(1981) 02 BOM CK 0039

Bombay High Court

Case No: Appeal No.119 of 1976 in Miscellaneous Petition No. 811 of 1969

Kanshiram Surinderkumar a firm		APPELLANT
	Vs	
Thakurdas Deoomal Rohire and Others		RESPONDENT

Date of Decision: Feb. 16, 1981

Acts Referred:

- Trade and Merchandise Marks Act, 1958 - Section 11, 12(1), 12(3), 33

Citation: AIR 1982 Bom 505 : (1982) 84 BOMLR 291

Hon'ble Judges: V.S. Deshpande, C.J; D.M. Rege, J

Bench: Division Bench

Advocate: V.V. Tulzapukar, for the Appellant; G.J. Desai, for the Respondent

Judgement

Rege, J.

This appeal involves a question of rectification of the Trade mark Register by deleting mark "Amar" registered in the name of the Appellants under No.212206B in part "B" of the Register in class 24 rules made under the Trade and Merchandise marks Act, 1958,

2. The appellants had by their application dated 8th Nov.1962 applied for registration of the mark consisting of word "Amar" in respect of textile piece goods, On 25-3-1964 the said mark "Amar was registered in the name of the appellants under No.212206B in part "B" of the register of Trade mark in class 24. The Respondents thereafter on 21-5-1965 applied for the registration of the very same mark in their name, However, on being pointed out about the registration of the said mark in the name of the appellants, the respondents made an application dated 2nd Sept. 1965 under S. 56(2) of the said Act for rectification of the register by deleting the said mark "Amar" as registered in the name of the appellants on the ground that the same was entered on the register without any sufficient cause. According to them, the registration of the said mark in the name of the appellants was in contravention of S. 11(a) of the said Act as firstly they were the

proprietors of the said mark before the mark was registered in the name of the appellants and secondly the said mark of the appellants being identical to that of their mark was likely to deceive or cause confusion.

3. The appellants opposed the said application for rectification , inter alia, denying that the respondents were proprietors of the said mark where the mark was registered in their name and that the mark was contrary to the provisions of S. 11(a) of the said Act. They also pleaded acquiescence on the part of the respondents in use of the said mark by them. They also contended that their case fell under S. 12(3) of the said Act on the basis of honest concurrent user.

4. The joint Register of the Trade marks held that on the material on record the Register was liable to be rectified as the respondents were the proprietors of the mark at the time when the same was registered in the name of the Appellants and that the Appellats" mark being identical to that of the respondents was in contravention of section 11(a) . He also negatived the appellants" plea as to acquiescence on the part of the respondents so also their plea of honest concurrent user. Accordingly he passed an order rectifying the register by removing from the register the said mark in the name of the appellants.

5. In appeal to this court u/s 109(2) of the said Act, the very same contentions were raised before the learned judge and all of them were negatived. It may be pointed that in connection with the contention as to acquiescence the court also considered the question of purity of register in public interest in connection with marks falling under S. 11(a) of the said Act viz., marks likely to deceive or cause confusion and relevance of the question of acquiescence thereunder. He followed the decision of this court in Ciba Ltd. Vs. M. Ramalingam and S. Subramaniam trading in the name of South Indian Manufacturing Co. and Another, holding that in respect of marks falling under S. 11(a) as in this case. Maintain purity of register in public interest was of primary importance and the question of delay of acquiescence was to be considered from the point of view of any substantial injury caused to the party so as to outweigh the consideration of public interest and that the hardship of the party cannot be taken into account when the party was not an innocent party. He therefore held that in this case the question of public interest was of importance and no such hardship or injury was shown to the appellant so as to outweigh the public interest. The learned judge also negatived on merits the appellants" plea as to acquiescence and honest concurrent user falling under S. 12(3) of the said Act.

6. Against said order of the learned judge, the appellants have filed this appeal as permissible under the provisions of the said Act, The learned counsel for the Appellants has also raised before us the very same contentions which were raised by him in the lower court.

