

(2002) 12 DEL CK 0035

In the Delhi High Court

Case No : Regular First Appeal No. 371 of 1980

B.N. and Company

APPELLANT

Vs

Peshawar Soap and Chemical Works and Another

RESPONDENT

Date of Decision : 16-12-2002

Acts Referred:

Trade and Merchandise Marks Act, 1958 — Section 11, 28, 29, 31, 32

Citation : (2003) 26 PTC 168

Hon'ble Judges : Usha Mehra, J;Ramesh Chand Jain, J

Bench : Division Bench

Advocate : Bharat Bhushan Bhatia, for the Appellant; H.P. Singh, for the Respondent

Final Decision : Dismissed

Judgement

Usha Mehra, J.—Appellant M/s B.N. & Co., (defendant No.1 before the trial Court has assailed the impugned order dated 31.3.1980 by which perpetual injunction has been granted against appellant beside challenging the order for rendition of accounts of profit made by the appellant together with an order for delivery-up of the infringing labels and marks etc. for destruction. Appointment of Local Commissioner to go into the accounts of the appellant has also been assailed.

2. The grievance of the appellant/defendant to the impugned order is primarily based on two grounds namely : (1) that the trade mark "Kesh Nikhar" of the respondent (plaintiff before the trial Court) is not distinctive, Therefore, the respondent/plaintiff could not claim exclusive right. Moreover, appellant has filed objections to registration of the trade mark "Kesh Nikhar" before the Registrar of Trade Mark, hence it could not said that this trade mark become conclusive u/s 32 of the Trade and Merchandise Marks Act, 1958 hereinafter referred to as the Act); (2) that the word "Kesh Nikhar" is nt a registered trade mark, but only a part of the trade mark of the respondent/plaintiff in relation to carton. The word "Kesh Nikhar" is a common word used in common parlance for "Kesh" means hairs and "Nikhar" means cleanliness. It being not distinctive but descriptive the

alleged registration is hit by clause (c) of Section 32 of the Act.

3. In order to appreciate the challenge to the impugned judgment, we may refer to some salient as well as admitted facts on record. Respondent/plaintiff has been dealing in the business of manufacturing soap. It got registered its soap under the trade-mark "Kesh Nikhar" labeled with a device of woman combing hair. The said trade mark was registered with the Registrar of Trade Marks on 17.7.1963 in class 3 of the IV Schedule of the Act. The said registration still continues. Respondent/plaintiff's case was that he had given wide circulation and publicity to its registered trade mark by advertisement through different media such as newspaper, trade magazines, display boards, calendars and novelties and affixing hoarding at prominent places in different cities as also through cinema slides and Vividh Bharti of All India Radio. As a result of this wide publicity this trade mark of the respondent/plaintiff acquired a distinctive character and a good reputation in the market associated with the respondent/plaintiff. Admittedly the appellant/ defendant No.1 adopted the trade mark "Kesh Nikhar" labeled with device of woman combing hair in respect of his soap somewhere in July, 1973. According to Respondent/plaintiff, appellant in order to deceit the innocent customer and to confuse them used the word "New Pack" on its label. This according to respondent amounted to deceiving the customer into purchasing the appellant/defendant's goods under the impression that they were buying plaintiff's goods. Because of this infringement and passing-off respondent/plaintiff has suffered losses. The rectification sought by the appellant/defendant had in fact been abandoned by him. Having abandoned the same and subsequently never ever assailed that order thus the registration of the trade mark by the appellant became final and conclusive. It attained finality.

4. The appellant/defendant has a registered trade mark under the name of "Martex" pertaining to perfume and soap which it got registered in the year 1963. But in order to infringe and passed respondent/plaintiff's goods it adopted respondent/plaintiff's trade mark in 1973. By the impugned judgment, as already pointed out above, the reliefs sought were granted.

5. Since the controversy revolves around the interpretation of Sections 28, 29, 31 & 32. Lets have a glance to these provisions of the Act which are reproduced as under:-

"28. Rights conferred by registration - (1) Subject to the other provisions of this Act the registration of the trade mark in Part A or Part B of the register shall, if valid, give to the registered proprietor of the trade mark the exclusive right to the use of the trade mark in relation to the goods in respect to which the trade mark is registered and to obtain relief in respect of infringement of the trade mark in the manner provided by this Act.

(2) The exclusive right to the use of a trade mark given under Sub-Section (1) shall be subject to any conditions and limitations to which the registration is subject.

