

Kwality Ice Creams Ltd. Vs India's Hobby Centre Pvt. Ltd.

Court: Calcutta High Court

Date of Decision: May 16, 1988

Acts Referred: Trade and Merchandise Marks Act, 1958 " Section 107, 11, 12(1), 18, 32

Citation: 93 CWN 181

Hon'ble Judges: Prabir Kumar Majumdar, J

Bench: Single Bench

Advocate: Sudipta Sarkar, Sibdas Banerjee and Dilip Surana, for the Appellant;Goutam Chakrabarty, for the Respondent

Final Decision: Dismissed

Judgement

Prabir Kumar Majumdar, J.

This is an application by the petitioner, India's Hobby Centre Pvt. Ltd. under the Trade & Merchandise

Marks Act, 1958 (hereinafter referred to as the Act) for cancellation of and/or expunging the Trade Mark bearing No. 363531-B in Class 30 and

registered in the name of KWALITY ICE CREAMS LTD. the respondent from the Register of Trade Marks. The grounds for expunging the

registered Trade Mark in favour of the respondent from the Register are, inter alia, as follows:

a) that the registration was obtained by fraud,

b) that the trade mark was registered in contravention of the provisions of Section 11 or offend against the provisions of that Section on the date of

commencement of the proceedings,

c) that the trade mark was not, at the commencement proceedings, distinctive of the goods of the registered proprietor.

d) that the trade mark was registered without any bonafide intention to use it.

e) that the entry in the Register was made without sufficient cause,

f) that the entry relating to the Registered Trade Mark is wrongly remaining on the Register,

g) that the Trade Mark Registered in the name of the respondent Kwality Ice Creams Ltd. is disentitled to protection in the Court,

h) that the balance of convenience is in favour of the expunging the trade mark from the Register.

2. The petitioner, India's Hobby Centre Pvt. Ltd. on the aforesaid grounds prays for expunging the trade mark bearing No. 36 35 31-B from the

Register of Trade Marks by virtue of Sections 32, 46 and 56 of the Act.

3. This application was made before the Registrar of Trade Marks, and the said application had been made by Depenning & Depenning acting as

agent for the applicant, the India's Hobby Centre Pvt. Ltd.

4. This application has come up before this Court under the provisions of Section 107 of the said Act. as the suit filed by the respondent against

the petitioner as also the suit filed by the petitioner against the respondent relating to the said Trade Mark as registered in favour of the respondent

are pending in this Court. This application before the Registrar, Trade Mark was made on 24th September, 1985.

5. The case of the petitioner as made out in the petition is that the petitioner India's Hobby Centre Pvt. Ltd. adopted the name ""SUB ZERO"" for

their Ice cream Parlour in or about 1979. It is alleged by the petitioner that the petitioner had been carrying on business under the name and style

or ""SUB ZERO"" ICECREAM PARLOUR AT No. 1A, Russel Street, Calcutta. It is the case of the petitioner that the petitioner on or about 27th

June, 1979 entered into an agreement with ""KWALITY ICE CREAMS LTD."" , the respondent herein under which the Icecreams were to be

supplied to the petitioner by the respondent on consignment basis, which was to be sold by the petitioner under its own name ""SUB ZERO

although the respondent supplied or was to supply the Ice Cream to the petitioner under respondents Trade Mark ""KWALITY"" they were to be

sold to customers of the petitioners along with their own name/mark ""SUB ZERO"". It is claimed by the petitioner that within the short time the

mark Sub Zero earned great name in respect of Ice Creams and the sale very soon rose to the extent of Rs.2,40,000/- per month. It is also alleged

by the petitioner that the said agreement in particular provided that the packing material and stationery goods for the sale of icecreams in the

petitioner's said Parlour should bear the name ""SUB ZERO ICE CREAM PARLOUR or INDIA'S HOBBY CENTRE PRIVATE LIMITED for

KWALITY ICE CREAM PRODUCTS."" It is claimed by the petitioner that the said mark ""SUB ZERO"" has been continuously used in India since

at least 1979 and the petitioner profusely advertised the said mark of SUB ZERO in Newspaper and other media and were spending about

