

(2007) 12 DEL CK 0200
In the Delhi High Court
Case No : CS (OS) No. 806 of 2005

Ahmed Oomerbhoy and Another	Vs	APPELLANT
Shri Gautam Tank and Others		RESPONDENT

Date of Decision : 20-12-2007

Acts Referred:

Civil Procedure Code, 1908 (CPC) — Order 39 Rule 1, Order 39 Rule 2, Order 39 Rule 4, 151
Trade Marks Act, 1999 — Section 125, 27(2), 28, 28(3), 30(1)

Citation : (2008) 146 DLT 774 : (2008) 36 PTC 193

Hon'ble Judges : Anil Kumar, J

Bench : Single Bench

Advocate : Praveen Anand, for the Appellant; Pratibha M. Singh and M.K. Minglani, for the Respondent

Final Decision : Allowed

Judgement

Anil Kumar, J.

IA No. 4575/2005 and is 4820/2005

1. This order will dispose of plaintiffs' application under Order 39 Rules 1 & 2 read with Section 151 of CPC seeking restraint against the defendants from using the mark "Super Postman" for sale of edible groundnut oils or any other cognate products and the application of the defendant nos. 1 & 2 under Order 39 Rule 4 read with Section 151 of CPC for vacation of ex-parte interim order dated 30th May, 2005 whereby the defendants were restrained from using the mark "Super Postman" or any other mark deceptively similar thereto for sale of edible groundnut oils or any other cognate products.

2. The suit on behalf of plaintiff No. 1, a partnership firm was filed by a Court receiver appointed by High Court of Judicature at Mumbai by order dated 6.7.2000 in Suit No. 4913/2000 titled Majid A Oomerbhoy v. Rashid S. Oomerbhoy and Ors., who had taken over the possession of partnership business

assets which was trading as M/s. Ahmed Mills. It is contended that plaintiff No. 1 is a registered partnership firm which was trading in the name of M/s. Ahmed Mills. The suit is also filed against defendants Nos.3 to 8 who are partners of the partnership firm though no relief has been prayed against them.

3. plaintiff No. 1 is carrying on business of manufacture, distribution, sale and dealing in edible oils for last more than 50 years under its various trade marks including Postman, Tilola, Mastaan, Sona, Oomda, A.O. Coconut Oil etc. The marks are registered under the Trade and Merchandise Act, 1958. The firm also has a copyright for the artistic labels under the Copyright Act, 1957. The edible oils of the plaintiff No. 1 are sold since 1949 under the brand name 'Postman' in containers and bottles of distinctive design, shape, color, scheme, lay out and appearance. It is asserted on behalf of plaintiffs that postman is a completely arbitrary word for edible oil and the design of plaintiff No. 1 belonged exclusively to plaintiff No. 1. The trade marks of the plaintiff No. 1 are registered in respect of refined groundnut oil, edible, in Class 29 in Part A of the register in India which registrations are still valid. It is also emphasized that shape and design of the product packs of the plaintiff No. 1 are also registered with Controller General of Patents and Design. Though the design registered with effect from 29th March, 1989 expired in 2004, however, the shape of the Postman groundnut oil bottle has become distinctive and is associated with the products of the plaintiff No. 1. The mark and device of Postman have acquired substantial reputation and goodwill in the market on account of use of its mark continuously and extensively up to the year 2000.

4. The contention of the plaintiff is that despite the disputes between the partners of the plaintiff No. 1, on account of vested statutory and common law rights, the trade mark 'Postman' and device of 'Postman' as adopted by the plaintiffs for the first time, plaintiff No. 1 is legally entitled to use the same to the exclusion of others. plaintiffs gave the details of large sums of money spent by plaintiff No. 1 in popularizing the trademark/brand name 'Postman' from 1990-91 up to 1999-2000. The plaintiffs averred that sometime in December, 2004 it came to their knowledge that 'Jagdamba Vegetable Products Private Limited', defendant No. 2 had commenced manufacture, distribution, sale and marketing of refined groundnut oil under the name and device of 'Super Postman'. Defendants No. 1 & 2 were also using, according to the averments made by the plaintiffs, similar color scheme, label and container shape without the consent and authorization of plaintiff No. 1, amounting to infringement of the trademark of the plaintiffs for identical goods and infringing the copyright of the plaintiff No. 1 by using a color scheme of blue and yellow which is distinctive of blue color of the Postman on the groundnut pack and the yellow color used in the device of Postman on the plaintiffs' pack.

5. The plaintiffs asserted that by using prefix "Super" with their mark Postman, defendant Nos. 1 & 2 are taking unlawful advantage of reputation, goodwill of plaintiffs under the mark 'Postman' and the acts of the defendants amount to

misrepresentation to the consumer public and the traders, aimed at passing off their goods as those of or connected with the plaintiffs in some manner. It is contended that the defendant Nos.1 & 2 could not have any plausible reason for adoption of the mark "Super Postman" which comprises plaintiff's No. 1 well known mark "Postman". plaintiffs showed their apprehensions regarding edible groundnut oil marketed under the trade name "Super Postman" made not under very strict quality control and high standards of hygiene and thus leading to erosion of reputation and goodwill of plaintiff No. 1.