(3) Where two or more persons are registered proprietors of trade marks, which are identical with or nearly resemble each other, the exclusive right to the use of any of those trade marks shall not (except so far as their respective rights are subject to any conditions or limitations entered on the register) be deemed to have been acquired by any of those persons as against any other of those persons merely by registration of the trade marks but each of these persons have otherwise the same rights as against other persons (not being registered users using by way of permitted use) as he would have if he were the sole registered proprietor.

29. Infringement of trade marks: - (1) A registered trade mark is infringed by a person who, not being the registered proprietor of the trade mark or a registered user thereof using by way of permitted use, uses in the course of a trade mark which is identical with, or deceptively similar to, the trade mark, in relation to any goods in respect of which the trade mark is registered and in such manner as to render the use of the mark likely to be taken as being used as a trade mark.

(2) In an action for infringement of a trade mark registered in Part B of the register an injunction or other relief shall not be granted to the plaintiff if the defendant establishes to the satisfaction of the Court that the use of the mark of which the plaintiff complains is not likely to deceive or cause confusion or to be taken as indicating a connection in the course of trade between the goods in respect of which the trade marks registered and some persons having the right, either is registered proprietor or as registered user, to use the trade mark. 31. Registration to be prima facie evidence of validity - (1) In all legal proceedings relating to a trade mark registered under this Act (including applications u/s 56), the original registration of the trade mark and of all subsequent assignments and transmissions of the trade mark shall be prima facie evidence of the validity thereof.

(2) In all legal proceedings as aforesaid a trade mark registered in Part A of the register shall not be held to be invalid on the ground that it was not a registrable trade mark u/s 9 except upon evidence of distinctiveness and that such evidence was not submitted to the Registrar before registration, in all legal proceedings as aforesaid, if it is proved that the trade mark had been used by the registered proprietor or his predecessor in title as to have become distinctive at the date of registration. 32. Registration to be conclusive as to validity after seven years - Subject to the provisions of Section 35 and 46, in all legal proceedings relating to a trade mark registered in Part A of the register (including applications u/s 56) the original registration of the trade mark shall, after the expiration of seven years from the date of such registration, be taken to be valid in all respects unless it is proved-

(a) that the original registration was obtained by fraud; or

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

commencement of the proceedings; or

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

6. Reading of the above provisions shows that section 28 deals with the right conferred by registration and section 29 with infringement of the trade mark whereas section 31 provides that registration is a prima facie evidence of validity. Section 32 provides that registration to be conclusive as to validity after seven years. Therefore as per the provisions of the Act, the registered proprietor of the trade mark gets exclusive right to the use of the trade mark in relation to his goods. Registration renders the registered trade mark to be prima facie evidence of the validity thereof and after the expiry of seven years from the date of such registration, it conclusively establishes the validity thereof in all respects unless hit by any of the clauses mentioned therein namely (a), (b) or (c).

7. Now, Therefore, we have to see what is the effect of the registration of the trade mark by the respondent of its soap under the mark "Kesh Nikhar" after expiry of seven years from the date of its registration? Admittedly, plaintiff's trade mark "Kesh Nikhar" regarding its product i.e. soap got registered with the Registrar of Trade Marks in July, 1963. The trade mark "Kesh Nikhar" was accepted by the Registrar of Trade Marks after considering all the documentary evidence produced by the plaintiff. This fact so proved by the testimony of Shri Prem Kumar Anand, (PW-1), LDC in the office of the Registrar of Trade Marks, Okhla. He testified that the Registrar of Trade Marks considered the trade mark "Kesh Nikhar" as distinctive and this finding of the Registrar was based on the documentary and oral evidence produced by the plaintiff. Appellant/defendant No.1 had moved a rectification application before the Registrar of Trade Marks for removal of the plaintiff's trade mark from the register or for its rectification by imposing a disclaimer on the expression "Kesh Nikhar" appearing in the trade mark. This application was filed on 30.11.1973. However, from record it appears that the said application was abandoned by the appellant/defendant. It was so held by the Registrar of Trade Mark. In the said application the ground taken by the appellant/defendant was that "Kesh Nikhar" was purely descriptive and not distinctive. Therefore, no monopoly could be had by the plaintiff. But having abandoned the application the order of the Registrar became conclusive. The said order of abandonment attained finality because no appeal was preferred against the same. Another application for rectification by another firm was preferred which was also subsequently abandoned. Since no appeal was preferred against that hence that order of abandonment also attained finality. In these circumstances it can safely be concluded that the registered proprietor of the trade mark i.e. plaintiff was exclusive right to the use of the trade mark "Kesh Nikhar" in relation to his goods i.e. soap. Moreover, sufficient material was placed before the registrar of Trade Mark to prove the exclusive user of this trade name which fact stood established by the testimony of PW-1 Prem Kumar. The Registrar of Trade Marks was prima facie satisfied with the evidence of the

validity of this trade mark being associated with the plaintiff.