Rs.24,000/- annually for such advertisement. It is the further case of the petitioner that although the Icecreams sold by the petitioner were the

manufacture of KWALITY, nevertheless by virtue of the huge sales of Icecreams in the said ""SUB ZERO"" Ice Cream Parlour of the applicants

and with the marks of said ""SUB ZERO"", the name Sub Zero became so popular within a very short time that Icecream sold from this Parlour

become associated in the minds of the public with icecreams sold therein and thus became known to the public as ""SUB ZERO"" Ice Creams. It is

also alleged by the petitioner that pursuant to the said agreement the respondent by its letter dated 27th June, 1979 assured the petitioner that the

names ""SUB ZERO"" Ice Cream Pvt. Ltd. would not be used in any other Parlour. It is the case of the petitioners that despite the said assurance,

taking advantage of the enormous sales of the Icecreams and the popularity of the petitioners "SUB ZERO" Ice Creams Parlour and the name

SUB ZERO¹, the respondent Kwality wrongly and illegally and in contravention of the provision of the said agreement and the said letter, applied

the name "SUB ZERO" Ice Creams Parlour to their restaurant ""GAY"" on Strand Road and to their Parlour on S. N. Banerjee Road in Calcutta

where they sell Ice Creams of their manufacture.

6. The matter thus was referred to arbitration under the provisions of the said agreement as disputes relating to the use of the said mark arose

between the parties. It is alleged that upon such reference to the arbitration the respondent Kwality removed the name ""SUB ZERO"" from the said

two places on Strand Road and on S. N. Banerjee Road. It is also alleged that the said arbitration resulted in an award and one of the clauses in

the said arbitration award was that Kwality would not open any Ice Cream Parlour within 1 Kilometre of the premises of the petitioners at No.

1A, Russal Street, Calcutta, and would not use the name as ""SUB ZERO"" Ice Cream Parlour in any other Parlour opened by Kwality during the

subsistence of the said agreement, that is to say, Kwality was prevented from using the name "SUB ZERO" in any Icecream Parlour during the

subsistence of the Agreement.

7. It is alleged also by the petitioner that respondent Kwality by a letter dated 23rd April, 1982 terminated the said agreement, the termination to

take effect on the expiry of the month of October, 1982 and it is further alleged by the petitioner that in spite of the above arbitration, respondent

Kwality Ice Creams fraudulently and illegally applied for copyright of the word ""SUB ZERO"" on or about 12th July, 1980 and obtained registration

No. A-30184/BO on the 18th November, 1980.

8. It is further alleged by the petitioner that taking advantage of the huge sales of icecream under the "applicants" mark Sub ZERO, Kwality,

without the knowledge of the petitioner applied for registration of ""SUB ZERO"" as their trade mark and got registration under No. 36 35 31-B in

class 30 in respect of Ice Creams.

9. It is also the case of the petitioner that on termination of the agreement, the petitioners started selling their own icecreams in their said "SUB

ZERO" Icecream Parlour.

10. It is also the case of the petitioner that the petitioner on or about 21st October, 1982 also applied for registration of the trade marks "SUB

ZERO" in Class 30 in respect of Ice Creams and this application was objected to by the Learned Registrar of Trade Marks as being identical with

or deceptively similar to the said registered trade marks of Kwality and the petitioner's said application was held to be barred u/s 12(1) of the Act.

11. In view of the said objection taken by the Learned Registrar to the applicant's application for registration of the Trade Mark ""SUB ZERO

and in view of the existence of the trade mark of the Registered Proprietor namely, Kwality, the respondent herein standing in the way of

registration of the petitioner's trade mark, the petitioner now seeks to rectify the Register by an order of expunction of the said Trade Mark of the

Kwality, the respondent herein being the Trade Mark No. 363531-B in Class 30.