6. This Court by order dated 30th May, 2005 had granted an interim injunction in favor of plaintiffs and against defendant Nos.1 & 2 observing that a prima facie case was made out for grant of ex-parte ad interim injunction and delay occasioned by putting the defendants to notice was likely to defeat the purpose of injunction and, Therefore, the defendants Nos.1 & 2 were restrained from using the mark "Super Postman" for sale of edible groundnut oils or any other cognate products.

7. The defendant Nos.1 & 2 have contested the application of the plaintiff for interim injunction contending inter-alia that they adopted trademark "Super Postman" in the year 2002 honestly and bonafide knowing well that there was no such or similar trademark in use and or in existence in respect to the said goods. According to the said defendants the mark was put to commercial use on 14.4.2004 and thereafter, defendant Nos.1 & 2 have carried out huge sales of said goods under the trademark "Super Postman" in different containers of different sizes and shapes. According to the said defendants the artistic label, title "Super Postman" is the original artistic work of defendants and they have used extensively the said trademark and have advertised the same openly, widely through various modes of advertisements since then to the complete knowledge of the plaintiffs and their partners. Despite the knowledge of use by the defendants, the plaintiffs' partners had not raised any objection to the same nor had issued any desist letter and consequently have acquiesced in the use of trademark by the defendant Nos.1 & 2.

8. Regarding the registration of the trademark "Super Postman" by the plaintiffs, it is stated that the said registration wrongfully remains on the register as the plaintiffs have not used the trademark since 2000 and there has been a complete non use and consequently the registration of the trademark "Postman" is contrary to the provisions of the Trademarks Act, 1999. The defendants pleaded that they have already filed petitions for cancellation/rectification of said registrations which are pending consideration before the Intellectual Property Appellate Board, Chennai. Consequently, the trademark "Postman" has ceased to exist and perform functions of a trademark and since the goods of the plaintiff are not in the market, the trademark "Postman" cannot distinguish the goods of the plaintiff. As the entire purpose of a trademark is to distinguish the goods of a particular trader and as there are no goods, Therefore, there is no trademark. Consequently, there is no confusion among public and trade and plaintiffs are

also left with no goodwill and reputation which is to be protected by way of a passing off action.

9. According to the defendant Nos.1 & 2 the extensive use of the trademark "Super Postman" since April, 2004 has established their goodwill and reputation and the writing, style, design, get up, arrangement, placement, container, labels of the defendants which are absolutely different and distinct and as the products bear the name and address of defendants and there is added matter sufficient to avoid any confusion or deception, Therefore, the plaintiff is not entitled for any injunction. The goods of the defendants are also stated to be of a superior quality. On account of conduct of the plaintiffs and the false statements on account of concealment of material facts, it is claimed that the application for injunction be dismissed and the application of the said defendants for vacation of interim injunction be allowed.

10. The defendants also produced the notice issued by Intellectual Property Appellate Board to the plaintiff on the application for rectification/removal of registrations of trademark No. 213353 in Class 21; trademark No. 258918 in class 29; trademark No. 162666 in class 29; trademark No. 312898 in class 29; trademark No. 415564 in class 29 and trademark No. 260538 in class 29.

11. The defendants categorically contended that their total sales since April, 2004 is more than 2 crores and they were openly selling the groundnut oil under the trademark "Super Postman". The defendants contended that they have invested a large amount of money in advertising the mark. Various press clippings have been produced and relied on to show that the mark "Super Postman" of the defendants have acquired a reputation and is associated with defendants. It is stated that the capacity of production of the factory of the defendant is approximately 30 tonnes per day and defendants employ a large number of people for production and marketing of the products. Defendants are also stated to have distributors, dealers in Delhi and also in other parts of the country namely U.P, Haryana, M.P. Gujarat and Rajasthan.

12. It is also stated that the groundnut oil is a food product and if not consumed within the prescribed period, it becomes unfit for human consumption and any injunction would cost financial loss to the defendants and will also result in destruction of food products. It was highlighted that there has been no complaint from any consumer about the quality of the goods of the defendants who have installed fully automated machinery in their factory for processing of the groundnut oil.

13. The defendants pleaded categorically that they have adopted the mark "Super Postman" clearly under the impression that if a mark is not used for more than 5 years the defendants will become legally entitled to use the same. According to them their quality is excellent because of which they have been able to acquire ISO 9001-2000 certification and have also AGMARK certificate. According to the defendants they may be one of the only few of the companies

with an AGMARK certification for edible oils. The said defendants contended that they have taken all steps required for obtaining rights in the mark "Super Postman" and they have no bad intention in using the said mark in as much as they were legally advised that if the mark is not used for more than 5 years, anyone can adopt the said mark. It was also contended that the plaintiffs' partners have launched other brands namely PRO, Premio etc and the mark is neither used nor advertised. Regarding balance of convenience it was contended that groundnuts are sourced from farmers in and around Rajasthan and huge purchases have been made by the defendants. According to them the farmers have to be all paid for the said stocks which have been purchased and there is a huge stock lying in the defendants' premises as well as in the premises of the dealers and distributors and it will not be in the public interest to allow them to perish.

