

(2008) 08 DEL CK 0100
In the Delhi High Court
Case No : LPA No. 1197 of 2007

Ashok Kumar Aggarwal and Others	Vs	APPELLANT
Rajinder Kumar Aggarwal and Others		RESPONDENT

Date of Decision : 19-08-2008

Acts Referred:

Constitution of India, 1950 — Article 226, 227
Trade and Merchandise Marks Act, 1958 — Section 109(2), 11, 18, 21, 9
Trade Marks Act, 1999 — Section 100

Citation : (2009) 40 PTC 67

Hon'ble Judges : A.P. Shah, C.J; Dr. S. Muralidhar, J

Bench : Division Bench

Advocate : Amarjit Singh, Gurpreet Singh and Sheetal Deng, for the Appellant;
Manav Kumar, for the Respondent

Final Decision : Dismissed

Judgement

1. This is an appeal from the judgment and order dated 9th July, 2007 passed by Badar Durrez Ahmed, J in a writ petition under Articles 226 and 227 of the Constitution of India. By that judgment the order of the Intellectual Property Appellate Board dated 9th September, 2004 approving the order of the Assistant Registrar dated 2nd September, 1994 rejecting the opposition filed by the respondent No. 1 herein to the registration of the trade mark AGGARWAL and AGGARWAL SWEET CORNER under application numbers 453308B and 453309 is set aside and the matter is remanded to the Intellectual Property Appellate Board for the purposes of considering the question as to whether the word AGGARWAL which, admittedly is a surname, has acquired sufficient distinctiveness in relation to appellants' No. 2's goods to be registrable under the Trade and Merchandise Marks Act, 1958 (for brevity sake referred to as 'the Act').

2. The facts giving rise to this appeal may be shortly stated. The appellants number 1 and 2 were trading in the name and style of Aggarwal Sweet Corner to carry on business of sweets and namkeens at 3/33, Double Storey, Tilak Nagar,

New Delhi. Later on this business was taken over by appellant No. 3 company. The appellants made the aforesaid two applications on 30th April, 1986 for registration of the trade marks 'Aggarwal' and 'Aggarwal Sweet Corner' in respect of sweets and namkeens. In both the applications, the appellants claim user since 1st June, 1984. On 1st April, 1990, the applications were advertised in the Trade Mark Journal. On 18th May, 1990, the respondent No. 1 filed his opposition being DEL-6766 u/s 21 of the Act raising objections under Sections 9, 11 and 18 of the Act. The respondent No. 1 is the proprietor of Aggarwal Sweets India, a shop selling sweets and namkeens at 24, West Patel Nagar, New Delhi. On 17th July, 1991, the appellants filed a counter claim to the opposition filed by the respondent No. 1. On 16th March, 1992, the respondent No. 1 filed his evidence under Rule 53 in the shape of affidavits of six persons. On 10th August, 1994, the matter was heard by the Assistant Registrar and by his order dated 6th September, 1994, the Assistant Registrar rejected the respondent No. 1's opposition and accepted the appellants' applications. The effect of the order dated 6th September, 1994 was that the appellants' right to have the trade marks AGGARWAL and AGGARWAL SWEET CORNER registered in their favour was upheld. We may add that the latter trade mark contained a disclaimer to the effect that it shall give no right to the exclusive use of the words 'SWEET CORNER'.

3. Being aggrieved, the respondent No. 1 filed an appeal on 13th September, 1994 u/s 109(2) of the Act before this Court. The said appeal was numbered as CM(M) 419/1994. On 23rd April, 1996, in view of Section 100 of the Trade Marks Act, 1999 (which had been enacted in the meanwhile) this Court transferred the appeal to the Intellectual Property Appellate Board. The appeal was re-numbered as TA 95/2003/TM/DEL. Three other appeals connected with the question of registration of the trademarks AGGARWAL and AGGARWAL SWEET CORNER in favour of the appellants were also pending before this Court. They were also transferred and they were numbered as TA Nos. 94, 97 & 100/2003. By virtue of the impugned order dated 9th September, 2004, the Intellectual Property Appellate Board dismissed all the appeals and confirmed the orders passed by the Deputy Registrar / Assistant Registrar, as the case may be.