12. This application of the petitioner is being opposed by the respondent Kwality Ice Cream Ltd. The affidavit in opposition has been filed on

behalf of the respondent Kwality Ice Creams Ltd. on 27th January, 1987 and affirmed by one Prem Nath Ghai claiming to be the Managing

Director of the respondent company. The case of the respondent is that the petitioner has been and remained only until the termination of the said

agreement on 31st October, 1982 an agent of the respondent for the sale of Icecream products under the brand name ""SUB ZERO"" at its

business premises at No.1A, Russel Street, Calcutta. By an agreement dated 27th January, 1979, referred to above, the respondent appointed the

petitioner its agent, to stock, display and sell its Icecreams under the name of ""SUB ZERO"" at the Parlour of the said name within the said business

premises of the petitioner dt No.1A, Russel Street, Calcutta on the terms and conditions set forth to the said agreement, including the right of the

respondent to determine the said agency by six months prior notice after the expiry of 12 months. It is claimed that the respondent's said name

SUB ZERO" was the invention and creation of Kwality Ice Cream Ltd. the respondent herein, and the same was done in consultation with a

reputed advertising consultant Hindusthan Thomson Associates. It is alleged that disputes and difference arose between the parties covered by the

arbitration clause contained in the said agreement and was referred to the arbitration of two arbitrators and the said arbitration ended in a

compromise which inter alia, provided that during the subsistence of the agreement dated. 27th June 1979 the Kwality Ice Cream Ltd. would not

open any Icecream Parlour within 1 Kilometer from 1A, Russel Street, Calcutta and would not use the name ""SUB ZERO"" Ice Cream Parlour in

any other Icecream Parlour opened by Kwality Icecream Ltd.

13. It is also claimed by the respondent that the said agreement was duly terminated by a notice in writing dated April, 22, 1982 and thereby the

respondent determined the said agency upon expiry of October, 1932, in terms of the said agreement dated 27th June, 1979. It is the case of the

respondent that from 1979 the respondent has been selling Icecream manufactured through its agents or sister concern under the brand name ""BUS

ZERO"" and the same has had very large sales. It is claimed by the respondent that the products of the respondent under the name ""SUB ZERO

are well known to the public in India and are associated with Icecream of the respondent and the said mark ""SUB ZERO"" has become distinctive,

of the said goods of the respondent in the Indian Market amongst the consumers of ice cream. The respondent duly applied for the registration of

the said trade mark ""SUB ZERO"" in respect of its said products of Ice cream and the same was accepted subject to disclaimer as to the exclusive

use of "Device of Ice Cream Cup" and the same was to be advertised in the Trade Mark Journal dated 7th July, 1982. As stated above, the

registration of the said trade mark in "SUB ZERO" being No. 36 35 31-B was granted in favour of the respondent by a Certificate of the Registrar

dated 39th March, 1955 and the respondent is also owner of the copyright under the said Sub Zero (label) depicting an Ice Cream Cup as also

the words Sub-Zero in an artistic design.

14. It is claimed that the respondent devised and/or acquired the trade name Sub-Zero at considerable costs and expense. It is also the case of the

respondent that pursuant to the said agreement the Icecream Parlour by the name of ""SUB ZERO"" was opened at the said premises of the

petitioner and since then upto the termination of the agreement the Ice Creams of Parlour Varieties exclusively of the respondent's manufacture of

various varieties and flavours were sold at the said Sub-Zero Ice Cream Parlour.

15. According to the respondent, as the petitioner threatened to infringe the respondent's said registered Trade Mark by carrying on with the

business of selling Parlour Quality Icecream of other manufacturers since after the determination by the respondent and the said agreement as

stated aforesaid, the respondent was compelled to file a suit being Suit No. 862 of 19(sic) for the following reliefs :

a) A permanent injunction restraining the defendant by itself, its servants"" or agents from infringing in any way and plaintiff's copy right No. A-

30184/80 by the use of the expression of device sub-zero or any near resemblance thereof in anyway.

b) A permanent injunction restraining the defendant by itself, its servants or agents from passing off, selling or advertising trading in ice cream

and/or similar products not being or the plaintiff's manufacture under name, lable, device and sub-zero or any near resemblance thereof.

c) A permanent injunction restraining the defendant by itself, its servants or agents from infringing the plaintiff's trade mark "Sub Zero" being trade

mark No. 36 35 3-1-B, by selling advertising or trading in Icecream and/or manufacture under the name, label or device of "Sub-Zero" or any

near resemblance thereof.

d) Delivery up by the defendant any blocks, labels, advertisement matter of any kind relating to the expression sub-zero for destruction.

e) Injunction restraining the defendant whether by itself or its directors or officers or servants or agents of any of them or otherwise howsoever

from carrying on any business of sale of ice creams including Parlour Quality Ice-Creams at or from any Ice Cream Parlour including the Ice

Cream Parlour at premises No. 1A, Russel Street, Calcutta by or under the name "Sub-Zero" or any near resemblance thereof as denoting an Ice

Creams Parlour.

f) Accounts and decree as pleaded in paragraph 12B above.

g) Further reliefs.

h) Costs.