14. The plaintiffs have refuted the allegations and pleas of the defendants and have contended that the defendants did not adopt the trademark "Super Postman" bona fide. It was, however, admitted that the defendants put the infringing material to commercial use on 19th April, 2004 but the sales made on account of trademark of the defendants was denied rather it was asserted that the defendants have been able to sell their goods on account of residual goodwill resting in the Postman. The plea of the defendants that the plaintiffs have not used the trademark since the year 2000 was denied and it was categorically contended that the disputes between the partners of plaintiff arose in December, 2000 and the products of the plaintiff were sold in the market till 2001. Complete non use of the trademark by the plaintiff was denied and it was contended that the objections to the petition filed for rectification of the plaintiffs mark by the defendant has been filed. It was stated that the factory of the plaintiffs has been sealed and is in possession of the receiver with all the goods. It is asserted that mere factum of writing address on the product is not sufficient to avoid confusion or deception created on account of trademark "Super Postman" used by the defendants.

15. The plaintiff emphasized that the defendants have concealed the fact that they filed an affidavit before the Registrar of Trademarks that in case of any objection they would withdraw their application and despite that they are contesting the present suit. Regarding the present suit it was stated that leave was taken on March 22, 2005 to file the present suit which was thereafter filed on 27th May, 2005.

16. The plaintiffs have produced the photographs of their product as well as that of the defendants' product. The plaintiff has also produced the copies of the invoices since 1977 as well as the copies of the various advertisements since November, 1987 and the copies of the certificate of registration as well as the copies of the orders passed in the suit for dissolution of plaintiff No. 1 pending in the High Court of Judicature at Bombay. A copy of the affidavit filed in Suit No. 4913/2000 in Chamber Summons No. 381/2005 in the High Court of Judicature

of Bombay of Rashid Sattar Oomerbhoy, defendant No. 4 has also been produced stipulating clause 19 of order dated 30.7.2001 whereby it was held that the partners of the suit firm shall not carry on any business on the basis of the trademark of the suit firm and the Court receiver shall be entitled to take steps that may be necessary to safeguard the trademark of the firm as also take action against the persons who may be unauthorizedly using the trademark of the firm.

17. The defendants have also filed original labels stipulating the name of the defendant No. 2, copies of the labels of PRO used by other partners of the plaintiff firm as well as ISO 9001 certificate and AGMARK certificate and some of the advertisements and the press clippings and the invoices issued by the defendants. A copy of the application for rectification of the registration u/s 47/57/125 of the Trademarks Act, 1999 has also been produced dated June, 2005 alleging inter-alia that the trademark "Postman" has not been used for a period of five years and three months prior to the filing of the application for registration of the trademark "Postman" was made without any sufficient cause and there are no special circumstances or any other factor in favor of the plaintiffs.

18. The application of the defendants for rectification or removal of the trademark of the plaintiff from the register is based on the premise that the trademark has not been used for more than 5 years and three months. The receiver had been appointed on 6th July, 2000 and order clearly stipulates that the Court receiver shall be entitled to take steps that may be necessary to safeguard the trademarks of the plaintiff firm and shall also take action against the persons who would be using the trademark unauthorizedly. Clause 19 of the order dated 30.7.2001 is as under:

19: It is also agreed that the partners of the suit firm shall not carry on any business on the basis of the trademark of the suit firm. The Court receiver shall, however, be entitled to take steps that may be necessary to safeguard the trademarks of the firm as also take action against the persons who may be unauthorizedly using the trademark of the firm.

The plaintiff has categorically asserted that though the disputes between the partners arose in December, however, their goods have been sold in the market till 2001.

19. The plaintiff has relied on Kerly's Law of Trade Marks and Trade Names, Ninth Edition by T.A. Blanco White, London Sweet & Maxwell 1966 pages 867-868; 1967 76 bom lr 146, Hindustan Embroidery Mills Pvt. Ltd. v. K. Ravindra & Co.; (1972) R.P.C. 673 Ad-Lib Club Limited v. Granville; 189 UPSQ 759, Abercrombie & Fitch Company v. Hunting Wolrd, Incorporated; 1986 R L R 165, Lalson Machines v. Sachar E & M Stores; Suit No. 706/1990 in the High Court of Calcutta decided on 4th April, 1991; AIR 1991 DEL 22 , Avis International Ltd. v. Avi Footwear Industries and Anr.; Poddar Tyres Ltd. Vs. Bedrock Sales Corporation Ltd. and Another, .; 1993 PTC 129, Jindal Industries

Limited v. Samana Steels Limited; 1994 PTC 1 , Garden Perfume (P) Ltd. v. Anand Soaps & Detergents; Polson Ltd. Vs. Polson Dairy Ltd. and Others, .; M/s. Gujarat Bottling Co. Ltd. and others Vs. Coca Cola Company and others, ; 1996 16 PTC 583, N.R. Dongre v. Whirlpool Corp.; 2003 (27) PTC 241 , Hardie Trading Ltd and anr. v. Addisons Paint and Chemicals Ltd. ; 2003 (27) PTC 580 , R.R. Oomerbhoy Pvt. Ltd. v. Court Receiver, High Court, Bombay and Anr. and Midas Hygiene Industries P. Ltd. and Another Vs. Sudhir Bhatia and Others, and 2004 (28) PTC 566 , Satyam Infoway Ltd. v. Sifynet Solutions Pvt. Ltd. in support of plaintiff's contentions stipulated herein above in the different paragraphs.