7. It cannot be disputed that the mark "Amar" as used by the respondents in respect of the textile goods sold by them, was identical with the mark sought to be used by the appellants and was likely to deceive ot cause confusion as contempt under S. 11(a) of the

said Act. However the registration of the said mark in the name of the appellants could be considered to be in contravention of S. 11(a) if the respondents were to show that they were prospectors of the said mark i,e, had adopted and used the same, prior to it being used by and registered in the name of the appellants It may be mentioned at the outset that none of the parties are the manufactures of the textile goods, They only sell under their various marks textile goods manufactured by different mills, The appellants also work as commission agents in textile goods. 8. Both the sides had before the Deputy Registrar. Led evidence by way of affidavits to substantiate their respective claims as to their being proprietors of the said marks.

8. It was the case of the respondents that they have been using the said mark ''Amar'' on the textile goods sold by them since 1955,while according to the appellants they have been using the said mark since 1958. Both the joint Register and the learned judge in their judgments have considered in detail the affidavits filed on both sides and found that the respondents had shown their proprietor respondents had shown their proprietor ship of the said mark since 1955, i,e much prior to the use by the appellants of the saime. In our view, on the material on record their said conclusion can not be faulted with. The rival affidavits in that connection be shortly referredto.

9. The respondents in the affidavit of one chhogumal made in their behalf have pointed out various sales which were supported by these books of account and as pointed out by the learned judge, the said sales were not seriously disputed by the learned counsel for the appellants. The said sales are substantial. The respondents were thereforefore able to substantiate their case of use of the mark since 1955. The respondents also produced affidavits from the mills who had placed the respondents'' said marks on the goods supplied by them to the respondents. It was also not disputed that the appellants had at least since 1958 knowledge of the respondents'' use of the said mark ''Amar'' since they had purchased as commission agents for their upcountry customers from the respondents under two invoices dated 20-1-1958, which were produced during the hearing textile goods under the said mark ''Amar''

10. As agents this the appellants who claimed to have used the said mark since 1958 do not appear to have been able to substantiate their said case. The appellants have not been able to produce their books of account in any event for the year 1958-59 , 1959-60 and 1960-61 and there was no other positive evidence to show whether they had sold any of their goods with the said mark since 1958 to substantiate their case, The evidence produced by the appellants if believed could show the use of the mark only from 1961. Three purchasers had filed affidavits on behalf of the appellants. Their affidavits also did not take the appellants'' case any further . one Dherasha who had filed an affidavit spoke about having purchased the goods bearing the said mark from the appellants in the years 1958, 1959 and 1960 but the affidavit showed that he had purchase only 2 bales during all the said three years. One Harim in his affidavit claimed to have purchased the goods from the appellants withe the said mark in the years 1957-1958 and 1959-1960. In that case also. The bales purchased were two in number.so also was the affidavit of one

Motiram who was also claimed to have purchased 1 bale bearing the said mark from the present appellants in the year 1957-58. The learned judge has rightly disbelieved the last two affidavits as when even according to the appellants, they had started using the said mark since 1958, the affidavits spoke about the purchase of the goods from the appellants in 1957. The said affidavits spoke about the purchase in all of 5 bales in three years and were not supported by any account books. Apart from that as pointed out by the learned judge that if it was admitted in January / Febuary , 1958 the appellants had purchased goods worth Rs. 6766.58 under the same mark from the respondents it was probable that the goods said to have been purchased by the said three persons making the affidavits , from the appellants could have been the very same goods purchased by the appellants from the respondents. Reliance was also placed on certain orders received by the appellants from the customers asking for goods under the mark " Amar" . The persons who were supposed to have given the said orders had not filed any affidavit. It was therefore not possible to place any reliance on the said order forms and could not help the appellants in their contention . As pointed out by the learned judge the respondents have not produced the best evidence to support their case. If their case was true the best evidence that they could have produced was affidavits from the Mills who had placed the said mark on the goods supplied to them , as the respondents had done.

11. On the material on record the learned judge and the joint Registrar were justified in holding that the respondents were the proprietors of the said mark "Amar" prior to the use of the mark by the appellants.

12. If therefore the respondents were the proprietors of the said mark at the time of the registration of the said mark in the name of the appellants and if the said mark being identical was likely to deceive or cause confusion , then the registration of the said mark was in contravention of the provisions of S. 11(a) of the said Act.