16. It is also alleged by the respondent that on or about 14th May, 1934 the petitioner India's Hobby Centre, Pvt. Ltd. also filed a suit against the

respondent being Suit No. 348 for, inter alia, following reliefs :

a) A declaration that the plaintiff alone is entitled to use the name or expression sub-zero particularly in relation to ice cream parlour and the

defendants are not, and neither of them is entitled to use and they have no right and neither of them has a right to use said name or expression or

any near resemblance or colourable imitation thereof in any way in relation either to ice cream or to ice cream parlour or otherwise in any way.

b) A decree on account of damages for Rs. 1,05,000/- such other sum as may be found due upon expiry.

c) An account of profits and/or sales made by the defendant of either of them from sales of Ice Cream made under the name sub-zero or sold at

Ice Cream Parlour using the name sub-zero other than the plaintiff sub-zero ice cream paid.

d) Permanent injunction straining the defendant and each of them by themselves or their servants or agents or subsidiaries or otherwise however

from using or purporting to use the name and expression sub-zero or any near resemblance or colourable imitation thereof in any way and from

selling any ice cream under the same name and from carrying on any business or sale ice cream or the business of running Ice Cream Parlour by or

under the name Sub-Zero or any resemblance or colourable imitation thereof otherwise passing off ice cream parlour or ice cream not connected

with plaintiff connected.

- e) A decree and/or direction striking out the name sub-zero from the business name of the defendant no.2.
- f) A permanent injunction restraining the defendant no.2 from carrying on any business so long as it includes the expression sub-zero in its name.
- g) Receiver.
- h) Interlocutory injunction.
- i) Costs.
- j) Interest on judgment.
- k) Further or other reliefs.

17. It is further alleged that on or about 19th November, 1986 the petitioner moved an application for stay of the respondent's suit being Suit No.

862 of 1982 until the, final disposal of the proceedings filed before the Registrar of Trade Marks and hearing of the petitioner's Suit No. 348 of

1984 be taken up along with the hearing of the respondent's Suit No. 862 of 1982 after the disposal of the proceeding filed before the Registrar,

Trade Marks.

18. It was contended on behalf of the respondent before the Registrar that the said application should have been filed u/s 107 of the Act before the

High Court at Calcutta and the said amendment having been allowed, the said suit has become a suit for infringement of the registered trade mark

and the issue as to the validity of the registration of the said mark concerned would only be determined by an application made to the Court and

not to the Registrar,

19. As stated earlier, that is how this application for expunction of the respondent's Registered Trade Mark from the Register and/or cancellation

thereof has come up before this Court for disposal and by consent of the parties the Registrar of Trade Marks made an order transferring

application of the petitioner for rectification to this Court.

20. Mr. Sudipta Sarkar the Learned Counsel appearing for the petitioner with Mr. Sibdas Banerjee and Mr. Dilip Surana has submitted in support

of the application for expunging the respondent's Trade Mark bearing No. 36 35 31-B from the Register of Trade Marks under provision of

Sections 32, 45 and 56 of the Act on the grounds, inter alia, that registration was obtained by the respondent by fraud and also on suppression of

some material facts, the fact being that the respondent did. not disclose the agreement entered into between the applicant and the respondent on

27th June, 1979 under which it was agreed, inter alia, that the Icecreams were to be supplied to the applicants by the respondent Kwaliti Ice

Creams (India) Ltd. and was to be sold by the petitioner from its said Sub-Zero Ice Cream Parlour.