20. Per contra, the defendant nos. 1 & 2 have relied on 2005 (30) PTC 353 , National Sewing Thread Co. Ltd. Vs. James Chadwick and Bros. Ltd. (J. and P. Coats Ltd., Assignee), , National Sewing Thread Co. Ltd Chidambaram v. James Chadwick and Bros. Ltd.; Kaviraj Pandit Durga Dutt Sharma Vs. Navaratna Pharmaceutical Laboratories, AIR 1971 SC 898, National Bell Co. and Gupta Industrial Corporation v. Metal Goods Mfg. Co. Ltd. and Anr.; 1981 PTC 260, S. Karam Singh Trae as Mankoo Engg. Works Etc. v. Master Machine and Service and Ors.; 1981 PTC 14, Sarwan Singh & Sons. v. Rico Industries and Ors.; 1996 16 PTC 236 , Franz Zaver Huemer v. New Yash Engineers and 2000 PTC 326, Om Prakash Gupta v. Parveen Kumar and Anr. in support of its pleas and contentions.

21. I have heard the Learned Counsel for the plaintiff, Mr. Praveen Anand and Ms. Pratibha M. Singh for the defendant nos. 1 & 2 in detail and have perused the pleadings and documents filed by the parties and the judgment relied on by them. It is no more rest integra that a decision is only an authority for what it actually decides. What is of the essence in a decision is its ratio and not every observation found therein nor what logically follows from the various observations made in it. The ratio of any decision must be understood in the background of the facts of that case. It has been said long time ago that a case is only an authority for what it actually decides, and not what logically follows from it. It is well settled that a little difference in facts or additional facts may make a lot of difference in the precedential value of a decision. Considering the present facts and circumstances, it may not be necessary to deal with judgments in detail relied on by the parties in the facts and circumstances of the present case as the present case is apparently distinguishable from the fact situation of the most of the decisions relied on by the parties. The Supreme Court in Bharat Petroleum Corporation Ltd and Anr. v. N.R. Vairamani and Anr. AIR 2004 SC 778 had observed:

Court should not place reliance on decisions without discussing as to how the factual situation fits in with the fact situation of the decision on which reliance is placed. Observations of Courts are neither to be read as Euclid's theorems nor as provisions of the statute and that too taken out of their context. These observations must be read in the context in which they appear to have been stated. Judgments of Courts are not to be construed as statutes. To interpret words, phrases and provisions of a statute, it may become necessary for judges

to embark into lengthy discussions but the discussion is meant to explain and not to define. Judges interpret statutes, they do not interpret judgments. They interpret words of statutes; their words are not to be interpreted as statutes.

In *Bhavnagar University Vs. Palitana Sugar Mill Pvt. Ltd. and Others*, , the Supreme had observed:

It is well settled that a little difference in facts or additional facts may make a lot of difference in the precedential value of a decision.

Similarly In *Ambalal Manibhai Patel Vs. State of Gujarat*, the Supreme Court had also observed:

The ratio of any decision must be understood in the background of the facts of that case. It has been said long time ago that a case is only an authority for what it actually decides, and not what logically follows from it.

Circumstantial flexibility, one additional or different fact may make a world of difference between conclusions in two cases and disposing of a case by blindly placing reliance on a decision is not proper. The counsel for the parties have mainly relied on a few observations made in these cases.

22. The plea of the plaintiffs is that "Postman" is an arbitrary mark for edible oil and as such an invented word for the edible oil and Therefore, will entail highest degree of protection whereas the defendant nos.1 & 2 has countered it by alleging that "Postman" is an ordinary English word in use since centuries and in case of plaintiff since there is nonuser, nature of mark is irrelevant. This can not be disputed that the trademarks can be categorized in different categories as generic, descriptive, suggestive and arbitrary or fanciful. There may be overlapping in the categories on account of various factors. In accordance with the usage through times and as meaning of user may differ from group to group, the category of trademark may change its group. For example "postman" may be generic if used by a courier agency but it will be arbitrary, if applied to edible oils. Generic term is one that refers or has come to be understood as referring to genus of which a particular product is a species. Generic and merely descriptive terms cannot become valid trademarks at common law. Neither generic nor merely descriptive marks are entitled to trademark protection unless they are subject to exclusive use. User of a generic term cannot deprive competing persons right to call article by its name, no matter how much money or effort user poured into promoting merchandise and what success it achieved in securing public identification. Term may become generic in one mark and descriptive, suggestive or fanciful in another. Reliance for this can be placed on *Abercrombie & Fitch Company v. Hunting World, Incorporated* 89 USPQ 759 (supra) holding that categories of terms that have been identified with respect to trademark protection arrayed in ascending order that roughly reflects their eligibility for trademark status and degree of protection accorded are generic, descriptive, suggestive and arbitrary or fanciful. It was held that the term which is descriptive but not generic stands on a better basis. Giving an example it was

