
(2020) 09 IPAB CK 0004

In the Intellectual Property Appellate Board

Case No : ORA/97/2009/TM/DEL, ORA/98/2009/TM/DEL

Eveready Industries India Limited

APPELLANT

Vs

Kamlesh Chadha

RESPONDENT

Date of Decision : 22-09-2020

Acts Referred:

Trade Marks Act, 1999 — Section 9, 11(3), 11, 11(1), 11(2), 11(a), 12, 12(1), 12(3), 154, 18, 2(1), 25(3), 29(5), 33, 33(1), 36E, 45

Citation : (2020) 09 IPAB CK 0004

Hon'ble Judges : Manmohan Singh, J; Lakshmidhevi Somanath, Technical Membe

Bench : Division Bench

Advocate : Ajay Sahni, Sucheta Roy, Saurabh Kirpal, Sudershan K. Bansal, Ajay Amitabh Suman

Final Decision : Allowed

Judgement

Manmohan Singh, J

1. By this order, we propose to decide the above-mentioned two rectifications petitions filed by Eveready Industries India Limited against the

registered trademark no. 439233 (word per se) and 539621 (logo mark) in Class-8.

2. These matters are pending since 2009. The applicant's suit being C.S. (OS) 1422/2009 is also pending against the respondents. In view of urgency

explained to us, the above-mentioned petitions are taken up for hearing through videoconferencing.

3. The following are the brief facts taken from the pleadings of the parties and the written submissions filed by the parties. The applicant submits as

under:

a) The Applicant (Eveready Industries India Limited) was incorporated on 20

June 1934, and is one of the most reputed FMCG Companies, engaged in the business of manufacturing and trading in dry cell batteries (carbon zinc batteries, alkaline and rechargeable batteries), flashlights, compact fluorescent lamps (CFLs), general service lamps, packet tea and insect repellants. All the products of the Applicant are manufactured and sold under the brand name and the trade mark "EVEREADY". The Applicant has been using the mark EVEREADY since 28 October 1942, and is the registered proprietor and the owner of the trade mark 'EVEREADY' registered under various classes as per the Schedule of the Trade Marks Act, 1999 ("Act") and all the registration certificates are duly renewed and valid and subsisting till date.

b) The trade mark EVEREADY also forms the prominent and dominant feature of the corporate name of the Applicant Company i.e., EVEREADY

INDUSTRIES INDIA LIMITED and thus reinforcing the distinctiveness of the trade mark of the Applicant. The trade mark EVEREADY and

EVEREADY (DEVICE) has been used by the Applicant exclusively, extensive and uninterruptedly in India and across the world.

c) The Applicant by prior adoption, extensive usage of the trade mark "EVEREADY", has attained immense goodwill and reputation and therefore

has attained the status of well-known trademark as defined in section 2(1)(zg) of the Act and is exclusively associated with the Applicant and none

else.

4. As per pleadings of the applicant, the case set up against the respondents is as under:-

a) In the year 1985, the Respondents had fraudulently registered an identical trade mark EVEREADY under no. 439233 and in the year 1990 the

Respondents malafidely registered the identical artistic logo/trademark under No. 539621 in respect of the

goods viz., hand tools, screw drivers, cutting pliers, etc. claiming a false user since 1985 not supported by any documentary evidence and which

registrations are apparently on the face of it violative of the provisions of Section 9, Section 11 and Section 18 of the Act and are liable to be removed

from the Register.

b) The business of the Respondents has been dishonest right from the inception on a fraudulent basis in as much as the very adoption of the trade

name EVEREST TOOLS in respect of hand tools, etc. was as a result of copying the name of the leader in the hand tool industry being Hindustan

Everest Tools Ltd. whose trademark EVEREST for hand tools stand registered under TM Application No. 352193 since 07 August 1979.

c) The alleged assignment deed dated 06 January 2009 between Smt. Kamlesh Chadha and Sh. Sanjay Chadha vide which the aforementioned

impugned registered trademarks of the Respondents have been assigned is on the face of it invalid as it violates the express statutory provisions of the

Trade Marks Act, 1999. The alleged deed of assignment is further not a valid document as the earlier firm M/s. Everest Tools Industries was not even

in existence in the year 2009 when the alleged assignment deed was signed and the said trademark on account of non-use had already been

abandoned.

d) The renewal application filed in the year 2000 in respect of the aforementioned impugned registered trademark is also invalid and beyond the

provisions of law and the said trademarks could not be renewed without following the due procedure of law and consequently the said impugned

registered trademark ought to be considered as lapsed.

5. It is submitted on behalf of applicant that the Respondents have filed a false affidavit dated 12 January 2009 in opposition No. CAL-723369 to

Application No. 641191 dated 26 September 1994 in as much as (a) para 7 of the affidavit wrongly states that the predecessor in title was using only

one trademark EVEREADY and hence all sales relates to the said trademark, whereas the truth of the matter is that the documents filed by the

Respondents themselves in the present case clearly point out that there were several other trademarks under which the Respondents were selling their

hand tools and (b) it is wrongly stated in para 8 of the affidavit that the Respondents have been using the trademark EVEREADY for hand tools since

the year 1979-80. In fact, the Respondents have deliberately suppressed from this Hon'ble Tribunal that they were using the trademark 'AMUL' in

respect of hand tools since 01 January 2008 and in fact the Respondents are also as of 11

November 2017 registered proprietor of the trademark . (Document 5 of the Convenience Compilation)

5.1 The said impugned trademarks of the Respondents are liable to be cancelled

on their own admission made in para 13 and 27C of the counter

statement wherein it has been submitted by the Respondents that the trademark EVEREADY has become common to trade.

5.2 In fact, the Applicant in 2009 filed a civil suit Eveready Industries India Limited vs. Mr. Sanjay Chadha & Anr. bearing no. CS(OS) 1422 of 2009

(now CS(COMM.) 901 of 2018) before the Hon'ble High Court of Delhi ("Delhi Suit"). As per the terms of the interim order passed in the Delhi Suit,

the Respondents were restrained from using the Applicant's label mark "" "" and also restrained the use of the

word mark ""EVEREADY"" for all goods apart from screw drivers and pliers. The evidence in the matter is complete and the same is now pending for

final arguments.

5.3 In rejoinder, the applicant has challenged the assignment. Para 1. (a) and (b) of reply to preliminary submissions are reproduced below:-

(a) Respondent No. 2 proprietor of Eveready Tools Emporium claim to have stepped into the shoes of Respondent No. 1 by virtue of Deed of

Assignment dated 8th January, 2009. The assignment deed effective from 1st April, 2005 which gives retrospective effect to the assignment for the

past 4 years is not permissible under the Act. Hence the assignment deed is null and void and the affidavit of Mr. Sanjay Chadha in the opposition

proceedings and the assignment deed as aforesaid is null and void on this ground only.

(b) The Assignment Deed dated 6th January, 2009 being invalid for giving retrospective effect by the joint request of the Respondent No. 1 and the

Respondent No. 2 is null and void. Due to the above reasons, Respondent No. 2 is not the assignee of the trademark registration Nos. 539621 and

439233 for EVEREADY in Class 8. Therefore, any document filed as evidence which is in the name of Respondent No. 2 or Eveready Tools

Emporium are not be admitted and accepted as the same may be null and void in the eyes of law. It is also therefore clear that Respondent No. 1 and

Respondent No. 2 are acting in connivance in each other. In view of the above, it is submitted that Respondent No. 2 is not a subsequent proprietor of

the registered trademark 539621.

6. As per pleadings and written submission, the case of the respondents is as under:

i) In the year 1985, the Respondents honestly and bonafidely adopted the trademark EVEREADY Label manufacturing and marketing of hand tools

and has been continuously been the same (except for the period injunction order was in operation in suit bearing CS(OS) No. 1422 of 2009).

ii) The Respondents are the honest adopter and bonafide user of trademark EVEREADY in relation to hand tools since the year 1985. Prior to

adopting the trademark EVEREADY in relation to goods falling in class 08, the respondent took search report from the trade mark registry on

02.06.1983. (Exhibit-X at Page 229-230 filed along with counter statement filed in OR A/97/09/TM/DEL). The Respondent has discharged the onus

of being honest adopter. The Respondents are entitled to protection being honest adopter and concurrent user.

iii) The Respondents have been using the subject matter trademark since the year 1985. Invoices dated 14.04.1998 (Page 148), 15.04.1998 (Page

150), 24.06.1998 (Page 155), 07.09.1998 (Page 167), 26.03.1999 (Page 188), 04.07.2005 (Page 189), 01.02.2006 (Page 192), 12.10.2006 (Page 203),

07.07.2007 (Page 210), 14.09.2007 (Page 213), 02.02.2008 (Page 215), 07.03.2009 (Page 220). The Respondents are entitled to the registration being

honest adopter and concurrent user.

iv) The applicant has suppressed the factum of earlier knowledge of Respondents registrations at least since 2000. When the Petitioner, through its

attorneys, Mr. D.P. Ahuja and Co. applied to the Registrar of Trademarks for registration of the trademark EVEREADY vide application No.