13. The main contention of the learned counsel for the appellants was on the question of acquiescence. He has contended that the conclusion of the learned judge that in cases of registration of mark under S. 11(a) of the said Act , the question of purity of Register in Public interest was a prime consideration unless the injury caused to the party was so substantial so as to outweigh public interest , was not right.

14. It was contended by the learned counsel of the appellants in the lower court that in excepting in the cases of marks covered under Sec. 9 of the said Act viz. , marks inherently incapable of adaptation , in no other case the consideration of purity of register in public interest would arise , the said contention was negatived by the learned judge . However, before us the learned judge has considerably narrowed down the ambit of the said contention . His contention before us was that it was only in cases of marks that were identical or nearly resembling , though falling under Sec. 11(a) of the said Act, the question of register in public interest would never arise and the plea of acquiescence would be available against an unmeritorious applicant, though according to him in all other cases viz., marks under Sec, 9, under Sec 11 (a) , excluding marks that were

identical or resembling , as well as marks falling under Sections 11(b) to (e) and Section 12(1) of the said act , the said consideration of public interest would arise . According to him , the consideration of public interest in case of marks that are identical or nearly resembling would not arise as S. 12(3) and Sec 33 of the said Act permitted the existence of two of such marks appearing on the Register at the same time .

15. The question as to the consideration of purity of register in public interest as against acquiescence came to be considered by the Division Bench of this court in the case of Ciba Ltd. Vs. M. Ramalingam and S. Subramaniam trading in the name of South Indian Manufacturing Co. and Another, , . There the court was specifically concerned with the provisions of S. 10 (corresponding to S. 12(1) of the present Act) dealing specifically with the prohibition against registration only of identical or deceptively similar marks and Sec. 46 of the Trade Marks Act, 1940 dealing with rectification of the Register (corresponding to Sec 56 (2) of the present Act).

16. The facts in that case so far as relevant were that amongst other marks of the appellants , their mark "Ciba" was registered on 24-8-1946, and mark "Ciba" (monogram) was registered on 27th October 1944. On 22nd December 1943 the respondents applied for the registration of their label containing the word "Cibal" . The said label was advertised after amendment on 3rd Nov. 1949 "CIBOL" was registered in the name of the respondents. On 16th March 1960 the appellants applied for the rectification of the register under Sec. 40 of the Act, on the ground that the respondents mark so closely resembled their mark that its registration contravened the provisions of S. 10(1) of the Act, 1940 . The Registrar in that case ordered rectification which decision was reversed by the single judge of this court and appeal this court restored the order of the Registrar holding that , in view of the phonetic as well as visual resemblance between the words , it was clear that the subsequent registration of the respondents mark was not justified in law.

17. As pointed above the court thereafter was specifically concerned with the rectification of register in respect of the marks which were identical with or deceptively similar to the marks (covered u/s 11(a) of the present Act) already registered u/s 10 of the Act, 1940 (Sec. 12(1) of the present Act) . In that connection the court made the following observations at pp. 560-561 of the report (of Bom LR) : (At p. 58 of AIR).

" Now, in considering both S. 46 and S. 10, it has got to be remembered that the primary duty of the court is towards the public and maintenance of the purity of the register . When a case is sought to be made out that a particular trade mark is likely to deceive or cause confusion , the contest is not so much between the parties to the litigation as it is a particular trade mark and the public , and the duty of the court must always be to protect the public irrespective of what hardship or inconvenience it may cause to a particular party whose trade mark is likely to deceive or cause confusion . The object of maintaining a trade mark register is that the public should know whose goods they are buying and with whom particular goods are associated . It is therefore, essential that the register

should not contain trade marks which are so identical or which so closely resemble each other that an unwary purchaser may be likely to be deceived by thinking that he is buying the goods of a particular person or a particular firm or a particular industry , whereas he is buying the goods of another person or firm or industry".