held that 'ivory' would be generic name for use for products made from elephant tusk but it will be arbitrary if applied to soap. It was observed that categories of terms that have been identified with respect to trademark protection, arrayed in ascending order reflects their eligibility for trademark status and degree of protection accorded are generic, descriptive, suggestive and arbitrary or fanciful. The lines of demarcation between these categories may not always be very bright and fine, as a product may shift from one category to the other category according to use. It was observed that a term is suggestive if it requires imagination, thought and perception to reach a conclusion as to the nature of the goods. A term is descriptive if it forthwith conveys immediate idea of the ingredients, qualities or character of goods. In these circumstances, the plea of the defendants that the word 'Postman' is an ordinary English word and the trademark will be generic can not be accepted, prima facie. In these facts and circumstances, the word 'Postman' for the edible oils will be arbitrary. Therefore, the trade mark for edible oils 'Postman' can not be termed not an invented word and being an ordinary English word.

23. The plea of the defendants is that this trademark has been abandoned by the plaintiffs and after the abandonment the defendants are entitled to use the said trade mark. Relying on Hardie's case (supra) the learned Counsel for the plaintiffs had submitted that no intention to abandon the trade mark can be culled from the present facts and circumstances as the trade mark has been kept, revived and enforced. Relying on 2003 (27) PTC 555, R.R. Oomerbhoy Pvt. Ltd. v. Court Receiver, High Court, Bombay and Anr., it is contended that even the partners have been restrained from using it exclusively on the ground that the proprietary right, title and interest of partnership firm in its trade marks is an intrinsic part of goodwill and the essential foundation of an action for passing off will also be the protection of goodwill. The goodwill of the business that may be destroyed or prejudiced by a misrepresentation on the part of a competitor that the goods which he sells are those of the other. The object of an action for passing off is, Therefore, to protect the goodwill of the business of the owner who complains that the goodwill would be seriously affected by a misrepresentation by another who sells goods of a deceptively similar nature. The goodwill of the business is something which has an important value in the sale of the assets of the firm upon dissolution. It was further held that mere cessation of the business does not destroy the goodwill of the firm or for that matter, the property in the trademark which is an integral component of the goodwill of the business. The disputes between the partners of the plaintiff No. 1 had arisen in December, 2000 and according to them the products were sold in the market till 2001. Whereas the plea of the defendant nos. 1 & 2 is that there is a complete non use since 2000. If the disputes had arisen between the partners of the firm in December, 2000, prima facie, it cannot be inferred that the production of oils and sale thereof had stopped immediately and since 2000 the goods have not been sold in the market. Whether the mark has not been used for five years is to be adjudicated and the defendants on their own could

not decide that the mark has not been used for five years and so they are legally entitled to use the same. The defendant nos. 1 & 2 also cannot contend that since the application for rectification on account of alleged abandonment and non user is pending, Therefore, the trade mark has already been abandoned. Since the defendant nos. 1 & 2 were aware of the trade mark of the plaintiffs, before using the same on account of alleged abandonment they should have got it rectified. The defendant nos. 1 & 2 were aware of this they could not use the trade mark 'Super Postman' and Therefore, they had given an undertaking that if the plaintiff will raise any objection to trade mark 'Super Postman' then they would withdraw their application for registration.

24. The defendants are manufacturing, distributing, marketing and selling ground nut oil under the mark 'Super Postman' whereas the mark of the plaintiff is 'Postman'. From the photographs of the products of the plaintiffs and the defendants, what appears is that the container shape, color scheme and label are similar. Though there are minor differences but overall appearance and color scheme are quite similar. The difference is only prefix 'Super'. In the plaintiffs' product the word 'postman' is in red colour and the device of postman is in yellow colour with an outer oval in deep blue and inner oval in light blue whereas the word 'postman' is in yellow and prefix 'super' is in white in the background of light and dark blue. The color combination of two products is quite similar and so is the shape of the bottle. What is to be seen is whether these trademarks are likely to deceive or cause confusion? The test will be how a purchaser with an ordinary mind and intelligence would react to these trademarks and what association he would form by looking at them and in what respect he would connect the trademark with the goods which he would be purchasing. In National Sewing Thread Company Ltd (Supra) the Supreme Court had held that an application made to the Registrar which is likely to deceive or to cause confusion has to be refused notwithstanding the fact that the mark might have no identity or close resemblance with any other trademark. It was held that the Registrar has to come to a conclusion on this point independently. What is to be seen is whether looking at the circumstances of the case particular trademark is likely to deceive or to cause confusion and the real test is as to how a purchaser will look upon it with an average mind of ordinary intelligence and would react to a particular trademark and what association he would form by looking at the trademark and in what respect he would connect the trademark with the goods which he would be purchasing. The test for comparison of the two word marks was formulated by Lord Parker in Pianotist Co. Ltd.'s application 23 RPC 774 as follows:

You must take the two words. You must judge them, both by their look and by their sound. You must consider the goods to which they are to be applied. You must consider the nature and kind of customer who would be likely to buy those goods. In fact, you must consider all the surrounding circumstances; and you must further consider what is likely to happen if each of those trade marks is used in a normal way as a trade mark for the goods of the respective owners of

the marks. If, considering all those circumstances, you come to the conclusion that there will be a confusion, that is to say, not necessarily that one man will be injured and the other will gain illicit benefit, but that there will be a confusion in the mind of the public which will lead to confusion in the goods - then you may refuse the registration, or rather you must refuse the registration in that case.

25. The mark used by the defendants is similar, the goods are the same and the area of trade is also common. If these three factors are same or quite similar, then the second manufacturer should not be allowed to sell its product under the same name. This principle which is also termed as triple identity principle has been invoked in a number of cases. A Single Judge of this Court in *Lal Sons Machines v. Sachar E & M Stores* 1986 Raj LR 165 had held that in case of triple identity where the mark used by defendant is the same, the goods are the same and also the trade area it is the duty of the Court to protect the registered trademark. Another Single Judge of Calcutta High Court in *Kalyani Breweries Ltd v. Khoday Brewing and Distilleries Industries Ltd.* had invoked the triple identity rule. It was explained that where after marks were identified, the goods were identified and the areas over which the goods are going to be sold are identified, a second manufacturer can not be allowed to sell its product under the same trade name. Comparison of two marks, *prima facie*, show that the essential features of the trademark of the plaintiffs have been adopted by the defendant nos. 1 & 2. In these circumstances the minor differences in the getup, packaging and other writings on the goods or on the packets in which the goods are sold by the defendants indicating clearly the different trade origin different from the registered proprietor of the mark of the plaintiff would not be very material. The added matter, *prima facie*, will not be sufficient to avoid any confusion or deception. The alleged superior quality of goods of the defendants also does not entitle the defendants to any such rights as has been claimed by the defendants. The learned Counsel for the defendants has not shown any precedents which has laid down that in case the quality of product of the offender is allegedly superior, then such an offender is entitled for consideration of his claim differently *vis-à-vis* the monopoly conferred upon the registered owner of the trade mark. In *A.V. International Ltd v. A.V. Footwear Industries* AIR 1991 Delhi 22 it was held that the statutory monopoly which is conferred upon the registered owner in connection with the use of mark *Avis* for footwear is to have primary precedence over any other consideration in relation to grant or non grant of an independent stay when the matter is at an interlocutory stage as the statutory registration establishes *prima facie* case in favor of plaintiff. The defendants can not claim any rights, *prima facie* as they had given an undertaking contending categorically that they will withdraw their application for registration of the name 'Super Postman', if the plaintiffs will raise any objection or opposition in future against the applied trade mark of the defendants. The undertaking given by the defendants in the affidavit is extracted as under:

2: That I state that if M/s. Ahmed Oomerbhay, Adbul Sattar Ahmedbhoy and/or M/s. Bombay Soap Factory All kept Address at Bombay (Mumbai) will raise any

objection or opposition in future against my applied Trademark, I will withdraw my application for registration under Trademark "Super Postman" at once and without any cause of delay.

In the circumstances, on the basis of the differences which have been highlighted by the counsel for the defendants, in my opinion, the defendants can not contend that the plaintiffs do not have a prima facie case in their favor. The defendants should also be not allowed at this interim stage their claim of registration of their trade mark 'Super Postman' on account of undertaking given by them and which fact was not disclosed by them till this was pointed out by the plaintiffs and the defendant nos.1 & 2 deliberately concealed the said fact. Comparison of two marks, prima facie, show that the essential features of the packaging, color scheme and label has been copied by the defendant nos. 1 & 2 in violation of the copy right of the plaintiffs which they cannot be allowed to do in the facts and circumstances. The minor differences in the getup, packaging and other writings and color scheme does not absolve the defendant nos. 1 & 2 from violating of the copyright of the plaintiffs.