641191, the application was examined by the trademark registry and vide examination report No. 31312 dated 11th November, 1999, it was pointed out

that the mark EVEREADY was already registered in the name of Respondents with respect to screw drivers and cutting pliers in Class 8 vide

registration No. 439833 and in respect of hand tools vide registration under no. 539621. As the Petitioner is guilty of suppression of its' knowledge of

Respondents' registrations since the year 2000, the petitioner is not entitled for any of the relief as prayed for.

The applicant was aware of Respondent's registration since the year 2000. However the applicant kept sitting almost for 9 years silently and suddenly

after the gap of 9 years, the applicant filed the instant petition. The Petition is barred by virtue of inordinate, delay, laches and acquiescence on the

part of the Petitioner.

v) In view of afore mentioned objection raised by the Registrar of Trademarks, the applicant vide its letter dated 25.03.2000 (agreed to amend the goods in respect of which registration was sought by it by excluding screw driver and cutting pliers. Hence the applicant was very much admitted the right of Respondents in the subject matters registrations by getting its goods amended by excluding Respondents' goods i.e. excluding screw driver and cutting pliers. In view of afore mentioned admission made by the applicant, the present petitions are liable to be rejected.

vi) Even in the suit proceeding bearing CS(OS) No. 1422 of 2009, pending between the parties, the Respondent claims that the Applicant was refused injunction by the learned single judge in this matter since they knew that the Respondent was on the Register of Trade Marks, and they filed for amendment of the description of goods through Form TM-16, all of which amounts to acquiescence, further the applicant has admitted the proprietary rights of the Respondents in its subject matter product, during the cross examination. The Relevant portion of the admission made by the Petitioner in the cross examination dated 17.01.2018 is reproduced as under:

Q. Is it correct that you have admitted in the Trademark Office that the Respondents (Respondent herein) is the user and owner of the trademark

Eveready in relation to screw drivers and pliers?

A. It is correct.

vii) Even otherwise, it is submitted that the applicant has not filed even a single bill/invoice in support of user of the impugned Trade Mark

EVEREADY in relation to hand tools viz: screw drivers, cutting pliers etc. The impugned Trade Mark application of the Petitioner under No. 641191

in Class 08 was filed as proposed to be used. The fact remains that the applicant has no user at all of the impugned Trade Mark in relation to goods of

the Respondents i.e. hand tools, viz: screw drivers, cutting pliers etc. By way of present Petition, the applicant is trying to create monopoly in vacuum,

which amounts to monopolistic trade practices. The same is not permissible in law.

The applicant has no user in relation to the goods of the Respondents. The applicant is trying to create the monopoly in vacuum. Even otherwise, it is

submitted that the goods of the Respondents (i.e. hand tools) are quite different

and distinct from that of the applicant (i.e. batteries). Both the goods in question are filing in different class. Both the goods are sold at different shops. Even otherwise, the people at large recognize the said goods and business of the Respondents with goods of the Respondents only. There is no any question of any confusion and deception in the market vis-À-vis use of the Respondents. Hence the instant petitions are liable to be rejected.

viii) The applicant was unable to prove on records the documents showing user of its impugned trademark EVEREADY showing goodwill and reputation, during the trial proceeding in the suit proceeding bearing CS(OS) No. 1422 of 2009, pending between the parties before the Hon'ble High Court of Delhi. The same is apparent from bare perusal of evidence by way of affidavit of applicant and cross examination conducted by Respondents in the afore mentioned Suit.

ix) The applicant was already aware of the said rights and user of the said Trade Mark and registrations of Respondents in relation to its said goods since the year 2000. The applicant has continuously acquiesced for continuous period of more than 5 years of the user of the Respondents. Hence the applicant is estopped from assailing the trade marks registrations of the Respondents. Even otherwise, the Respondents cannot be estopped from using the said Trade Mark EVEREADY in relation to its said goods (i.e. hand tools), as the Respondents are honest adoption and continuous user of the said Trade Mark in relation to said goods. The Respondents are the registered proprietor of the said Trade Mark/Label in relation to hand tools for considerable period of time. There exist special circumstances in favour of the Respondents. As the applicant itself is guilty of approaching this Board, the same is not entitled to any of the relief as prayed for.

x) The Applicant has not raised any challenge to the Assignment Deed produced by the Respondent. Page 10 Paragraph 14 of the Rectification Petition speaks that ""the Applicants came to know about the presence of the impugned registered trademark, in the name of Kamlesh Chadha, the Respondent herein "". This is a palpably false statement, because since 1999 onwards, the Applicant was aware that Ms. Kamlesh Chadha has got this trade mark registered.

xi) The Applicant has not produced evidence to support its claim of a well known trade mark. They have further not established any usage for hand

tools.

7. On many dates, we have heard Mr. Ajay Sahni, Advocate appeared on behalf of applicant. Mr. Sudershan K Bansal appeared and also argued in

part on behalf of respondents. The main arguments are addressed by Mr. Saurabh Kirpal. We may mention here that when the matters were already

argued by the applicant and Mr. Sudershan K Bansal, suddenly at the midst requested that the hearing be postponed till IPAB starts physical hearing.

The said request was rejected mainly on the reason that once the matters are substantially argued by both parties, it is not proper to adjourn the

matters for awaiting the end of COVID-19. However, we agreed to give reasonable time to argue the remaining part. Mr. Kirpal has raised number

of objections in order to satisfy us that both petitions are liable to be rejected.

8. We have gone through the pleadings, documents and written submissions of the parties. From the same, we are of the view that the following issues

are emerged in order to decide the matters:-

i) Whether the trade-mark of the applicant is a well known mark within the meaning of Section 2(1)(zg) of the Act.

ii) Effect of acquiescence (if any) on the part of the applicant under Section 33 of the Act.

iii) Effect of non-grant of injunction in favour of applicant by the Civil Court.

iv) Concealment (if any) by the applicant and its effect; or any admission in the cross-examination of witness of the applicant.

v) Whether the adoption of the same mark and logo was honest on the date of filing of application of registration.

vi) Validity of assignment by the proprietor in favour of his Sanjay Chadha.

vii) Use of a mark in relation of goods which are not similar.

viii) Conduct of the assignor and assignee of two marks which are under rectification.

ix) Concurrent user.

x) If the answer to Issue No. 1 is affirmative, then whether there is dilution of the Applicant's well known trade mark

9. Well-known mark

a) Mr. Saurabh Kirpal has argued relying on various admissions made by the Applicant in the Trade Mark Registry concerning the amendment of the

description of the goods, and giving up certain goods. However, the Applicant's case is simple that the mark EVEREADY is a well known Trade

Mark that is being used since 1942 for Batteries and Torches, therefore the aforementioned admissions would not be pertinent. Mr. Saurabh Kirpal

has argued that the conditions of well-known trade mark are not satisfied by the applicant. He argued that:

b) There is no sufficient evidence.

c) There is hardly any goodwill and reputation on the relevant date of year 1985 in order to get the protection on the basis of well-known trade mark.

d) Since the applicant has miserably failed to produce the evidence to fulfil the condition, the question of taking the shelter of well-known trade mark

does not arise.

e) Once the applicant has failed on this issue, as the business activities are different, general law will apply.

The Applicant had the task of establishing before this Forum that its mark is a well-known Trade Mark.

10. Section 2(1)(zg) of the Act reads as under:

2(1)(zg) "'well known trade mark'", in relation to any goods or services, means a mark which has become so to the substantial segment of the public

which uses such goods or receives such services that the use of such mark in relation to other goods or services would be likely to be taken as

indicating a connection in the course of trade or rendering of services between those goods or services and a person using the mark in relation to the

first-mentioned goods or services.;

11. The grounds for refusal of registration under Section 11 of the Act are mandatory being Special Act. The same are read as under:-

11. Relative grounds for refusal of registration.--

(1) Save as provided in section 12, a trade mark shall not be registered if, because of--

(a) its identity with an earlier trade mark and similarity of goods or services covered by the trade mark; or

(b) its similarity to an earlier trade mark and the identity or similarity of the goods or services covered by the trade mark, there exists a likelihood of

confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.

(2) A trade mark which--

(a) is identical with or similar to an earlier trade mark; and

(b) is to be registered for goods or services which are not similar to those for which the earlier trade mark is registered in the name of a different

proprietor,

shall not be registered if or to the extent the earlier trade mark is a well-known trade mark in India and the use of the later mark without due cause

would take unfair advantage of or be detrimental to the distinctive character or repute of the earlier trade mark.

(3) A trade mark shall not be registered if, or to the extent that, its use in India is liable to be prevented--

(a) by virtue of any law in particular the law of passing off protecting an unregistered trade mark used in the course of trade; or

(b) by virtue of law of copyright.

(4) Nothing in this section shall prevent the registration of a trade mark where the proprietor of the earlier trade mark or other earlier right consents to

the registration, and in such case the Registrar may register the mark under special circumstances under section 12.

Explanation.--For the purposes of this section, earlier trade mark means--

(a) a registered trade mark or an application under section 18 bearing an earlier date of filing or an international registration referred to in section 36E

or convention application referred to in section 154 which has a date of application earlier than that of the trade mark in question, taking account,

where appropriate, of the priorities claimed in respect of the trade marks;]

(b) a trade mark which, on the date of the application for registration of the trade mark in question, or where appropriate, of the priority claimed in

respect of the application, was entitled to protection as a well-known trade mark.