18. As is clear from the above observations the same do not admit of a limited exception as contended by the learned counsel of the appellants . The learned counsel of the appellants has based his said contention on the provisions of S. 12(3) and S. 33 of the said Act. The said provisions constitute exceptions to Sec. 12(1) of the Act providing for the existence of two marks on the register , though identical, under certain circumstances, Sec 12(3) deals with the registration by the registrar in his discretion and subject to such limitation and condition of a mark identical with a mark already registered , in case of there being an honest concurrent user. Sec. 33 inter alia , deals with the prohibition against the proprietor of a registered trade mark , from interfering in the use of a mark identical with his registered trade mark , by a person who has vested rights in the use of the same being prior to the use of the registered trade mark . The section also prevents the Registrar from the registering the said mark only by reason of the identical mark being registered earlier.

19. Section 12(3) is an evident exception to S. 12(1) prohibiting the registration of a mark identical to the mark already registered while Sec 33 is a sort of a defense to a person who has vested rights in the prior use of a mark identical with that of the Register mark. It is therefore clear that for the identical marks which do not fall under either Sec. 12(3) or Sec. 33 of the said Act, the said protection was not extended and they cannot be registered because of the provisions of Sec. 11(a) . Under the circumstances the contention of the learned counsel of the appellants that because of the provisions of Sec. 12(3) and S. 33 of the said Act, the consideration as to purity of Register in public interest in case of identical marks would not arise, cannot be accepted .

20. The learned counsel for the appellants has in support of his contention referred to the judgement of the single judge of this court in the case of Nekumar K. Porwal Vs. Mohanlal Hargovindas, It is difficult to see how the said decision can have application to the question involved in this case. In that case the persons who applied for rectification of the register had in fact at the time of the registration of the earlier mark withdrawn their opposition to the same. The deputy Registrar who dealt with the matter had in terms that the parties applying for rectification were by their conduct not persons aggrieved and therefore could not obtain relief on either of the grounds mentioned in the application . However, although not necessary for him to do so , the Deputy Registrar had suo motu gone into the question of similarity of marks in the name of purity of register and public interest and also held that there was no similarity . Even then the Deputy Registrar instead of dismissing the application even at that stage , again suo motu in the name of the purity of the register and public interest went further into a question of rectification on the ground of misdescription and rectified the register on that ground . The court in that case was therefore only concerned with the jurisdiction of the Asst. Registrar to act suo

motu under Sec. 56(4) of the said act in rectifying the register. While dealing with the said power of the Registrar , the Court observed as follows (at p. 252) :

" From these authorities , it will be clear that where a trade mark inherently incapable of registration or where the entry on the register is not illegal or improper in the sense that it contravenes any of the provisions of the Act, the court of the Registrar under sub-section (2) of Section 56 of our Act would have no jurisdiction whatever to exercise the power of rectification except on the ground and in the manner urged by the applicant being a "person aggrieved" in his application for rectification". (Underlining supplied)

The said decision has therefore no application to the point at issue before us,. However, if at all, the aforequoted observations would go against the appellants for them to show that the Deputy Registrar has jurisdiction under S. 56(4) of the Act to rectify the register suo motu on the basis of purity of register or public interest in cases where the entry of the register was illegal which would be the case in the case of identical marks as contravening S. 11(a) of the said Act. The learned judge in that case no way held contrary to the law laid down in Ciba Ltd. Vs. M. Ramalingam and S. Subramaniam trading in the name of South Indian Manufacturing Co. and Another, . but on the contrary cited the same and held that the said decision was not applicable to the facts of the case as the mark concerned was not illegal or improper . The said decision therefore cannot help the learned counsel for the appellants in his said contention .

21. In our view therefore the learned judge was right in holding that in this case of identical marks falling within S. 11(a) of the said act the question of purity of register in public interest was a primary consideration as against the question of acquiescence , or delay unless the same had caused substantial injury to the appellants so as to outweigh the question of public interest . As the learned judge has rightly pointed out there is no case of such hardship in this case . The acquiescence or delay in this case was of a few months , the appellants having shown the use of the said marks by them only since 1961 and the registration of the mark in their favour having become effective only since 8th November 1962. There is also nothing to show that the appellants had suffered any damage due to such acquiescence or delay on the part of the respondents. On the contrary as the learned judge has rightly pointed out if not anything the appellants have stood to gain thereby.