8. Therefore, the question for consideration is what is the effect of its registration after seven years from the date of its registration and the rectification application of the appellant/defendant having been abandoned? Counsel for the respondent plaintiff contended that the validity of the registration of the plaintiff's trade mark has thus become conclusive u/s 32 of the Act. It is also an admitted fact that against the abandonment of the rectification proceedings no appeal was preferred by the appellant nor any rectification proceedings were initiated in the High Court as stipulated u/s 56 of the Act. It would not be out of place to mention that the validity of the trade mark cannot now be challenged in these proceedings, particularly when it is an admitted fact on record that proceedings for rectification brought by this appellant had deemed to be abandoned and no rectification proceedings having been brought in the High Court and a period of seven years having elapsed since the date of its registration, hence appellant now cannot be allowed to challenge the exclusive right to the user of its trade mark "Mark Nikhar". Once the finality has been attained, the same cannot be challenged nor can be permitted to be challenged now.

9. We also find no force nor substance in the submission of learned counsel for the appellant that at the commencement of the proceedings the trade mark was not distinctive of the good of the registered proprietor, Therefore, case of the plaintiff is hit by the provision of clause (c) of Section 32 of the Act. The our mind, the trial Court while negating this argument of the appellant has correctly concluded that in the facts of this case the provision of clause (c) of Section 32 of Act is not attracted. Number of witnesses were examined by the respondent/plaintiff to prove the distinctive character of its trade mark and we see no reason to disturb the conclusion arrived at by the learned trial Court which is well reasoned and based on the material placed on record.

10. We also find no substance in the arguments of counsel for the appellant that the trade mark "Kesh Nikhar" is not identified with the respondent/plaintiff's goods. In fact all the witnesses produced by the respondent/plaintiff including the witnesses produced by the appellant/ defendant have in no uncertain words admitted that the trade mark "Kesh Nikhar" has a reference to the product of the respondent/plaintiff i.e. the soap. All the witnesses in one voice stated that the customer comes and asks for "Kesh Nikhar". Invoices have also been produced on record showing the demand of the plaintiff's soap under the trade mark "Kesh Nikhar". This shows the distinctiveness of the respondent's trade mark in relation to its goods. Even appellant's witnesses K. Nagina, DW-1 admitted that the customer comes and asks for "Kesh Nikhar" soap without mentioned the words "PESCO", "NOVA" or "MARTEX". He also admitted that the colour of the carton is not an association by which the customer asks for goods.

Therefore, the word "Kesh Nikhar" is identified with soap of plaintiff. The trial Court rightly came to the conclusion that from the testimony of respondent's witnesses as well as the admission made by this appellant's witness K. Nagina,

DW-1 the distinctiveness of "Kesh Nikhar" is made out in respect of the goods of the plaintiff. From the testimony of Kuldip Singh, DW- 2 the appellant tried to prove that the trade mark was not distinctive. It was of a common use but his testimony stood contradicted by the testimony of K. Nagina, DW-1 another witness produced by this appellant. Therefore, from the material on record the conclusion arrived at by the trial Court that the trade mark "Kesh Nikhar" is not of common use but distinctive and identified with the goods of the plaintiff, cannot be questioned. Hence the said registered trade mark is not hit by the provisions of Clause (c) of Section 32 of the Act. It has also come on record that no customer asks for the soap associated with the colour of the carton, rather every one comes and asks for "Kesh Nikhar" soap. The soap "Kesh Nikhar" is not associated with the colour of the carton, hence on this count also we find no force in the submission of the appellant. We also find no fault in the reasoning of the learned trial Court that the trade mark "Kesh Nikhar" was uncommon and distinctive of the goods of the respondent/plaintiff and that it is not descriptive of the character and quality of the goods.

11. We find substance in the contention of learned counsel for the respondent that the use of the words "Kesh Nikhar" by the appellant will definitely infringe the right of the respondent/plaintiff to the exclusive use of its registered trade mark and that it would amount to passing off the goods of the appellant as plaintiff's good which cannot be permitted.

For the reasons stated above we find no infirmity in the impugned judgment and no merits in the appeal. Dismissed.