(5) A trade mark shall not be refused registration on the grounds specified in sub-sections (2) and (3), unless objection on any one or more of those

grounds is raised in opposition proceedings by the proprietor of the earlier trade mark.

(6) The Registrar shall, while determining whether a trade mark is a well-known trade mark, take into account any fact which he considers relevant

for determining a trade mark as a well-known trade mark including--

(i) the knowledge or recognition of that trade mark in the relevant section of the public including knowledge in India obtained as a result of promotion

of the trade mark;

(ii) (ii) the duration, extent and geographical area of any use of that trade mark;

(iii) the duration, extent and geographical area of any promotion of the trade mark, including advertising or publicity and presentation, at fairs or

exhibition of the goods or services to which the trade mark applies;

(iv) (iv) the duration and geographical area of any registration of or any application for registration of that trade mark under this Act to the extent that

they reflect the use or recognition of the trade mark;

(v) the record of successful enforcement of the rights in that trade mark, in particular the extent to which the trade mark has been recognised as a

well-known trade mark by any court or Registrar under that record.

(7) The Registrar shall, while determining as to whether a trade mark is known or recognised in a relevant section of the public for the purposes of

sub-section (6), take into account--

(i) the number of actual or potential consumers of the goods or services;

(ii) the number of persons involved in the channels of distribution of the goods or services;

(iii) the business circles dealing with the goods or services, to which that trade mark applies.

(8) Where a trade mark has been determined to be well known in at least one relevant section of the public in India by any court or Registrar, the

Registrar shall consider that trade mark as a well-known trade mark for registration under this Act.

(9) The Registrar shall not require as a condition, for determining whether a trade mark is a well-known trade mark, any of the following, namely:--

(i) that the trade mark has been used in India;

(ii) that the trade mark has been registered;

(iii) that the application for registration of the trade mark has been filed in India;

(iv) that the trade mark--

(a) is well-known in; or

b) has been registered in; or

(c) in respect of which an application for registration has been filed in, any jurisdiction other than India;

or

(v) that the trade mark is well-known to the public at large in India.

(10) While considering an application for registration of a trade mark and opposition filed in respect thereof, the Registrar shall--

(i) protect a well-known trade mark against the identical or similar trade marks;

(ii) take into consideration the bad faith involved either of the

applicant or the opponent affecting the right relating to the trade mark.

(11) Where a trade mark has been registered in good faith disclosing the material informations to the Registrar or where right to a trade mark has

been acquired through use in good faith before the commencement of this Act, then, nothing in this Act shall prejudice the validity of the registration of

that trade mark or right to use that trade mark on the ground that such trade mark is identical with or similar to a well-known trade mark.

12. Section-11 stipulates that subject to provision in Section-12, a trade mark shall not be registered, there exists a likelihood of confusion on the part of

the public. Trade Mark Act is a Special Act. The provision of Section-11 is a prohibitory provision to the registration of identical with or similar to the

earlier trade mark under Section 11(2)(b). In the present case, it is undisputed fact, the trade mark is identical. Section 11(2) does not mandate for

similar goods. Rather it mandates that if earlier trade mark is a well-known trade mark in India and the use of the later mark without due cause would

take unfair advantage or be detrimental to the distinctive character or repute of the earlier mark. Sub-section (3) is more stringent and mandatory.

Section 11(1) (3) even mandates that no trade mark shall be registered and is to be prevented by virtue of law of copyright. It is settled law that while

considering the mandatory provision of Section 12(1) and Section 11, it is the first duty of the Tribunal towards the public and the maintenance of

purity of Register in order to avoid likelihood to deceive and cause on confusion in public at large.

13. As far as prevention of copyright is concerned, there is no dispute that the respondents have appropriate similar artistic work in logo as a whole.

No justification is given by the respondents,. The concept of well-known trade mark covers under Section (11)(3)(b) of the Act if it is an infringement

of copyright.

14. In the light of above, it is to be examined as to whether the trade mark of the applicant is a well-known trade mark within the meaning of Section

2(1)(zg) and Section 11 of the Act or not and as to whether the prayer can be allowed (if it is a well known mark) to take the unfair advantage or

detrimental or repute of earlier trade mark within the meaning of Section 11(2) of the Act. It is admitted position that the applicant is holding

registrations since 1942 and have come to file the rectifications mainly on the two reasons apart from others that the respondents are not the

proprietor of the marks.

15. It is evident from the facts of present case that by virtue of user and being coined the trademark, 'EVEREADY' is a distinctive mark. It is

registered in 1942. It is recognized all over India and abroad. Public in India is aware and having knowledge about the mark by way of user and

promotion. It is also registered in other classes. It is protected by various courts from time to time. As of today, the user is about 78 years. Sale is in

hundreds crores per annum. Further the object of Section 11(2) was to protect the reputation of certain trade marks that extended beyond the pale of

the goods or services that were being originally offered under them, the primary factor here being the brand recollection, and not the turnover of the

company. EVEREADY is not a common name. Marks like Bajaj, Dr. Reddy, Kirloskar, Sharp, Nirma Mahindra n Mahindra, Omega, Usha, Intel,

Aggarwal Packers n mover, Havells, Raymond and Jockey which are common surnames and words have been declared as famous/well

known/reputed marks by the various High Courts. If those are declared then EVEREADY stand in better footing, if sufficient evidence is produced

before us. When the word EVEREADY is heard by layman, he has naturally under the presumption that those goods, whatever their origin, must have

been manufactured by the main company EVEREADY.

16. It is necessary to refer certain facts as alleged by the applicant in order to know that whether the applicant has produced sufficient material to

satisfy this Board to cross such hurdle.

a) In para-11 of the petitions, it has come on record that the applicant has large number of registrations in its favour. The earlier registration is dated

28.10.1942. The details are given as annexure-C.

b) Sale figures are given in Annexure-D. Figures are mentioned in para-12 of the petition along with advertisement figures from the year 1981-82.

c) Photo copies of invoices and advertisement are filed as Annexure - D.

d) The Applicant had sales of around INR 229.70 Crore and made promotional expenses of approx. INR 3 Crore in the financial year 1990-1991,

when the Respondents filed their trademark application. In view of the same, the Respondents cannot claim to be unaware of the Applicant's Trade

Marks at the time of the adoption of the Respondents' Trade Marks.

e) The Applicant has been vigilant in protecting its trademark EVEREADY even in the year 1930, in the case of Chwan Swee Bee v. National

Carbon Company reported in fact that the Applicant has been using a distinctive artistic label/banner of writing the trademark EVERADY in a

pyramidal form has also been recognized by the Hon'ble High Court of Allahabad in as early as 1953 in a case reported National Carbon Co (India)

Ltd. v. Rajkumar and Anr. The Hon'ble Supreme Court also in the year 1964 has referred to the Applicant's products EVEREADY torches in the

matter of Chhabildas Tribhuvandas Shah and Ors. v. Commissioner of Income Tax, West Bengal.

17. In view of such material, it has come on record that -

a) Public has a knowledge about this mark.

b) Extent of user more than 78 years is sufficient in India and abroad.

c) Large number of registrations obtained.

d) Successful enforcement.

e) All conditions of Section 11(1)(6) are satisfied and also under Section 2(1)(zg) of the Act.

18. Thus, the applicant's mark is a well-known mark due to their extensive, continuous use, have gained immense goodwill and reputation and have

attained the status of a well-known mark under Section 2(1)(zg) of the Act.

19. Once it is a well known marks, the registration if appropriated in bad faith even in relation to different goods, the benefit of Section 11 and 18 must

go to a party who is enjoying the well-known mark.

Adoption of mark by the respondents

20. In the present case, the respondents have not only adopted the same mark, but also in the year 2005 invested in the name of ""EVEREADY"" as

dominant part of trading style. Deliberate attempt is there to cause deception so as to confuse the members of general public. The comparison of both

rival marks of the parties are reproduced as under:-

21. Thus, the adoption of the mark ""EVEREADY"" and the mark adopted by the Respondents was not honest and it must have been done with an

intention to ride over the goodwill and reputation of the Applicant and for this reason also the impugned registration in favour of the Respondents is

liable to be taken off the record. It is settled law that in cases of a dishonest adoption, the onus of proof is on the Defendant to prove the honesty.

[MAC Personal Care Pvt. Ltd. and Ors. v. Laverana GMBH and Co KG and Ors. 2016 (65) PTC 357 (Del)]

22. It appears that from the year 2005, the approach of the respondents was more aggressive who bent upon not only to use the same mark but also

use the trading style. Section 29(5) stipulates that if a trade mark is used in trading style, it also amounts to infringement of trade mark.

23. The Applicant has been using the trademark ""Eveready"" since 1942. The Respondents filed their application for the registration of the trademark

Eveready"" later on. It is an admitted fact that the Applicant is the prior user of the mark ""Eveready"". [Suresh Kumar Jain v. Union of India and Anr.

Pramod Kumar Vs. Suresh Garg and Ors.