4. The respondent No. 1 being aggrieved approached this Court by filing a writ petition under Articles 226 and 227 of the Constitution of India, which came to be allowed by the learned single Judge by order under appeal. The learned single Judge held that the word AGGARWAL cannot be registered as the trade mark unless distinctiveness is established on the part of the appellants. The learned Judge referred to the provisions of Section 9 of the Act to hold that without distinctiveness, the word AGGARWAL, because it was both a surname and also the name of a sect/caste, could not be registered. The learned single Judge noted that in the impugned order of the Intellectual Property Appellate Board there is no discussion with regard to the evidence of distinctiveness of the surname AGGARWAL in relation to the appellants' goods. In fact the Appellate Board appears to have taken the view that once user was established, it was

sufficient for the purpose of the case. Consequently, the order of the Appellate Board was set aside and the matter was remanded to the Appellate Board for the purpose of considering the question as to whether the word AGGARWAL has acquired sufficient distinctiveness to be registrable under the Act.

5. The short question which falls for consideration in this appeal is whether the word AGGARWAL can be registered as a trade mark" Section 9 of the Act, which is material for the purposes of this appeal reads as follows:

9. Requisites for registration in Parts A and B of the register. - (1) A trade mark shall not be registered in Part A of the register unless it contains or consists of at least one of the following essential particulars, namely:

(a) the name of a company, individual or firm represented in a special or particular manner;

(b) the signature of the applicant for registration or some predecessor in his business;

(c) one or more invented words;

(d) one or more words having no direct reference to the character or quality of the goods and not being, according to its ordinary signification, a geographical name or a surname or a personal name or any common abbreviation thereof or the name of a sect, caste or tribe in India;

(e) any other distinctive mark.

(2) A name, signature or word, other than such as fall within the descriptions in Clauses (a), (b), (c) and (d) of Sub-section (1) shall not be registrable in Part A of the register except upon evidence of its distinctiveness.

(3) For the purposes of this Act, the expression "distinctive" in relation to the goods in respect of which a trade mark is proposed to be registered, means adapted to distinguish goods with which the proprietor of the trade mark is or may be connected in the course of trade from goods in the case of which no such connection subsists either generally or, where the trade mark is proposed to be registered subject to limitations, in relation to use within the extent of the registration.

(4) A trade mark shall not be registered in Part B of the register unless the trade mark in relation to the goods in respect of which it is proposed to be registered is distinctive, or is not distinctive but is capable of distinguishing goods with which the proprietor of a trade mark is or may be connected in the course of trade from goods in the case of which no such connection subsists, either generally or, where the trade mark is proposed to be registered subject to limitations, in relation to use within the extent of the registration.

(5) In determining whether a trade mark is distinctive or is capable of distinguishing as aforesaid, the tribunal may have regard to the extent to which-

(a) a trade mark is inherently distinctive or is inherently capable of distinguishing as aforesaid; and

(b) by reason of the use of the trade mark or of any other circumstances, the trade mark is in fact so adapted to distinguish or is in fact capable of distinguishing as aforesaid.

(6) Subject to the other provisions of this section, a trade mark in respect of any goods-

(a) registered in Part A of the register may be registered in Part B of the register; and

(b) registered in Part B of the register may be registered in Part A of the register; in the name of the same proprietor of the same trade mark or any part or parts thereof.

6. Mr. Amarjit Singh, learned Counsel appearing for the appellants, strenuously contended that u/s 9(1)(d) of the Act, a surname or a personal name or any common abbreviation thereof or the name of the sect, caste or tribe qualifies for registration if the same has no direct reference to the character or quality of the goods and not being according to its ordinary signification, a geographical name or a surname. The surname AGGARWAL has no direct reference to the character or quality of sweets or namkeens nor in its ordinary signification refer to the said trade. According to him, evidence of distinctiveness is required only for such marks which do not fall under Clause (d) of Sub-section (1) of Section 9 and marks covered by the said provision are registrable under the law without there being any requirement of establishing distinctiveness by evidence of use. Learned Counsel urged that distinctiveness of mark is acquired by use and as such the user was only relevant consideration to determine the registrability of the mark and not distinctiveness as provided u/s 9(2) of the Act.

7. On the other hand, Mr. Manav Kumar, learned Counsel appearing for the first respondent, submitted that Section 9(1)(d) of the Act clearly lays down that surname, personal name or name of caste / sect are to be considered registrable only upon evidence of distinctiveness. The Intellectual Property Appellate Board failed to address the issue of distinctiveness and, therefore, the learned single Judge has rightly remanded the matter back to the Appellate Board to decide as to whether the word AGGARWAL has acquired sufficient distinctiveness in relation to the appellants' goods.