22. Even apart from his said conclusion the learned judge has proceeded to consider the appellants contention as to acquiescence and has negatived it . The learned counsel for the appellants had challenged that conclusion as well. In that connection , he has firstly contended that the learned judge was wrong in holding that the acquiescence that was as that of 8th Nov. 1962 when the registration of the mark in appellants name had become effective and not later . According to the learned counsel for the appellants the acquiescence that was to be considered was as on the date of the respondents application for rectification i.e. 2-9-1965.

23. On the reading of Sec. 56(2) , the said contention cannot be accepted . In this case it cannot be disputed that the respondents have come to the court for rectification on the ground that entry made in the register of the said mark ''Amar'' in the name of the appellants was without any sufficient cause and it is the appellants who were seeking to show that the said entry was properly made by pointing out that the respondents has acquiescence in the making of the said entry . If that were so the only date from which acquiescence would be considered is that date on which the registration of the appellants mark had become effective i.e. 8-11-1962 and not thereafter .

24. If that were the case , then as the learned judge has rightly pointed out that on 8-11-1962 when the Registration of the mark in favour of the appellants had become effective there was no acquiescence of any substance by the respondents in the appellants use of the said mark the delay at that date being of a few months .

25. However, even if the acquiescence till the date of the application for rectification i.e. till 2-9-1965 were to be considered still in our view , on the material on record there is no substance in it . The respondents have contended that they became aware of the registration of the said mark "Amar" in respect of their piece goods , when in 1965 the mills from which they were getting their goods stamped with the said mark, received a notice from the appellants in that regard. It is also not disputed that the appellants had purchased from the respondents the goods with the said mark "Amar" and it was probable that the respondents would have considered the sale by the appellants of the goods under the said mark being of those purchased by the appellants from them .

26. As against this to support his case as to respondents'' acquiescence on that basis the learned counsel for the appellants has relied on three things viz., (1) proximity of the shops of both the parties , (2) the exhibition of their goods with the marks by the appellants in their shop and (3) advertisements as to the appellants'' said mark appearing in Textile Magazines. In our view , none of the said circumstances would prove knowledge by respondents about the appellants selling their goods under the said mark ''Amar'' . The circumstance about the shops of the appellants and respondents being close or the appellants exhibiting their goods bearing the said mark in their shops would not fix the respondent with the requisite knowledge about the appellants'' use of the said mark unless it was alleged that the respondents had visited the appellants shop . No such allegation is however found in the affidavits . The third circumstance viz., advertisement in textile magazine in 1962 also stands on the same footing unless it was shown that the respondents were subscribers thereto . Therefore even if the question of acquiescence is considered as at 2-9-1965 being the date other application for rectification still in our view the material on record fails to prove the appellants'' case .

27. That brings us to the last contention of the learned counsel for the appellants viz., that the joint registrar should not have rectified the register on the ground that he case fell within the provisions of S. 12(3) of the Act being that of honest concurrent user of the said mark by the appellants. In this case since admittedly in 1958 itself the appellants have

purchased goods from the respondents under the said mark ''Amar'' it would be difficult to hold that the appellants'' subsequent use of the said mark in relation to their goods could be considered as honest. What was contented by the learned counsel for the appellants was that although the appellants had in 1958 itself knowledge of the respondents'' use of the said mark , the appellants would have honestly believed that the respondents had not built up sufficient reputation for the said mark as to be the proprietors thereof and therefore the appellants use of the said mark could be considered to be an honest concurrent user. On the wording of Sec. 12(3) the said contention of the learned counsel for the appellants has got to be rejected. All that is required to be shown under S. 12(3) of the Act was that the concurrent use of the mark by the appellants was honest and the question of honest belief as to the reputation of the respondents mark was irrelevant for consideration. In that view of the matter , the appellants case cannot also come under S. 12(3) of the said Act.

28. The appeal therefore fails and is dismissed with costs. The order of the learned judge is confirmed.

29. The learned counsel for the appellants make an oral application before us for leave to appeal to the Supreme Court. The same is rejected.

30. Appeal dismissed.