24. It is settled law that a use of a well-known mark, even in respect of goods or services which are not similar to those provided by the trademark

owner, though it may not cause confusion amongst the consumer as to the source of goods or services, may cause damage to the reputation which the

well-known trademark enjoys by reducing or diluting the trademark's power to indicate the source of goods or services. [Tata Sons Ltd. v. Manoj

Dodia and Ors. 2011 (46) PTC 244 (Del)] A well-known trademark can be protected across all classes of goods [FordMotor Company v. Mrs. C.R.

Borman and Anr.

25. As per settled law, in case of mala fide adoption, even use for a long period cannot vest any right in the Respondents. [JolenInc v. Doctor &

Company 98 (2002) DLT 76; Innovolt v. Kevin Power Solutions Ltd. (Para 58); Hamdard National Foundation v. Abdul Jalil 2008 (38) PTC 109

(Del)] In fact, where the initial adoption of a mark is dishonest, no amount of subsequent use can purge the initial dishonest conduct [Win-Medicare

Pvt. Ltd. v. Galpha Laboratories Ltd.

26. It was observed by Romer J In the matter of an application brought by J.R. Parkington and Coy Ltd. (1946) 63 R.P.C.-171 at 181 that the

adoption of a mark in the first instance are of considerable importance when one once comes to consider whether the use of the mark has or has not

been an honest user. If the user in its inception was tainted it would be difficult in most cases to purify it subsequently.

27. We are of the view that the relief sought by any party on any ground, it can only be granted or advantage of bona fide and concurrent user is given

if a party who is not guilty of a fraud.

28. The mala fide of the Respondents can also be gathered from the fact that initially the Respondents were conducting their business as Everest

Tools Industries but adopted the Applicant's Trade Mark as a part of their trade name to ride on the reputation of the Applicant. The advantage of

concurrent-user can be availed by a party if the adoption is honest because of Section 12(3) with the governing the word honest.

Evidence produced by the respondents about user

29. We have gone through the documents filed by the respondents which are in the nature of Income-tax returns, invoices, price list and other

connected to the user claimed since 1985. Admittedly, the user of the respondent has been denied by the applicants -

a) Income-tax return and assessment orders do not show the trade mark ""EVEREADY"".

b) The price list of the year 2006 is available on record.

c) Few invoices of the assignee from the year 2005-2009 of Eveready Tools Emporium are filed.

d) Sale figures do not show the trade mark.

e) Few invoices for the years 1998 and 1999 are filed pertaining to the trade mark Eveready and Champion.

It appears to us that there is no cogent and clear evidence of user claimed. The respondents were using other trade marks also. The respondent's

have made the wrong statements that they have only one trade mark. Continuous user is missing in the matter. There is a break of user by the

assignor and assignee for long period of time. The question of long user/ continuous user does not arise nor the respondents were entitled for

registration under concurrent year. The filing of applications itself were bad as on the date of respective applications, the respondents were not the proprietor of trade mark.

30. Assignment

Assignment Deed is dated 6th January 2009 effective from 1.4.2005. It is pertaining to two registered trademark no's 439233, 539621 in class 8 in the name Smt. Kamlesh Chadha assignor in favour of Sanjay Chadha. The assignor in the deed executed has undertaken that the assignor shall not use

the mark in any manner without the consent of assignee and all right would be vested with assignee only. It is evident that the said deed is effective from 1.4.2005 as per case of the respondents.

The assignor has also executed affidavit dated 6.1.2009. It the stand of the respondents without prejudice is accepted, then from 1.4.2005 has no right

to both Trademarks in whatsoever manner. In case the Sanjay Chadha is become owner of the Marks w.e.f. 1.4.2005 then why the notice of

opposition dated 28.3.2008 to the applicant mark under application number 641191 in class 8 was filed.

Sanjay Chadha has filed an affidavit as evidence dated 12.1.2009. It appears from para 8 of the affidavit that statement of sale figures from the year

1981-1984 and 1986-87 to 1991-1992, 2000-2001, 2002-2003 to 2004-2005 are missing. It appears to us either the mark was not used by the assignor

or assignee during relevant period of time or the assignment deed is anti dated/cover up document.

There is no procedure in the Act to anti date the document. As per the case of the respondents that the mark was acquired by the Sanjay Chadha on

14.2005. As per Section 45 of the Act where a person becomes entitled by assignment to a registered trademark, he has to apply for registration in the

prescribed manner for such assignment to be entered on the Register. It appears from record that the trademark was not renewed at that point of

time. Once it was not renewed and not valid where is the question of assignment of registered trademarks. The application for recording the

assignment was filed after many years when the said document was challenged in court. The mark was renewed in the year 2019. Thus we are clear

in our mind that it is a defective document and contrary to law.

31. Renewal of Trade Mark No. 439233

As per digital record of Trade mark office is available on-line, counsel for the applicant has brought to our notice as follows:-

a) The Respondent applied for registration of the trade mark ""Eveready"" as a word mark under Application No. 439233 on 19 June 1985. The said

trade mark was renewed in the years 1992 and 1999 for 7 years each, and stood renewed till the year 2006. The Respondent failed to apply for

renewal of its trade mark. After the lapse of restoration period of one year as per law is liable to be lapsed. The Respondent, in the year 2010 applied

for renewal and restoration of the said trade mark, and also applied for change of name and address of its agent to ""Delhi Registration Services"".

b) The Respondent also filed an interlocutory petition, requesting for restoration of the said trade mark (thereby admitting that the same was not duly

registered), stating that the Applicant did not receive the prescribed renewal notice. It is pertinent to note that in support of its this statement, Mr.

Sanjay Chadha filed an affidavit stating that neither him nor his predecessor received the prescribed notice under Section 25(3) of the TM Act.

c) The hearing on the said interlocutory petition was only held on 20 August 2018, wherein the agent for the Respondent submitted that the requisite

notice was not delivered to them, and hence the mark could not be renewed in time. It is submitted that the said statement is highly misleading and

incorrect, as in 2006, when the requisite notice was to be issued, the agent on record was different, i.e. Mr. Vipin Jain and no notice was to be sent to

Delhi Registration Service.

Thus, it is evident that on the date of execution of assignment deed, the trade mark no. 439233 in Class-8 was lapsed as it was not renewed on the

relevant date/year 2009. Even as per admission by Mr. Sudershan K Bansal that the application was filed in 2010.

32. Different goods

No doubt, the goods of rival parties are different. But once the trade mark is a famous trade mark under the mandatory provisions for different goods,

the same can be protected for different goods. Section-11 prohibits such registration. Even otherwise, reputed trade marks are also protected for dis-

similar goods irrespective of facts whether well-known or not as per settled law, particularly when the trade marks are invented and the party is

unable to give any justification to hit upon the trade mark under rectification. In

the present case, the respondents have failed to give any valid reason for adoption of trade mark has hit upon them. It appears to us that it is simply a theft. Stolen property cannot become rightful property any amount of user although in the present case, the user claim and continuous evidence is missing. Even if the trade mark is not a well-know trade mark and business activities are different, still it can be protected because of long user, proprietary ship right and nature of the mark in question.

a) : AIR 1969 Bombay-24 - Sunder Parmanand Lalwani Versus Caltex (India) Ltd. - Para 20

20. In this case, the goods are totally different. There is no trade connection between them. There is no connection in the course of trade, nor any common trade channels. These are factors against holding that there would be any danger of deception or confusion. But we must consider the factors which tend to show that there is a likelihood of creating deception or confusion. The opponents have been using their mark on a very large scale since 1937. Their sales in 1956 exceeded Rs. 30crores. Their publicity is widespread and large. In 1956 they spent over a million rupees on advertisements. The goods in respect of which they use the trade mark ""Caltex"" are mainly petroleum, kerosene and lubricants like greases and oils etc. The goods in respect of which the applicant seeks registration are mainly watches. The class of goods in respect of which the applicant seeks registration is wider than watches and watches can be both costly and cheap. It cannot go without notice that the goods in respect of which the applicant in fact used the mark before he applied for registration were very cheap watches. The goods of the opponents are used by persons all over India, in cities and villages, in different walks of life, rich or poor, literate or illiterate. The goods of the applicant are different in nature. But they are watches. They can be cheap watches. The potential market for them is, therefore, similar to that of the existing market of the opponents, in the sense that the goods of both the parties are not special goods. They are goods which would be purchased by the common man. Now, so far as the word Caltex"" is concerned, it is common to the opponent's mark as also to the opponent's name. To mention the mark ""Caltex"" is also to mention the name of the owner. The mark is unlike the ""Lion"" or the ""Stag"" mark, where there would be no direct connection between the mark and the name of its

owner. The opponents are a large company known by many as having large resources, and therefore, capable of starting any new industry or trade.