8. A trade mark, before it can be considered for registration, must first satisfy the requirement of the Section 9 of the Act. For registration in part A of the register the necessary qualifications are contained in Sub-sections (1) to (3) and (5). For part B registration the mark should qualify under sub-sections (4) and (5). The question is whether the word AGGARWAL, which is admittedly a surname and name of a sect / caste can be registered u/s 9(1)(d) or Section 9(2) of the Act. Section 9(1)(d) says that a trade mark shall not be registered in

part A of the register unless it contains or consists of "one or more words having no direct reference to the character or quality of the goods and not being, according to its ordinary signification, a geographical name or a surname or a personal name or any common abbreviation thereof or the name of a sect, caste or tribe in India. " The words of import are "a surname or the name of a sect, caste in India? and ?according to its ordinary signification". There is no dispute that AGGARWAL is a surname and also name of a caste / sect in India according to its ordinary signification within the meaning of Section 9(1)(d) of the Act. Thus, the word AGGARWAL being a surname and a name of a caste / sect is not registrable u/s 9(1)(d) of the Act.

9. But such a surname or a name of a caste / sect is not an absolute disqualification for the purpose of its registration in Part A of the register because by reason of Section 9(2) of the Act it is expressly provided, inter alia, other than such as fall within the descriptions in Clauses (a), (b), (c) and (d) of Sub-section (1) shall be registrable in Part A of the register upon evidence of its distinctiveness. Therefore, a surname or name of a caste or sect is registrable ? on the evidence of distinctiveness?. The whole point in this appeal, therefore, would be whether there is evidence of distinctiveness. There is a definition in Sub-section (3) of Section 9 of the Act which says that for the purposes of the statute the expression "distinctive in relation to the goods in respect of which a trade mark is proposed to be registered," means adapted to distinguish goods with which the proprietor of the trade mark is or may be connected in the course of trade from goods in the case of which no such connection subsists either generally or where the trade mark is proposed to be registered subject to limitations, in relation to use within the extent of its registration. Subsection (4) of Section 9 of the Act deals with Part B of the register and provides inter alia, that a trade mark shall not be registered in Part B unless the trade mark is distinctive, or is not distinctive but is capable of distinguishing goods. Part B therefore of the register may include a mark which is not distinctive but capable of distinguishing. By Sub-section (6) of Section 9 of the Act the statute gives certain guidelines for determining whether a trade mark is distinctive or is capable of distinguishing and it provides inter alia that in making such a determination the Tribunal may have regard to the extent to which (a) a trade mark is inherently distinctive or is inherently capable of distinguishing as aforesaid, and (b) by reason of the use of a trade mark or of any other circumstances, the trade mark is in fact so adapted to distinguish or is in fact capable of distinguishing. This brief analysis of the relevant provisions of Section 9 of the Act shows that a surname can be registered in Part "A" only on the evidence of distinctiveness. The position in law therefore may be stated to be that there is a prima facie bar to the registration in Part "A" of a surname and/or name of caste / sect simpliciter but this bar can be overcome on the evidence of distinctiveness by the express provision of Section 9(2) of the statute.

10. Every trader has a right to trade in his own name and ought not to be hampered in its use. One has, therefore, to consider the interests of other

persons having the same surname who might at any time carry on trade in the goods. A surname, therefore, is considered prima facie not adapted to distinguish for the purpose of registration in part A. For the same reason, a personal name is considered not registrable in part A. A surname, therefore, is considered not registrable in part A without evidence of distinctiveness. Common abbreviation of surname, or personal name is to be considered on the same footing as a surname or a personal name. (See P. Narayanan's Law of Trade Marks and Passing Off (6th edition), para 8. 20).

11. In the instant case, the Appellate Board has not considered the issue of distinctiveness of the surname AGGARWAL in relation to the appellants case. It appears that the Appellate Board was only concerned with the issue of user and once that was established, according to it, it was sufficient for the purpose of the case. The following observation in the impugned order would indicate this:

We believe that so much of the documentary evidence for this period is enough to establish that there was a user as from the date claimed in the application and it was a consistent user.

12. In fact the Appellate Board has erroneously held that sine qua non for entitlement u/s 9 is that one who contests the mark should be prior user in time and even should have been consistently using the mark from the date so claimed. It is not at all a condition precedent for moving an application opposing a registration that the applicant must be a prior user or even an user at all. The Appellate Board has not even touched the subject of distinctiveness and has decided the matter solely on the basis of establishing the user of the appellants from the date it claimed in its application for registration.

13. In the result, we find that the appeal is devoid of any substance and the same is hereby dismissed.