26. What are the ramification of an application for rectification of the trade mark of the plaintiffs filed by the defendants on the ground that the plaintiffs have abandoned their trade mark and on other grounds. The suit is at a stage when the existence of the rights of the plaintiffs and their violations are contested and uncertain. The rights of the defendants are still to be established after the trial on evidence. Considering the long time the plaintiff had been using his trade mark and the sale of edible oils by the defendants since 2004, however, in large quantity, the Court will have to go by the principle of 'balance of inconvenience' which will be as to who will be more inconvenienced in case the injunction as prayed for by the plaintiff is granted or not granted and who will suffer irreparable loss. The principle enunciated by the Apex Court in the case of Wander Ltd and Anr. v. Antox India (P) Ltd. can be a guiding principle to resolve this controversy. In this case it was held by the Supreme Court as under: "Usually, the prayer for grant of an interlocutory injunction is at a stage when the existence of the legal right asserted by the plaintiff and its alleged violation are both contested and uncertain and remain uncertain till they are established at the trial on evidence. The Court, at this stage, acts on certain well settled principles of administration of this form of interlocutory remedy which is both temporary and discretionary. The object of the interlocutory injunction stated:

...is to protect the plaintiff against injury by violation of his rights for which he could not adequately be compensated in damages recoverable in the action if the uncertainty were resolved in his favor at the trial. The need for such protection must be weighed against the corresponding need of the defendant to be protected against injury resulting from his having been prevented from exercising his own legal rights for which he could not be adequately compensated.

27. In the circumstances, this Court must weigh plaintiffs' need against the

defendants" and determine where the "balance of convenience lies and preserve the status quo in respect of rights of the parties which will appear on a prima facie case. This task is slightly more difficult because the defendants have already commenced his enterprise. But while applying for registration of their trade mark, the defendants had undertaken that if the plaintiffs will raise any objection or opposition in future against their applied Trademark `Super Postman" they will withdraw their application for registration under Trademark "Super Postman" at once and without any cause of delay.

28. This fact that the defendants had got their trade mark `Super Postman" registered subject to the undertaking as detailed hereinabove was not disclosed. Consequent to such an undertaking and conditional registration, the defendants can not claim any rights, prima facie, on the basis of registration of their trade mark `Super Postman". Section 28(3) and 30 (1) (d) deal with the rights of the registered proprietors of similar trade marks and bar action of infringement against each other as their reading show that the proprietor of registered trade mark can not file an infringement action against a proprietor of an identical or similar trade mark. However, Section 27 (2) deals with passing off action and the rights for passing off are not affected by Section 28(3) and Section 30(1) (d). This position can not be disputed in view of N.R. Dongre and Others Vs. Whirlpool Corporation and Another, holding:

A reading of Section 28(3) with Section 30 (1) (d) shows that the proprietor of a registered trademark can not file an infringement action against a proprietor of an identical or a similar trademark. While Section 28 (3) and 30 (1) (d) on the one hand deal with the rights of registered proprietors of identical trade marks and bar action of infringement against each other. Section 27(2) on the other hand deals with the passing off action. The rights of action u/s 27 (2) are not affected by Section 28 (3) and Section 30 (1) (d). Therefore, registration of a trade mark under the Act would be irrelevant in an action for passing off. Registration of a trade mark in fact does not confer any new rights on the proprietors thereof then what already existed at common law without registration of the mark. The right of goodwill and reputation in a trade mark was recognised at common law even before it will subject of statutory law. Prior to codification of trademark law there was no provision in India for registration of a trade mark. The right in the trademark was acquired only by their use. This right has not been affected by the act and is preserved and recognised by Sections 27(2) and 33.

29. Defendants also defend action against them on the ground that they have challenged the registration of the trademark of the plaintiffs by filing the required application for rectification and removal before the Registrar. The fact that the application for removal and rectification of the trade mark has been filed by the defendants before the Trade Mark Registry is not denied. Admittedly the rectification application for the registered trade mark `Postman" of the plaintiffs was filed and which is pending adjudication. Since the application for rectification

of plaintiffs' mark filed by the defendants is pending, what will be the ramification for the same. Mere pendency of their application will not give any right to the defendants to sustain their action for infringement of plaintiffs' registered trade mark. Mere filing of the application for invalidity of the trade mark of the plaintiffs does not ipso facto results into stay of the registration or putting of any fetters on the rights of the registered owner of the trade mark flowing from the registration of the mark. If the rights of a registered owner of the trade mark are not clouded on account of pendency of the application of rectification, a fortiori the application for rectification also can not validate his action of infringement of registered trade mark of the plaintiffs who have a prior registered trade mark. A Division Bench of this Court in Jagan Nath Prem Nath Vs. Bhartiya Dhoop Karyalaya, had held that despite the pendency of an application for rectification of the trademark, interim injunction can be granted which will, however, be subject to the decision of the Registrar of the application for rectification. It was held that in an action for infringement a registered trademark holder can succeed not only when he proves that whole of his registered trademark has been copied but can also succeed if he shows that the defendant's mark is similar to the plaintiff's mark as it would be remembered by persons possessed of an average memory when its usual imperfection or when its essential particulars or the distinctiveness or essential feature has been copied. Similarly in A.V International Ltd v. A.V. Footwear Industries AIR 1991 Delhi 22 it was held that the statutory monopoly which was conferred upon the registered owner in connection with the use of mark Avis for footwear is to have primary precedence over any other consideration in relation to grant or non grant of an independent stay when the matter is at an interlocutory stage as the statutory registration establishes prima facie case in favor of plaintiff. Merely on account of rectification sought by the defendant it cannot be assumed that the defendant would be able to prove his case on account of non user by the registered trademark owner.