Because of that reason, there is a greater probability of the public believing that any goods with the mark ""Caltex"" on them would be the goods of the

opponents. This is, in our opinion, sufficiently established by the 36 affidavits referred to above. The deponents of these 36 affidavits are from

different parts of India, and from different vocations. In this connection, it may be stated that one of the deponents, Pujara, in his cross-examination,

has stated that he would not be confused if he found the mark ""Caltex"" on other goods, like potato chips, hats, umbrellas etc. Such evidence on this

particular point is not of much assistance. A witness who says so may be more particular or may have a sub-conscious background, whereby he

makes the necessary distinction between the mark as used on different kinds of goods. Although such evidence would be weak, even such weak

evidence has not been produced by the applicant. There is no affidavit on behalf of the applicant of any witness who says that he would not be so

deceived or confused. But, there is the evidence of Rajpal, who even in his cross-examination has stated that he would take all goods bearing the mark

Caltex"" to have been manufactured by the opponents. The evidence of the other deponents as contained in their affidavits is similar. There is an

additional factor to be taken into consideration. The applicant has given no explanation why he selected the word ""Caltex"". Mr. Bhabha contended that

although the applicant has not specifically stated the reason for his selection, it can be inferred from the other statements of the applicant on the

record. He pointed out that the applicant has stated that in about April 1955 he had gone to Switzerland: that he saw the mark applied by Degoumois

& Co. on their watches; and that, their watches had good sales. He says that these facts by themselves provide the reason for his making the

selection. But, unfortunately for the applicant, it is also his evidence that Degoumois & Co. had other marks in respect of their watches. As a matter

of fact, on the first order which the applicant placed with Degoumois & Co., which is dated April 6, 1955, the mark originally selected by him in

respect of the categories of Watches covered thereby was ""Sandy"", which also was a mark of Degoumois & Co. He got the mark ""Sandy"" changed

to ""Caltex"" only subsequently. Why he made the change has not been explained. It would be legitimate to infer that he selected the mark ""Caltex"" to

take advantage of the reputation of that mark as used by the opponents in connection with their goods. The applicant's selection of the mark was

made, to use the words of Lord Denning in *Parker-Knoll Ltd. v. Knoll International Limited*, with intention to deceive and cause confusion, and he

must, therefore, be given credit for success in his intention, and we should not hesitate to hold that the use of that mark is likely to deceive or cause

confusion. In this connection, the following passage from the judgment in *Edward Hack's case*, occurring at page 106 is relevant:

I think that a large number of persons if they heard of laxative called 'BlackMagic' or saw advertisements of a laxative called 'Black Magic' would be

likely to think that the laxative was made by the same firm who made the 'Black Magic' chocolates"".

b) (1994) 14 PTC 0287 - Daimler Benz Aktiegessellschaft and another versus Hydo Hindustan (Para 13-20)

13. There are marks which are different from other marks. There are names which are different from other, names. There are name and marks

which have become household words. ""Benz"" as name of a Car would be known to every family that has ever used a quality car. The name ""Benz;

as applied to a car, has a unique place in the world. There is hardly one who is conscious of existence of the cars/automobiles, who would not

recognize the name ""Benz"" used in connection with cars. Nobody can plead in India, where ""Mercedes Benz"" cars are seen on roads, where

Mercedes"" have collaborated with TATAs, where there are Mercedes Benz --Tata trucks have been on roads in very large number, (known as

Mercedes Benz Trucks, so long as the collaboration was there), who can plead that he is unaware of the word ""Benz"" as used with reference to car

or trucks.

14. In my view, the Trade Mark law is not intended to protect a person who deliberately sets out to take the benefit of somebody else's reputation with

reference to goods, especially so when the reputation extends worldwide . By no stretch of imagination can it be said that use for any length of time of

the name ""Benz"" should be not objected to.

15. We must keep in mind that the plaintiff company exists in Germany. An insignificant use by too small a product may not justify spending large

amounts needed in litigation. It may not be worthwhile.

16. However, if despite legal notice, any one big or small, continues to carry the illegitimate use of a significant worldwide renowned name/mark as is

being done in this case despite notice dated 9.12.1989, these cannot be any reason for not stopping the use of a world reputed name. None should be

continued to be allowed to use a world famed name to goods which have no connection with the type of goods which have generated the worldwide reputation.

17. In the instant case, ""Benz"" is a name given to a very high priced and extremely well engineered product. In my view, the defendant cannot dilute

that by user of the name ""Benz"" with respect to a product like underwears.

18. Counsel for the defendant seeks three weeks' time to dispose of the existing stock. In my view, Hybo Hindustan is an established concern. It

ought not to have adopted the name ""Benz"" with respect to underwear. It has its own name, its own reputation and it can very easily and conveniently

bear the loss which will have to be sustained by it by not selling any of the underwears which it has wrongly chosen to mark ""Benz"", forthwith.

19. It is not the case of the defendant that the defendant is only selling underwears under the trade mark ""Benz"". It markets undergarments bearing

different trade names, such as ""VIP"" etc. In my view, destruction of the underwears, or non-use of the said goods should send a clear message to

persons, at least of the eminence, of Hybo Hindustan, that they should not demean other people's name and reputation by using the name like ""Benz

with reference to the goods produced by them.

20. In my view, it is but right that the defendant should be restrained from using the word ""Benz"" with reference to any underwear which is

manufactured by them, and in my view, injunction should issue, restraining the defendant to cease and desist from carrying on, trade in any

undergarments in the name of ""Benz"" and ""Three Pointed Human Being in a Ring"", forthwith. So ordered. I.A. stands disposed of.

c) (2003) 26 PTC 1 - Honda Motors Co. Ltd. Versus Charanjit Singh & Ors. (Para 11 - 37)

11. In Bata India Ltd. v. PyareLal and Co., AIR 1985 All. 242, it was observed as follows:

Where a trader uses the name or mark or sign deceptively similar to that of the second trader in relation to goods marketed by the former even

though it may not be the same goods or the same type of goods as produced by the second trader, yet a question of passing off may arise. The main consideration will be whether there is a misrepresentation.

12. It is also well settled that the plaintiff in passing off action does not have to prove that he has actually suffered damage by loss of business or in any other way. A probability of damage is enough but the actual or probable damage must be damage to him in his trade or business i.e., damage to his goodwill in respect of that trade or business. It was so observed in *Bulmer v. Bellinger*, (1978) RPC 79 (CA).

13. It has further been observed in *Apple Computer v. Apple Leasing*, 1993 IPLR 63 [1992 (1) Arb. LR. 93 (Delhi)], that it is not even necessary in the context of the present day circumstances of free exchange of information and advertising through newspapers, magazines, video, T.V. Movies, freedom of travel between parts of the world to insist that a particular plaintiff must carry on business in a jurisdiction where improper use of its name or mark can be restrained by the Court. It was also observed that in a case of passing off action, the main consideration is the likelihood of confusion and consequential injury to the plaintiff, and the need to protect the public from deception, deliberate or otherwise.

14. In a nutshell, in an action for passing off, the plaintiff has to establish that his business or goods has acquired the reputation he is claiming, by showing that, his trade name has become distinctive of his goods and the purchasing public at large associates the plaintiff's name with them. The plaintiff is, however, not required to establish fraudulent intention on the part of the defendant. Causing of actual confusion amongst the customers is also not to be proved. What is required to be established is the likelihood of deception or confusion in the minds of the public at large. The likelihood or probability of deception depends on a number of factors, which necessarily, is a question of fact and varies in the circumstances of each case. The plaintiff has also to establish that the defendant's user of the plaintiff's marks, letters or other indicia with regard to his goods is likely to lead to confusion in the minds of public, and such confusion is likely to cause damage or injury to the reputation, goodwill and fair name of the plaintiff. The plaintiff has also to show his prior user of the trade mark, in point of time than the defendant. The plaintiff, however, need not prove actual loss or

damage in an action of passing off. Also registration of the trademark is inconsequential in such an action.

15. For grant of interim injunction, what is to be seen is as to whether the plaintiff has a prima facie case. The mark HONDA is not only the trade

mark of the plaintiff, but it also forms part of its corporate name. With the passage of time, the word ""HONDA"" has attained worldwide recognition

and is associated with the plaintiff company. The plaintiff's products specially cars and motorcycles are known all over world for their superior quality

and the mark HONDA has acquired substantial international reputation and goodwill.