21. Mr. Sarkar submits that the petitioner India's Hobby Centre Pvt. Ltd. adopted the name Sub-Zero for their Icecream Parlour in or about

1979 and had been carrying on business under the name and style of ""SUB ZERO"" ICECREAM PARLOUR at No.1A, Russel Street, Calcutta

where. (sic)n the petitioners were to sell Icecream to be supplied by the respondent under the applicant's own name ""Sub-Zero"". It is the

submission of Mr. Sarkar that this expression "Sub-Zero" is the name attached to the applicant's Icecream Parlour that this expression "Sub-

Zero" becomes part of the (sic) cant's business and the Icecream sold by the applicant from the said cream Parlour of the petitioner became

known to the public as Sub Zero Icecream. According to Mr. Sarkar this Sub Zero has been closely associated with the petitioner's business

carried on in said Icecream Parlour at Russel Street, Calcutta and the impression has been gaining ground amongst the public that Sub Zero

Icecream is the Icecream that has been sold from the petitioner's said Sub-Zero Icecream Parlour. It is submitted by Mr. Sarkar that respondent

cannot claim such mark Sub-Zero and use the same on its product and the respondent obtained registration of the said Mark Sub-Zero wrongfully

and in the contravention of the provisions of the said agreement dated 29th June, 1979. It is also the contention of Mr. Sarkar that on the date of

the application for registration by the respondent, this agreement was in force and it was, inter alia, provided in the said agreement that the Mark

Sub-Zero would be associated with the plaintiff's place of business the said Icecream Parlour at Russel Street, Calcutta.

22. Mr. Sarkar's main challenge in support of the petitioner's case for expunging the respondent's mark Sub-Zero from the Registrar of Trade

Mark is on the ground that respondent completely suppressed the said agreement entered into between the parties at the time of obtaining

registration of the said Mark Sub-Zero and thereby obtained the registration by fraud.

23. Mr. Sarkar has contended that the respondent did not have exclusive user of the name Sub-Zero on the date when the application for

registration of Trade Mark by the Kwaliti Icecream Ltd. was made. He submits that at the time of making the application the agreement entered

into between the parties dated 27th Dune, 1979 was in force and continued to be so until October,- 1982. It is his contention that under the said

agreement the name Sub Zero was to be used exclusively by the applicant and the respondent could not use it at any place in whatever manner.

24. Mr. Sarkar has also submitted that the said Mark has been registered with reference to the Icecream sold by the respondent and there has not

been any distinctiveness in the said Mark Sub-Zero with reference to the goods of the respondent. Mr. Sarkar has referred to Section 32 of the

Act and the section provides that subject to the provision of Section 35 and Section 45 in all legal proceedings relating to a trade mark registered

in Part A of the register (including application u/s 56) the original registration of the trade marks shall, after the expiration of 7 years from the date

of such registration taken to be valid in all respect unless it is proved : (a) registration was obtained by fraud; or (b) the trade mark was registered

in contravention of provisions of Section 11 offends against the provisions of the section on the date of commencement of the proceedings; or (c)

that the trade mark was not, at the commencement of the proceedings, distinctive of the goods of the registered proprietor. Mr. Sarkar submits

that in view of the said agreement between the parties it cannot be said that the said Mark Sub-Zero was distinctive of the goods of the

respondent, namely, the Icecream. Therefore, the said registration is liable to be cancelled and/or expunged.

25. In support of the petitioner's contention that the said registration was obtained by fraud, Mr. Sarkar submits that the respondent has

committed fraud by suppressing the said agreement dated 27th June 1979 and also suppressing the contents of the letter dated 27th June, 1979

and, further, respondent could not claim exclusive user of the name Sub-Zero to the Icecream on the date of the application for registration and in

fact there was no nexus of the name of Sub-Zero in relation to Icecream.

26. Mr. Sarkar, therefore, submits that there is a valid ground for cancellation and/or expunction of the mark registered on the respondent's

application for registration and the same mark should be removed from the Register of Trade Marks.

27. Mr. Sarkar has cited several decisions. First, he refers to a decision of Madras High Court in the case of Ramappa v. Monappa reported in

1957 Madras 76. In that case, it was found at the time of registration the respondent "" was not the proprietor of the Trade Mark and suppressing

such fact the petitioner there obtained registration of the mark. Mr. Sarkar contends that here also the respondent was not the owner of the Mark

Sub-Zero and, thereby, the respondent obtained the registration of the Mark by fraud.

28. The next case cited by Mr. Sarkar was the case of Baljit Singh v. Ram Saroop reported in AIR 1972 Delhi 153. There the petitioner was the

owner along with another of the mark sought to be registered and by suppressing such joint ownership, the petitioner obtained the registration of

the mark. It is contended by Mr. Sarkar that such suppression amounted to fraud as also in the present case that is, the suppression here, is

nondisclosure of the said agreement dated 27th June, 1979.