30. In Poddar Tyres Ltd. Vs. Bedrock Sales Corporation Ltd. and Another, it was held that it is not possible to accept the contention that an application for rectification can prevent the registered proprietor from ascertaining his rights as registered proprietor of the trademark u/s 28 of the Act as long as the trademark continues on the register. It was held relying on the judgment in Hindustan Embroidery Mills Pvt. Ltd. v. K. Ravindran and Company (1974) 76 B L R 146 that it is not the practice to consider the validity of the registration of a trademark on a motion for interlocutory injunction taken out by the person who has copied the mark registered in his name. It was held that while a mark remains on the register, even if wrongfully, it is not desirable that others should imitate it and consequently pendency of rectification application cannot prevent the plaintiff from exercising the statutory rights under the Trademarks Act or from seeking interim relief based thereupon. In Jindal Industries Ltd v. Samana Sales Ltd. 1993 PTC 129 it was held that if a trademark is registered in the name of more than one person they may contest the registration inter-se but as

against other persons each one of them can initiate action if the said registration is being used by a third party and it cannot be a valid defense by a person using the trademark to plead that since more than one person is having the registered trademark in his favor he could use the same. The plaintiff No. 1 is a partnership firm which is nothing but the compendious name of the partners. Despite the disputes between the partners of the plaintiffs, the defendants in the present facts and circumstances will not be entitled to claim that they have a right to use a similar trade mark. If a person adopts a mark which to his knowledge is also used by another for the same product, reflects that the adoption is not honest and such a person who subsequently adopts a mark cannot claim any proprietary rights over the said trademark. It was also held by a Single Judge of this Court in *Garden Perfumes (P) Ltd v. Anand Soaps and Detergents* that mere fact that the plaintiff did not manufacture soap under the trademark "Rainy" for three years does not in any way take away or dilute their claim to the proprietorship of the mark being the first one to invent and use the same and thus it was held that the prima facie case was in favor of the plaintiff and the balance of convenience being also in favor of the plaintiff, interim injunction was granted restraining the defendant from using the trademark "Rainy" till disposal of the suit.

31. Therefore, the plea of the defendants regarding the registration of the trademark "Super Postman" of the plaintiffs allegedly remaining wrongfully on the register, as the plaintiffs have not used the trademark since 2000 and there has been alleged complete non use and consequently the registration of the trademark "Postman" is contrary to the provisions of the Trademarks Act, 1999 can not be sustained, prima facie in the present facts and circumstances. A fortiori the plea of the defendants that on account of pendency of rectification petition the trademark "Postman" has ceased to exist and perform functions of a trademark and since the goods of the plaintiff are not in the market, the trademark "Postman" cannot distinguish the goods of the plaintiffs, as the entire purpose of a trademark is to distinguish the goods of a particular trader and as there are no goods, Therefore, there is no trademark and consequently, there is no confusion among public and trade and plaintiffs are also left with no goodwill and reputation which is to be protected by way of a passing off action, cannot be sustained prima facie in the facts and circumstances.

32. For the reasons stated hereinabove the defendants are also not entitled to pass off their goods or violate the trade mark of the plaintiffs on the ground that the defendants were under the bona fide impression that if a mark is not used for more than five years they will become legally entitled to use the same. The defendants also cannot arrogate to themselves the right to use the similar trademark and pass off their goods as that of plaintiffs on the ground that they have acquired ISO certification and they also have AGMARK certificate and they are of one of the few companies who have such certifications. The defendants in the facts and circumstances also cannot be allowed to take shelter under the plea that they were legally advised that if the mark is not used for more than five years anyone can adopt the said Mark. The said plea of the defendants is also

under challenge and has been refuted by the plaintiffs.

33. The defendants prima facie also cannot sustain their action on the ground that the injunction will result into destruction of food products. As already held, prima facie the added matter is not sufficient to distinguish the goods of the defendants from the goods of the plaintiff applying the test of purchaser with an ordinary mind and intelligence.

34. Consequently, the application of the defendant nos. 1 & 2 under order 39 Rule 4 read with Section 151 of the CPC being is No. 4820 of 2005 for vacation of interim order dated 30th May, 2005 is dismissed and the application of the plaintiffs for interim injunction against defendant nos. 1 & 2 under Order 39 Rules 1 & 2 read with Section 151 of CPC being is No. 4575 of 2005 is allowed and the interim order dated 30th May, 2005 is confirmed and the defendant nos. 1 & 2 their partners, proprietors and any person acting through them are restrained from selling or offering for sale edible oils under the mark 'Super Postman' so as to infringe the trade mark nos. 162666, 213353, 260538, 258918, 312898 and 415564 in class 29 and from passing off their goods and business as that of plaintiff No. 1. The defendant nos. 1 and 2 are further restrained from violating the copyright of the plaintiff No. 1 in the packaging, label, color and scheme of the POSTMAN product during the pendency of the present suit. The parties are left to bear their own costs. It is, however, clarified that anything stated herein above and any expression or opinion made is not the final adjudication of the disputes between the parties.