16. It is contended by the learned Counsel for the plaintiff that the plaintiff's products are being imported into India since late fifties which has made

HONDA a household name with the consumers in India. It is also contended that the plaintiff's goodwill and reputation also reached India through

various advertisements, published by the plaintiff in many international journals. Even the cars, manufactured by the plaintiff, are in use in India for the

last many decades. The plaintiff has placed on record documents to prima facie show that the mark HONDA is of international repute and is also

being used in India for the last about five decades. Photocopies of the journal ""Business Week"" placed on record shows the international ranking of

HONDA. The photocopies of the magazines ""Asia Inc."" and ""Asia Week"" show some write ups about the plaintiff's business activities signifying its

worldwide reputation. Some extracts from the magazine ""National Geographic"" having considerable circulation in India, more particularly from some

of its issues pertaining to the period from 1971 to 1979 containing advertisements of HONDA have been placed on record. Extracts from some issues

of Asia Inc., Asia Week and Forbes carrying on advertisements of HONDA have also been placed on record. All these magazines are having

circulation in India. These documents prima facie show that the name of HONDA has been known in India for the last five decades. Photocopy of

the annual report of HERO HONDA (at pages 45 to 66 of the documents file) show that the company HERO HONDA MOTORS LTD. was

promoted by the plaintiff in joint venture with HERO CYCLES PVT. LTD., which was prior to 1985. A document at pages 67-68 (documents file)

shows that public issue of SHRIRAM HONDA POWER EQUIPMENTS LTD. was opened on 31st August, 1987. Not only this, some invoices of

HONDA products showing its sales in the year 1982-1983 have also been placed on record. A list of persons owing HONDA cars in India from 1965

to 1990 is also placed on record. Some other documents like statement of account and documents pertaining to commission paid to "T.I.M. and Sales

Ltd." and "Giriraj and Associates", for sale promotion expenses, have been placed on record. These documents indicate that sale promotion activities

of plaintiff's products were going on in India even during the period 1982-1983. Reference has also been made to a statement mentioned in para 7 of

the plaint giving the net sales of the plaintiff between 1974 to 1997. The plaintiff has also placed on record the registration certificate and their

renewals which the plaintiff had obtained for the trade mark HONDA. Not only that, the plaintiff has also applied for registration of trade mark

HONDA in all classes contained in 4th Schedule of Trade and Merchandise Marks Rules.

17. The learned Counsel for the plaintiff brought to my notice that trade mark HONDA came for consideration by Indian Courts on suits filed by the

plaintiff for its user by other various traders for allied and cogent goods like rubber parts, paints etc. and some of the Courts have even passed interim

orders and some have even decreed the suits. My attention has also been drawn to a number of cases in which offending traders illegally using the

plaintiff's mark HONDA have given an under taking that henceforth they will not use the plaintiff's mark after they were served with 'cease and

desist' notice. Documentary evidence has been placed on record by the plaintiff. To my mind, the material placed on record, prima facie show that the

plaintiff's mark HONDA has acquired substantial international reputation and goodwill and the consumers in India are aware of the same for the last

several years. It is prima facie established that the mark HONDA has become distinctive of the goods of the plaintiff and the purchasing public at

large associates the plaintiff's name with the said mark.

18. Learned Counsel for the plaintiff contends that the defendants, have used the mark HONDA for their product 'pressure cookers', in order to en

cash upon goodwill and reputation of the plaintiff by inducing the customers to buy their products taking them as those of the plaintiff. The defendants

are thus passing off their goods as that of the plaintiff's. It is, therefore, urged that defendants should be restrained from using the mark HONDA for

their products. It is submitted that this user by the defendants also dilutes the plaintiff's reputation and goodwill, which is known for its high quality products.

19. Learned Counsel for the plaintiff has further emphasized the manner in which the mark HONDA is used by the defendants for their product

pressure cooker. It is pointed out that from the defendants' application for registration of the trade mark HONDA, which is available on documents

filed it is apparent that the trade mark HONDA has been shown in a circular device. The added matter is ""SI PRODUCTS' perhaps indicating the

name of the defendants firm ""Steel India Products"". In this representation the mark HONDA is so prominent that the added matter ""SIPRODUCTS

is likely to be over-looked by the producer and he would purchase the product pressure cooker, taking it to be of the plaintiff or associated in some

manner with the plaintiff. In the second application for registration of the trade mark, which is pending consideration before the Registrar of Trade

Marks, the defendants have even removed the added matter ""SI PRODUCTS"" and the mark HONDA has been shown prominently in a circular

device, which in all respects is identical to the plaintiff's mark. Apparently the defendants have done so with dishonest intention so as to create a

deception in the minds of the public and pass off their products as those of the plaintiff, encashing upon its goodwill and reputation. This representation

of the mark HONDA appears on page 2 of the list of documents dated 12th January, 2001 filed by the defendants. Another label showing the mark

HONDA used or intended to be used by the defendants has been placed on record by the defendants at page 2A of the above stated list. This shows

the mark HONDA prominently in the same style, which is used by the plaintiff with the added matter ""Steelindia"" above and ""pressure cooker"" below

the mark HONDA. The added matter is in italics and the font is so small that it can hardly be noticed. The whole prominence is taken by the mark

HONDA. It is submitted that such depiction of the mark HONDA in the labels used by the defendants are likely to lead the public to believe that the

goods offered by them are the goods of the plaintiff. It is further contended that the plaintiff is likely to suffer damage by reason of the erroneous

belief likely to be entertained by the public, that the source of the defendants' goods is the same as that of the plaintiff or the defendants' goods are in

some manner associated with the plaintiffs.

20. The main contention of the defendants is that the defendants have been using the mark HONDA for their product pressure cooker since 1985 and

the visual presentation of the mark of their product is such that no confusion and deception of any kind can arise in the minds of the purchasers. It is

contented that the impugned mark HONDA of the plaintiff is entirely for different goods, as compared to those of the defendants.

21. The defendants have placed on record a search report for the trade mark HONDA and copies of the defendants invoices issued to their purported

customers, to indicate that the defendants had been using the trade mark HONDA for pressure cooker for many years. Learned Senior Counsel for

the plaintiff points out that the plaintiff took action against the parties whose names and addresses are provided in the search report. Cease and desist

notices have been served upon most of them and even suits have been filed against some of them. No response was received from some of them and

on inquiry, it transpired that they had already stopped the business, some gave undertaking that they would discontinue the user of the trade mark

HONDA. Some instances, against whom action is taken by the plaintiff, are shown in the replication to the amended written statement. Out of the 234

documents purported to be invoices issued by the defendants to show that they have been dealing with sale of pressure cookers under the mark

HONDA, for many years, the plaintiff has issued 64 letters to the persons/entities, to seek confirmation as to whether in fact they have been

purchasing the goods from the defendants or not. Only a few have responded, who have denied having any trade relation with the defendants. Only

one person has stated that he had some relation about 10 years ago. The invoices of any case relate to the period 1988 onwards.

22. As discussed above, the plaintiff has prima facie placed sufficient material on record to indicate that it had been using the mark HONDA for the

last about five decades. The plaintiff has also placed on record prima facie evidence that its mark HONDA is of international repute and is known for

its quality products. There is also material placed on record which prima facie shows that the mark HONDA is known, not only internationally but

even in India since late 1950's through advertisements in various international journals and magazines. Prima facie it also appears that the plaintiff is

using the mark HONDA prior to that of the defendants. Though the plaintiff has placed on record sufficient material to prima facie show its prior user

of the mark HONDA, the learned Counsel for the plaintiff submits that even otherwise the plaintiff's action for passing off is maintainable as the

goodwill and reputation of its mark HONDA is not confined to one country, as it has travelled and spread all over the world. Reference in this respect

is made to N.R. Dongre v. Whirlpool Corporation, AIR 1995 Delhi 300, case, where it was observed that the goodwill is not limited to a particular

country as in the present days the trade is spread all over the world and the goods are transported from one country to another very rapidly and on

extensive scale. It was also observed that the goodwill acquired by the manufacturer is not necessarily limited to the country where the goods are

easily available because the goods though not available are widely advertised in newspapers, periodicals, magazines and in other media. It also

observed that the trade name transcends the physical boundaries of a geographical region and acquires a trans-border or overseas or extra-territorial

reputation not only through import of goods but also by its advertisement. Another authority on this proposition is 1996 PTC (16) 293; Calvin Klein Inc.

v. International Apparel Syndicate.

23. Learned Counsel for the defendants contend that the plaintiffs are dealing in automobile products and power generated equipment, whereas the

defendants product is pressure cooker and as such the two sets of goods are neither allied nor cognate, much less identical and as such there is no

likelihood of any deception or confusion being caused in the minds of the public to purchase the defendants' goods as those of the plaintiff's.

24. The case of the plaintiff is in fact based on passing off action and not for infringement of the trade mark. It has never been the case of the plaintiff

that the two sets of goods are identical. The concept of passing off, which is a form of tort has undergone changes with the course of time. The

plaintiff now does not have to be indirect competition with the defendant to suffer injury from the use of its trade name by the defendants.

25. Learned Senior Counsel for the plaintiff contends that the trade mark HONDA has a unique goodwill and reputation all over the world and the use

thereof by the defendants will dilute plaintiff's goodwill and reputation, as the public while purchasing any product under the said trade mark would

believe that the said item might have come from the house of HONDA. The distinctiveness of the mark HONDA of the plaintiff is likely to be eroded

and debased. In *Taittinger v. Allbev Ltd.*, (1993) FSR 641 (CA), per Peter Gibson LJ, observed:

By parity of reasoning it seems to me no less obvious that erosion of the distinctiveness of the name champagne in this country is a form of damage to the goodwill of the business of the champagne houses.

In the same judgment Sir T. Bingham said that:

Champagne"" has an exclusiveness which is impaired if it is used in relation to a product (particularly a potable product) which is neither champagne nor associated or connected with the business which produce champagne. The impairment is a gradual debasement; dilution or erosion are not

demonstrable in figures of lost sales but that they will be incrementally damaging to goodwill is in my opinion inescapable.