29. Mr. Sarkar has contended that Section 18 of the Act clearly speaks of the requirement that the person claiming registration should be the

proprietor of the Trade Mark used or proposed to be used and is desirous of registering the same. According to Mr. Sarkar, in the present case

the Kwaliti Icecream Ltd. in view of not having any exclusive use of the said Mark Sub-Zero by virtue of the said agreement dated 27th June,

1979 was not the proprietor of the said Mark. Mr. Sarkar has also contended in this connection, that the person applying for registration must also

prove that he has the right of the exclusive use the Mark sought to be registered.

30. Mr. Sarkar has also contended that respondent at the time of applying for registration" of the Mark Sub-Zero also suppressed the various

proceedings filed by the respondent or the petitioner in this Court and Various orders passed therein from time to time and it is his contention that

the Registration would not have allowed the respondent's application for registration had the orders of this Court made in various proceedings

between the parties been brought to the notice of the Registrar.

31. Mr. Sarkar has also cited a few English decisions the first one is the case of Boussod v. Merchant reported in 25 RPC 42, the decision in

Oertli v. Bowman reported in 195 7 RPC 388. Mr. Sarkar has also referred a decision of the Supreme Court reported in AIR 1971 SC 898, he

relied on the observation made in paragraph 17 of the report. It has been observed that the distinctiveness of the trade mark in relation to the

goods of a registered proprietor of such a trade mark may be lost in a variety of ways, e.g. by the goods not being capable of being distinguished

as the goods of such a proprietor or by extensive piracy so that marks become publici juris.

32. Mr. Gautam Chakraborty the Learned Counsel appearing for the respondent with Mr. Debal Banerjee submits that petitioner's application for

cancellation of the registration of the Mark of the respondent is entirely misconceived application. He submits that the said agreement dated 27th

June, 1979 was for a limited period and has now come to an end by efflux of time. He also submits that the main tenor of the said agreement is that

the respondent would supply the icecream Products to the petitioner with necessary equipments including and technical and other staff of their own

to assist the petitioner in selling the respondent's said Icecream Products from the petitioner's Icecream Parlour at Russel Street, Calcutta and for

such service the respondent will pay to the petitioner a commission at the rate of 10% or Rs.4,200/- per month whichever is higher. It was also

provided in the said agreement, according to Mr. Chakraborty, that the respondent will have to arrange for the packing materials and stationery

goods for the sale of the respondent's Icecream Products and such packing materials will bear the name ""SUB ZERO ICECREAM PARLOUR

OF INDIA"" ""INDIA'S HOBBY CENTRE (P) LTD."" for the Kwaliti Icecream Products.

33. It is, therefore, the submission of Mr. Chakraborty that the said Mark Sub-Zero so far as petitioner is concerned, was only associated with the

petitioner's, place of business that is Sub-Zero Icecream Parlour situate at Russel Street, Calcutta, but the Mark which has been registered in

respect of the petitioner's goods, namely, the Icecream Products is the Mark associated with the goods and not to any place of business.

34. Mr. Chakraborty contends that the registration of trade mark under the Act is for a Mark associated with the goods and not to any other

including the place of business. He submits the trade mark is the mark always in reference to the goods and not to the other. These will be revealed

from the definition of the Trade Mark in the Act.

35. It is also contended by Mr. Chakraborty that the petitioner is not the proprietor of the Icecream Products sold from the petitioner's Sub-Zero

Ice Cream Parlour. Under the said agreement the applicant may only claim ownership of the Sub-Zero Icecream Parlour but not of Icecream

Products sent by the respondent to the petitioners to be sold from the petitioner's said Icecream Parlour India's Hobby Centre. Therefore,

according to Mr. Chakraborty, there is no question of petitioner having exclusive use of the mark Sub-Zero and respondent also is not claiming

any exclusive use of the mark Sub-Zero Icecream Parlour but the respondent is the proprietor of the Icecream Products sold from said Ice Cream

Parlour as also from other places. Mr. Chakraborty, therefore, contends that it is absurd on the part of the petitioner to suggest that the respondent

did not have the exclusive use of the said Mark Sub-Zero registered under the Act in favour of the respondent.

