

(2011) 04 BOM CK 0076
In the Bombay High Court
Case No : Writ Petition No. 364 of 2011

Agar Distributors and Shri Siraj Amirali Soorani	APPELLANT
Vs	
Intellectual Property Appellate Board, Lakh Enterprises and Juzer M. Lakhwala	RESPONDENT

Date of Decision : 29-04-2011

Acts Referred:

Civil Procedure Code, 1908 (CPC) — Order 41 Rule 27
Trade and Merchandise Marks Act, 1958 — Section 11, 12, 18, 21(1), 9
Trade and Merchandise Marks Rules, 1959 — Rule 51, 53, 54, 55

Citation : (2011) 4 ALLMR 403

Hon'ble Judges : Anoop V. Mohta, J

Bench : Single Bench

Advocate : Pravin Samdani and Snehal Mhatre, instructed, M and M Legal Ventures, for the Appellant; S. Shamin, instructed by y., Shamim and Co. for Respondents 2 and 3, for the Respondent

Final Decision : Allowed

Judgement

Anoop V. Mohta, J.—Rule. By consent of parties, heard finally at this stage.

2. The Petitioners have challenged the order dated 16 July, 2010 passed by the Intellectual Property Appellate Board (Appellate Board), thereby dismissed the Misc. Petition filed by the Petitioners to take on record additional documents along with the reply to the counter statement.

3. An application for registration of the trademark "BRIGHT STAR" in Class 1 in the name of Juzer M. Lakhwala, trading as Lakh Enterprises, Bombay was filed before the Joint Registrar of Trade Marks under the Trade and Merchandise Marks Act, 1958 (Trade Marks Act, 1958) by the Respondents. Notice of Opposition dated 1 June, 1994 to the registration of a trade mark u/s 21(1) of the Trade Marks Act and Rule 51 of the Trade Marks & Merchandise Rules (Form TM5) was issued. The Petitioners filed an opposition on various grounds and objected the registration being in contravention of Sections 9, 11, 12, 18 of the Trade Marks

Act, based upon their trade marks "5 STAR"/"FIVE STAR", as registered, since more than two decades and as earned name and fame and goodwill in the concerned market and amongst the general public. Therefore, objected to the Respondents 2 and 3's registration of similar trade mark "BRIGHT STAR". The Petitioners accordingly filed supporting material on record as contemplated under the Trade Marks Rules 53, 54 and 55.

4. By order dated 14.12.2000, in an interlocutory petition of the Petitioners, an amendment in the Notice of Opposition, was allowed. However, the other details of their registered trade marks and of pending Applications, were disallowed by observing "Since the amendment sought is only matter of records of Trade Marks Registry which constitute a constructive notice to the Applicants as well as the general public, no harm shall be caused to the Applicants case as some of the marks which are now sought to be relied upon were already part of notice of opposition filed earlier in the form of Annexure "1".

5. By order dated 23 July 2003, the Joint Registry of Trade Marks dismissed the opposition of the Petitioner and proceeded to grant registration to Respondents 2 and 3 by observing as under:

The Applicant's trade mark is BRIGHT STAR along with device of Star and they are seeking registration in respect of "Agar Agar" and the use of the trade mark is claimed from 1983. The Opponents although have claimed the use of the trade mark STAR and FIVE STAR since the year 1976, but they have not filed any evidence in support thereof. It is well settled principle of law that initial onus of proof to sustain the objection u/s 11(a) of the Act, is upon the Opponents. Since the Opponents have failed to discharge the onus of proof cast upon them, the issue remains unproved and is decided against the Opponents.

6. The Petitioners being aggrieved by the same, preferred an Appeal before the Appellate Board, constituted under the Trade Marks Act, 1999 (The Trade Marks Act, 1999). An application for taking evidence on record in support of the above opposition was filed on 08.04.2008, by praying that they may be permitted to file an additional evidence in support of their affidavit dated 22 December, 2006.

7. The Petitioners specifically averred in para 4 as under:

4 The Applicants submit that at the time of the proceedings in respect of Notice of Opposition before the Learned Registrar of Trademarks, the Applicants filed an Affidavit in support of the Notice of Opposition relying upon the contents and averments made therein. The Applicants submit that the Evidence by way of Compilation of Documents could not be brought on record before the Learned Registrar of Trademarks in view of the fact that the Applicants have been the existing Registered proprietors of the trademark "Five Star" in Class 1 in respect of their goods Agar Agar and were the prior and long users thereof. The Applicants were of the bonafide opinion and belief that on the basis of these facts on record of the Learned Registrar, the Applicant need not adduce any evidence and therefore they relied on the Registration Certificates in respect of their

trademark viz "Five Star" granted to them.

8. The said Application was opposed by Respondents 2 and 3 by filing reply dated 28 July 2008. By the impugned order dated 16 July, 2010, the Appellate Board rejected the said application and thereby denied the Petitioners to place on record the additional documents. Therefore, the present Petition.