26. Learned Counsel for the plaintiff to support the proposition that in passing off action it is not material if the plaintiff and the defendant trade in the

same field or trade in different products, has relied upon the following judgments:

27. *Daimler Benz Aktiegesellschaft v. Hybo Hindustan*, AIR 1994 Del. 239; *Ciba-Geigy Ltd. v. Surinder Singh*, 1998 PTC (18) 545; *Sunder*

Parmanand Lalwani v. Caltex (India) Ltd., AIR 1969 Bombay 24 (V 56 C 5); *Lego System Aktieselskab v. Lego M. Lemelstrich Ltd.*, Fleet Street

Reports (1983); *The Dunlop Pneumatic Tyre Co. Ltd. v. The Dunlop Lubricant Co.*, 1899 (16) RPC 12; *Surjit Singh v. Alembic Glass Industries Ltd.*,

AIR 1987 Delhi 319; *Essel Packaging Ltd. v. Essel Tea Exports Ltd.*, 1999 PTC(19) 521; *Banga Watch Company v. N.V. Phillips*, AIR 1983 Punjab

and Haryana 418; *Bata India Ltd. v. Pyare Lal and Co.*, AIR 1985 Allahabad 242; *C.A. Shimer (M)SDNBHD*, 2000 RPC 484; *Harrods Ltd. v. R.*

Harrod Ltd., (1924) 41 RPC 74.

28. In all the aforesaid decisions relied upon by the plaintiff, injunction was granted in favour of the plaintiff on the basis of an action of passing off

even though the plaintiff and defendant were trading in altogether different products. I would deal with some of the afore-noted decisions.

29. In *Daimler Bern's case* (supra), the plaintiff was using the trade mark MERCEDES BENZ in relation to vehicles, whereas the defendant had

started using the trade mark BENZ in respect of undergarments. The Court

granted injunction restraining the defendant from using the trade mark

BENZ as well as ""three pointed human being in a ring"". The judgment was upheld by the Supreme Court. The following observations made in this

judgment are worth-noting:

There are marks which are different from other marks. There are names which are different from other names. There are names and marks which

have become household words. ""Benz"" as name of a car would be known to every family that has ever used a quality car. The name ""Benz"" as

applied to a car, has a unique place in the world. There is hardly one who is conscious of existence of the cars/automobiles, who would not recognize

the name ""Benz"" used in connection with cars. Nobody can plead in India, where ""Mercedes Benz"" cars are seen on roads, where ""Mercedes"" have

collaborated with TATAs, where there are Mercedes Benz-Tata trucks have been on roads in every large number, (known as Mercedes Banz

Trucks, so long as the collaboration was there), who can plead that he is unaware of the word ""Benz"" as used with reference to car or trucks. In my

view, the Trade Mark law is not intended to protect a person who deliberately sets out to take the benefit of somebody else's reputation with

reference to goods, especially so when the reputation extends worldwide .

30. In Ciba Geigy Ltd.'s case (supra), the plaintiff was using the mark CIBA, CIBACA in relation to goods different than those of the defendant's.

The defendant was using the trade mark CIBACA in relation to filters for motor vehicles. The case of the defendant was that the goods in question

were entirely different and as such there was no question of any deception being cause in the minds of the public, when trademark CIBACA was

used in relation to altogether different goods. While coming to the conclusion that the defendant had adopted the mark CIBACA deliberately with the

intention of creating confusion in the minds of the public so as to pass off its goods as those of the plaintiff, the Court granted injunction restraining the

defendants from using the plaintiff's trade mark by the defendants for altogether different goods, as the use of the trade mark CIBACA by the

defendant was held not to be honest.

31. Again in Sunder Parmanand Lalwani v. Caltex India Ltd. case (supra), the goods were totally different having no trade connection between them.

The matter was in appeal before the High Court from the orders of the Registrar,

Trade Marks. The dispute related to mark CALTEX used by the applicant for watches for which he had applied for registration, whereas the defendant, Caltex India Ltd., who used it for their products like lubricants, grease, oils, etc. filed opposition before the Registrar TradeMarks. The Registrar dismissed the opposition holding the applicant to be the proprietor of the trade mark. Though the competing marks were held to be identical but the application was rejected on the ground that ??? competing goods were entirely different. Caltex (India) Ltd. appealed to the High Court, which was allowed. One of the points for decision before the High Court was as to whether the use of the mark was likely to deceive or cause confusion i.e., whether there was any tangible danger of deception or confusion being caused by the word/mark ""CALTEX"" in the minds of the purchaser. The High Court after considering the respective pleas of the parties held asunder:

In this case, the goods are totally different. There is no trade connection between them. There is no connection in the course of trade, nor any common trade channels. There are factors against holding that there would be any danger of deception or confusion. But we must consider the factors which tend to show that there is a likelihood of creating deception or confusion. The opponents have been using their mark on a very large scale since 1937. Their sales in 1956 exceeded Rs. 30 crores. Their publicity is wide spread and large. In 1956 they spent over a million rupees on advertisements. The goods in respect of which they use the trademark ""Caltex"" are mainly petroleum, kerosene and lubricants like greases and oils etc. The goods in respect of which the applicant seeks registration are mainly watches, the class of goods in respect of which the applicant seeks registration is wider than watches and watches can be both costly and cheap.

32. In Lego's case (supra), the plaintiff was using the trade mark Lego in respect of toys, whereas defendant started using the trade mark LEGO in relation to irrigation equipment. Even though the trade mark LEGO was being used for different products, the Court granted injunction against the defendant holding that the plaintiff had established high reputation for the mark Lego which extended beyond the field of toys and construction kits and the mark Lego had acquired distinctiveness as the products of the plaintiff. It had become a house-hold word. It was also observed that in the law of passing off, there was no limitation in respect of parties field of activity.

33. In Dunlop's case (supra), the plaintiff was using the trade mark DUNLOP in respect of tyres whereas the defendant was using the same in respect of oil and lubricants. On a suit for passing off action filed by the plaintiff, defendant was restrained from using the mark DUNLOP for its products and for its business name.

34. In Alembic Glass Industries Ltd.'s case (supra), the respondent used the trademark YERA in respect of glassware including jars and bottles, whereas the appellant Surjit Singh started using the same in respect of perfumery and cosmetics. The appellant lost before the Registrar of Trade Marks and filed an appeal before the High Court. while dismissing the appeal it was held as under:

Held, the word 'YERA' was being copied by the petitioner in order to take advantage of the reputation acquired by the trade mark. Perfumery and cosmetics manufactured by the petitioner are sold in bottles and glass containers and if the trade mark "YERA" appears on these bottles and glass containers, there is likelihood that a common man who would go to buy these perfumery and cosmetics would be led to believe that these goods were manufactured by the opponent company. The petitioner was, therefore, not entitled to registration under Section 11(a). Case law discussed.

35. In Essel Packaging Ltd. v. Essel Tea Exports Ltd. case (supra), the High Court of Bombay after considering Kirloskar Diesel Recon Pvt. Ltd. v.

Kirloskar Proprietary Ltd. and Bajaj Electricals Pvt. Ltd. v. Metals and Allied Projects, AIR 1988 Bombay 157, held, that common field of activity is

not conclusive for deciding whether there can be passing off action, although at one point of time the said test was treated as conclusive. It was held

that with the passage of time the law of requirement of common field of activity in a passing off action has undergone a radical change and as such

there was no requirement for a common field of activity to found a claim on passing off action, because the real question in each of such cases is,

whether there is, as a result of misrepresentation, a real likelihood of confusion or deception of the public and consequent damage to the plaintiff is

likely to be caused and if that is taken to be the test then the focus is shifted from the external objective test of making comparison of activities of the

parties, to the state of mind of public, in deciding whether it will be confused. Applying these principles the injunction in favour of the plaintiff was

granted.

36. In *Banga Watch Co. v. N.V. Phillips* case (supra), the plaintiff N.V. Phillips was using the trade mark PHILLIPHS, which had become a

household mark and had acquired enviable reputation in India and throughout the world dealing in electrical and electronic goods. The defendant was

using the trade mark PHILLIPHS in respect of watches and clocks.

37. In *Bata India Ltd.'s* case (supra), the plaintiff was using the trade mark in respect of canvas, rubber, leather shoes, rubber footwear, etc. Whereas

the defendant started using the trade mark Bata and Batafoam in relation to mattresses. The Court after discussing in detail the law on passing off

action granted injunction in favour of the plaintiff despite the fact that the same trade mark was being used for different goods.

In the light of these decisions, we are clear in our mind that the mark in question can be protected in relation to dis-similar goods. It is undisputed facts

that the goods used by both parties at present time are available in Super Market, Malls. Thus, the arguments of the respondent are without any force.

33. Acquiescence under Section 33 of the Act

In the trademark infringement suit *GSK Consumer Healthcare S.A. v. EG Pharmaceuticals & Ors.*, IA No. 6749/2019 in CS (Comm.) No. 238/2019,

a Single Judge (R.S. Endlaw, J.) of the Delhi High Court vide his order dated October 31, 2019 while granting the interlocutory application (for interim

injunction) has clarified that the defence of acquiescence under Section 33(1) of the Trade Marks Act, 1999 is not available against the proprietor of a

registered trade mark. The Court has held that a registered proprietor cannot be non-suited by a defence of statutory acquiescence since such a

defense is available only in a passing off action by an unregistered mark. While arriving at its decision, the Court placed reliance on a judgment of the

Division Bench (M. Mudgal, J. and V.J. Mehta, J.) of the Delhi High Court in the case of *Goenka Institute of Education & Research v. Anjani Kumar*

Goenka & Anr., FAO (OS) No. 118/2009, wherein the Court had observed, but by way of obiter - ""Section 33 is with reference to the right of an

unregistered user and a subsequent registered user"".