36. Mr. Chakraborty also submits that there is no question of any fraud alleged to have been committed by the respondent by suppressing the said

agreement. It is the contention of Mr. Chakraborty that the said agreement dated 27th June, 1979 has got nothing to do with the Icecream

Products of the respondent with the mark Sub-Zero. The said agreement, as submits Mr. Chakraborty, is in respect of a place of business and by

such agreement the respondent agreed to supply the Icecream Products to the petitioner which are to be sold from the Sub-Zero Icecream Parlour

situate in Russel Street, Calcutta.

37. Mr. Chakraborty submits that there is no question of any fraud or any suppression as has been alleged by the petitioner.

38. Mr. Chakraborty has referred to a decision of this Court in the case of Caprihans (India) v. Registrar of Trade Mark reported in 75 Calcutta

Weekly Notes 641. Relying on the said decision, he contends that "fraud" means some unfair means used to obtain an unconscionable advantage,

some actual deception by word or deed or some omission by word or deed. Mr. Chakraborty has submitted that in the present case the

respondent has obtained the registration of its Mark Sub-Zero not by any unfair means nor by obtaining any unconscionable advantage nor by

some actual deception. Mr. Chakraborty has also submitted that he has indicated that the said agreement has got nothing to do with the mark of

the respondent on its goods i.e., Icecream. Therefore, according to Mr. Chakraborty, there is no case for holding that the respondent obtained the

registration of its mark by fraud or by suppression or by actual deception. Mr. Chakraborty in this connection, also refers to paragraph 6 of the

said agreement dated 27th June, 1979 which, inter alia, provided that the respondent will arrange for the packing materials and stationer, goods for

the sale of their Icecream and the said packing materials would bear the name ""SUB ZERO ICECREAM PARLOUR OF INDIA""S HOBBY

CENTRE (P) LTD. for KWALITY ICE CREAMS PRODUCTS."" Therefore, it will appear from the said terms of the agreement that the

expression Sub-Zero here is associated with the plain-tiff's place of business i.e., Sub-Zero Icecream Parlour. It has been submitted by Mr.

Chakraborty that Mark Sub-Zero on the respondent's Ice Cream Products which has been registered is the Mark associated with respondent's

products. Therefore, the said agreement has no bearing on the matter.

39. Mr. Chakraborty has also contended that the petitioner has not been able to substantiate case in support of the allegation of fraud nor the

petitioner has been able to substantiate that the mark which has been registered in respect of the respondent's goods was not distinctive of the

goods of the respondent's products.

40. Mr. Chakraborty has distinguished the cases cited by the petitioner, he submits that the decision reported in AIR 1957 Madras 76 is in respect

of the case where the petitioner was not the proprietor of the trade marks. But in the present case, admittedly the respondent is the proprietor of

Icecream with Mark Sub-Zero on its Icecream Products. Mr. Chakraborty submits that the decision reported in AIR 1972 Delhi 153 is also on

the fact of joint ownership and suppression thereof. According to Mr. Chakraborty, the decision reported in 25 RPC 42 was in relation to trade

name and the fact of the present case is clearly distinguishable. The other cases cited by Mr. Sarkar have no application to the case involved in the

present application.

41. As I have already indicated before the petitioner has asked for cancellation of the respondent's mark on the ground that the respondent

obtained the registration by fraud and the said registration was in contravention of the provision of Section 11 of the Act and that the Trade Mark

was not distinctive of the goods of the registered proprietor.

42. Two points have been urged by the learned Counsel for petitioner in this proceedings, i.e., the respondent obtained the registration of this mark

on the ground of fraud inasmuch as the respondent suppressed the fact of the said agreement entered into between the parties on 27th June, 1979

and the respondent did not have the exclusive use of the mark which has been registered in respect of the respondent's products or in other words

the trade mark was not distinctive of the goods of the registered proprietor.