9. Under the Trade Marks Act, 1999, the Appellate Board/Authority is empowered to take additional documents on record as contemplated under Order 41, Rule 27 of the Code of Civil Procedure, (CPC) as the substantial and the procedural laws are required to be followed even by the statutory Tribunal. In the present case, the Petitioners had already filed affidavit in reply dated 22 December 2006 to the counter statement along with the compilation of documents and also an affidavit in support of the Notice of Opposition relying upon the contents and the averments made therein. The trademark registration record/documents are always with the Registrar. Therefore, the Petitioners were under bonafide belief that these documents of various registered proprietors of similar trademarks, need not be produced. They relied upon the registration certificate in respect of their trade mark "5 STAR" granted to them. The effect and rights of the trademark registration and prior use of the mark just cannot be overlooked. Therefore, as advised, the Petitioners' Advocate did not file any further documents of registration and their prior use of the trademark. The same was confirmed by the earlier Advocate by an affidavit dated 5 June, 2010. In a way, the Petitioners in support of their opposition, through an affidavit and objection, made reference to all their registered trademarks. Therefore, there was no case of new documents brought on record and/or sought to be brought on record for the first time by this Application.

10. The reasoning given by the Appellate Board, therefore, is wrong that the Petitioners want to bring on record a new case by filing additional documents first time in the Appeal. In my view, the Appellate Board failed to consider that there was clear observation in the order dated 14.12.2000 that the amendment sought was only a matter of record of Trademark Registry which constitute a constructive notice and those were part of the record and thereby the details of registered trademarks and pending Application of the Petitioners were not permitted. Though the documents were sought to be placed on record by the Petitioners along with opposition, but it was not permitted at that relevant time. Therefore, it is not the case of "no due diligence" and/or "the documents are not necessary for pronouncement of the order". In my view, as the opposition of the Petitioners was dismissed/rejected on the ground that they failed to support their opposition by documents, though those registration records/documents were part of the Registry. Such rejection definitely cause injustice and hardship to the Petitioners. Those documents which have been in the custody of Registrar ought to have been considered.

11. In my view, the learned Appellate Board/Authority is wrong in overlooking the purpose and object of Order 41, Rule 27 of CPC specially in the facts and

circumstances of the case. The trademark registration record and the record of pending application for registration are always subject to date of filing and numbering. The Registrar/Authority is under obligation to maintain the same. The Petitioners are prior registered user of the concerned trademark since more than two decades and their applications are also pending for registration of similar trademarks. Such statutory authority under Trade Marks Act cannot ignore their own record and documents. The Petitioners had already referred in their objection affidavit and tried to place it on record also. Therefore, it does not lie in the mouth of the Registrar/Department to the Authority to blow away the Petitioners' objections in such fashion. It must be considered in accordance with law.

12. As per Rule 51, it is necessary to put on record the registration number of such trademarks and the dates of journal in which they have been advertised, when the registration is opposed on the ground that the trademark in question resembles marks already on the register. The entry in the Register and the registration of the trademarks are well within the possession of the concerned Registry. In the present case, same was provided along with the affidavit in support of objections.

13. In view of above, therefore, as the order in Appeal was the Registrar's order of rejecting no objection and granting registration, the additional evidence/material sought to be placed on record by the Petitioner, which is permissible, ought not to have been rejected. There are foreign judgments, which are relevant for the issue are as under:

The principle to be followed in this regard is stated in *Ladd v. Marshall* (1954) 1 WLR 1489 by Lord Denning as under:

"First, it must be shown that the evidence could not have been obtained with reasonable diligence for use at the trial; secondly the evidence must be such that, if given, it would probably have an important influence on the result of the case, that it need not be decisive, thirdly, the evidence not be of such as is presumed to be believed, or in other words, it must be apparently credible, though it need not be incontrovertible.

In *Hunt Wesson Inc's Trade Mark Appln.* (1996) RPC 233 at 242, Laddie, J. after considering various decisions has set out the following matters (not exhaustive) to be considered in deciding whether or not further evidence should be admitted on appeal:

1. Whether the evidence could have been filed earlier, if so, how much earlier.
2. If it could have been, what explanation for the late filing has been offered to explain the delay.
3. The nature of the mark.
4. The nature of the objections to it.

5. The potential significance of the new evidence.
 6. Whether or not the other side will be significantly prejudiced by the admission of the evidence in a way which cannot be compensated e.g. by an order in costs.
 7. The desirability of avoiding multiplicity of proceedings.
 8. The public interest in not admitting on to the register invalid marks.
14. Therefore, this is a case where the earlier registration and pendency of their application of similar trademarks/resembles marks are important and credible documents which goes to the root of such matters. It is also necessary for a proper adjudication of the application of registration as filed by the Respondents and as opposed by the Petitioner. For deciding such objections, the earlier registration and pendency of the application of the marks is very important facet. In the present case, the same was though raised, but was not considered by the Appellate Board, basically on the ground of showing no diligence and no justification, at this appellate stage of the proceedings and further that it was not necessary for adjudication. In my view, all these reasons are incorrect. The principles laid down in the above two decisions read with facts of the present case and in the interest of justice, to give opportunity to the person whose similar marks are already registered and their other applications for registration are pending, cannot be brushed aside.
15. Resultantly, the impugned order dated 16 July, 2010 is quashed and set aside. Miscellaneous Petition No. 148 of 2008 filed by the Petitioners is allowed. The Appellate Board to pass final order in the Appeal after hearing both the parties by giving opportunity to both the parties even on this Application. The Petition is accordingly allowed in terms of prayer (a).
16. Rule is made absolute in the above terms. There shall be no order as to costs.