to a trade mark.

97. Under such circumstances, there shall be an order of injunction restraining the respondents, their men, servants, agents, assigns, dealers,

distributors and/or anyone claiming through them restraining them from manufacturing, marketing, selling, distributing, advertising and/or otherwise

dealing any cement under the mark ""Rhino"" with the colour scheme, get up as shown in Annexure ""g"" to the Petitioner and also from infringing the

registered trade marks as shown in Annexure ""f"" to the Petition. There shall also be an order in terms of Prayer ""d"".

98. This application, accordingly, stands disposed of. However, there shall be no order as to costs.

99. Urgent xerox certified copy of this judgment, if applied for, be given to the parties on usual undertaking.