43. In my view, the petitioner has failed to establish its allegation of fraud. It is now well-known proposition that who alleges fraud must allege

some actual deception by word or deed or some omission by word or deed as has been indicated in the said decision of this Court in *Caprihan's*

case reported in 75 CWN 614 (supra). It is true that fraud has not been defined in the Contract Act nor has it been defined in this Act but it is a

common knowledge that in the allegation of fraud two elements must be present first, deceit or intention to deceive and secondly, an intention to

expose some person either to actual injury or risk to possible injury by means of deceit. In a Trade Mark case practically a conclusive test as to

the fraud practiced in the Trade Mark would be, did the author of the deceit derive any advantage from it which he could not have had if the truth

had been known. This is the test which has been indicated in *Bentley Motors (1931) Ltd. v. Lagonda Ltd.*, reported in 1964 RPC 33. From the

facts of the present case, it appears that the respondent obtained registration of the Mark Sub-Zero in respect of the respondent's products as

claimed. Even if the said agreement dated 27th June, 1979 was disclosed before the Registrar who was considering the respondent's application

for registration that would not have made any difference in the matter, for this reason, that the said agreement dated 27th June, 1979 is in respect

of a Mark associated with the business place and not with any of the petitioner's products. It is an admitted position that according to the said

agreement the respondent used to supply its own Ice Creams Products for the purpose of sale by the petitioner from its place of business known

as Sub-Zero Icecream Parlour. The Mark Sub-Zero which has been mentioned in the said agreement related to the petitioner's place of business

that is Sub-Zero Icecream Parlour. The Mark Sub-Zero which has been registered in respect of the respondent's products is a mark associated

with the Icecream prepared by the respondent. Therefore, to my mind, there is no question of fraud and even if such agreement have been

disclosed by the respondent at the time of obtaining the registration of its Mark it would not have revealed any element of fraud.

44. I also see that the petitioner has not been able to substantiate its allegation of fraud inasmuch as the petitioner has not been able to establish by

any document on record or any evidence on record that the respondent had the clear intention to defraud the petitioner when the respondent

applied for registration of its Mark Sub-Zero in respect of the respondent's goods. In my view, there is no fraudulent intention, at least it has not

been established, on the part of the respondent at the time when the respondent applied for registration of its Mark-Zero, Moreover the

application for cancellation of registration does not set forth the essential particulars.

45. Now I will deal with the other point raised by the petitioner that is, the respondent's Trade Mark was not, at the commencement of the

proceedings, distinctive of the goods of the registered proprietor. It has been contended by the petitioner that respondent did not have the exclusive

(sic)se of the Mark in respect of the petitioner's products under which the registration was sought. Again on the interpretation of the said

agreement dated 27th June, 1979 it cannot be contended that the petitioner was in the exclusive use of the Mark Sub-Zero in respect of the Ice

Cream Products sold from the petitioner's said Icecream Parlour at Russel Street, Calcutta. Petitioner had not been able to and cannot establish

the proprietorship of the Icecream Products sold from the Icecream Parlour of the petitioner in terms of the said agreement. According to the said

agreement, the respondent was to supply the Icecream Products to the petitioner or the purpose of sale thereof from the petitioner's Sub-Zero

Icecream Parlour, India's Hobby Centre at Russel Street, Calcutta. If there is any distinctiveness so far as the petitioner is concerned, that may be

the Mark Sub-Zero with reference to the petitioner's place of business carried on from Russel Street, Calcutta, under the name and style of Sub-

Zero Ice-cream Parlour, further, the word "distinctive", requires that the Trade Mark must distinguish the goods of proprietor from those of others.

It will appear from the said agreement dated 27th June, 1979 that the packing materials and stationery goods for the sale of Icecream shall bear

the name Sub-Zero Ice Cream Parlour of India's Hobby Centre Private Ltd. for Kwaliti's Icecream Products. Therefore, the people buying Ice

Cream from the said Parlour are under the impression that they are having Kwaliti's Sub-Zero Ice Cream.

46. In this connection, it may also be noted that the said mark Sub-Zero as registered under this Act and under Copy right Act and the petitioner

ever raised any objection at that stage. I am, therefore, of the view, that this contention of the petitioner that the respondent's trade mark was not

distinctive of the goods is not acceptable.

All the contentions raised by the petitioner fail and this application for cancellation of the registration on the ground stated in the application is liable

to be dismissed. This application for cancellation and/or expunging the respondent's trade mark should be dismissed and is hereby dismissed.

There will be no order as to costs.