Therefore the plea of acquiescence does not find place here.

The Applicant further submitted that since S. 33 envisages a registered trade mark, and at the time the Rectification Petition was filed in 2009, there

was no registered trade mark of the Respondent, the first trade mark having lapsed in 2006, therefore they cannot take up the plea of acquiescence.

Further as the Respondents have not adopted the trademark ""Eveready"" in good faith, they cannot take any benefit under Section 33 of the Trade

Marks Act, 1999. Section 33 stipulates the benefit for continuous period of five year from the date of knowledge of earlier proprietor could be derived

unless the registration of the later mark was not applied in good faith. The lack of good faith, or the Respondent's bad faith is evident from their slavish

imitation of the EVEREADY logo of the Applicant comprising of the visual elements and the color scheme. In this case the Applicant is challenging

the registration of the Respondent. There is no cross petition. In case there had been cross petition filed by the Respondent, where Respondent

challenges the validity of the Applicant's Trade Mark use from 1942 onwards, then all questions would have been opened before this Forum including

the validity of the Applicant's Trade Mark and any act done before the Trade Marks Office. The Respondent has to show that its registration is a

bonafide and in good faith. In the present case, we found that on the date of applications, the adoption was tainted. There is no continuous user. The

assignment document is sham document. The provision of Section 33 is brought in the Act in 2002. There is no cogent and clear evidence in the year

2002-2004. The present petitions are filed in the year 2009. Thus, the respondents have started using the mark with impunity in 2008. After the

assignment in January, 2009, the suit and rectifications were filed within few months.. The Respondents relied on various admissions made by the

Applicant in the Trade Mark Registry concerning the amendment of the description of the goods, and giving up certain goods, construing them as acts

of assent. In Hindustan Pencils Private Limited v. India Stationary Products, AIR 1990 Delhi 19, the question of delay and acquiescence was dealt

elaborately with. It was held that there should be a positive act or an express assent on the part of the right holder to claim the defense of

acquiescence. Further in Make My Trip (India) Private Limited v. Make My Travel (India) Private Limited (CS(COMM.) 889/2018), the High Court

of Delhi has reaffirmed that the trademark holder's express consent to the use of a similar/identical trademark is an essential requirement to avail of

the defence of acquiescence under Section 33 of the Trademark Act 1999. In order to prove delay and acquiescence, the defendant should have

demonstrated that the plaintiff expressed assent and encouraged use of the impugned marks. Merely showing delay to sue could not be accepted as sufficient grounds to exercise this defence.

Furthermore in *Dr. Reddy's Laboratories Ltd. vs. Reddy Pharmaceuticals Limited*, 2004 (29) PTC 435 Del it was held that the owners of trademarks

or copyrights cannot be expected to run after every infringer and that the right holder can wait till the time the user of their name starts harming their

business. In the present case, although the Respondents claim a usage from 01 June 1985, there is a gap in the usage of the Respondent from 1987 to

1997, and further from 2000 to 2006. Meanwhile the Respondent's trademarks had lapsed without being renewed. When the Respondent's commence

operations after 2006, and when the Applicant felt that there was palpable harm to their business, they filed the trade mark opposition on 28 March

2008. Therefore the silence on the part of the Applicant cannot be treated as non-action, or compliance or acquiescence of the action of the

Respondent.

34. Concealment

The present petitions are filed before IPAB mainly on the grounds of well-known mark. If it is a well-known mark, the similarity of goods are

irrelevant. The base of the petitions are that first trade mark of the applicant was registered in 1942. It was a coined word. It acquired great goodwill

and reputation in relation to batteries and torches. It is the case of applicant that if any party will use the same mark and logo even in relation to any

goods, it would be a confusion and deception. Thus, the filing of application by the applicant in class-8 has no bearing or even amendment made

thereon. The said facts have no bearing, nor relevant facts in order to decide the real dispute between the parties.

35. No doubt, when the applicant has filed the application in class-8, in the examiner report the mark of the respondents were

cited as conflicting mark and the applicant had amended its application deleting the goods user of the respondents. The present petitions are filed on

the basis of goodwill and reputation and user of the well-known trade mark 'EVEREADY'. The applicant is not seeking relief merely on the basis of

registration in Class-8. Thus, the submissions are baseless.

36. It is settled law that when there is dishonesty or fraud in the initial adoption

of a trade name, plea of laches and delay normally is rejected. The filing of the applications by the respondent itself was fraudulent move as the respondent must be aware of the date of filing of the application about the goodwill, reputation and user of the trade mark 'EVEREADY' of the applicant. The respondent is taking opposing stand from time to time. In the pleading, it is also stated that the trade mark 'EVEREADY' used by the respondent is common trade mark and descriptive. If such admission is accepted, then the application ought to have been rejected under Section-9 of the Act. In the present case, it is apparent that the first registration when applied, there was hardly any user. The second application was similar logo mark.

37. Experience shows that once the infringing party will try to act in order to detriment the distinctive character of the well-known trade mark or repute thereto by taking the unfair advantage in aggressive manner in the commercial mark only then the party having earlier user will hit the infringing party. In the present case, as per admission and affidavit filed, it appears to us that from the year 1985 till 2009, there was a break of user about 15-16 years two times. It is the statement of the respondents if that is positive, where is the question of effect of acquiescence. The arrangement of respondents are without any force.

38. Admission on behalf of the Applicant

The statements of the cross examination of the Authorized Representative of the Applicant in the Delhi Suit, referred to by the Respondents cannot amount to admission as they were statements made in response to particular questions. The question asked in the cross-examination to the Authorized Representative were asked in context of a legal interpretation of the prosecution history of the Applicant's trade marks and the answer given by the Authorized Representative of the Applicant. It is a settled law that an admission must be unambiguous and definite admission. It would be not proper for the Court to pass a decree on inference. [Shantez v. Applause Bhansali Films Private Limited]

39. While drawing the inference from the evidence of witness, the whole evidence of witness i.e. examination-in-chief and cross-examination is to be considered and the Respondents cannot be permitted to read a stray line from the cross-examination to claim that the Applicant has admitted to the

case of the Respondent. [Gandhi Ram v. Raj Kumar Saygo Bai v. Chueeru Bajrangi State of Maharashtra v. Mahesh Kariman Tirki and Ors. In the

present case, if entire statement of witness is read in meaningful manner, it appears that the statement goes against the respondent, ever otherwise

deceptive similarity between two competing marks has to be adjudicated by the Hon'ble Courts and not by a witness. [Mahindra & Mahindra Papers

Mills Ltd. v. Mahindra & Mahindra Ltd. No-where in the statement, it is stated that the case of applicant is not maintainable and the respondent is

entitled to use the mark. The objection raised by the respondents are baseless and without any force.

40. Non-grant of injunction

The said submissions have no force. The applicant has got the relief of logo mark. The Single Bench and Division Bench have merely passed the

orders in the interim-stage. The same are not binding or have no bearing when the suit is decided after recording the evidence. It was merely of prima

facie view. IPAB is an independent jurisdiction irrespective of the fact as to whether any interim order is passed or not. The rectification proceedings

are to be decided as per its own merit and as per independent evidence. None of the reason given by us after examination of evidence, facts and legal

issues are discussed in the orders when the interim orders were not granted. IPAB is deciding the petitions as final matters. Interim stage in the

present petitions are already over. The said orders passed in Civil Suit were merely prima facie view. Even otherwise, it is the admitted fact that

evidence of the parties are recorded in the suit. If the applicant has failed to establish its case, the applicant will face consequences.

41. It is settled law that interim orders either granted and refusal shall have no bearing in the matters at the final stage. IPAB is an independent forum

and the present matter would therefore be decided, starting from the beginning, on a clean slate, irrespective of the findings of the learned civil court.

We propose to decide the final matters.

42. In the present case, the respondent became more aggressive when the mark was incorporated in the dominant part of trading style in the year

2005 knowing at that time that the mark belongs to the applicant. Thus the adoption was tainted, user was tainted so as the conduct. It appears to us

the respondent has filed false affidavit in the Trademark Office. The assignment

deed was manipulated document. There are so many discrepancies in the said deed which are on the face of records. Documents speak for themselves.

43. We have asked number of times, how his client has hit upon the said mark being not the common name. No valid explanation is given except

answers. About user of the marks applied. There is no continuous users so as the sale and advertisements figures. There is a break of user of number

of years by the assignor as well as assignee. Income tax return of number of years is shown as Nil. The respondents' counsel have referred number

of decisions. We have gone through the same. None the decisions applicable to the facts of present case. In the present case, the adoption, user are

dishonest. The assignment deed is a sham document. In the affidavit as evidence many incorrect statements are made apparently.

44. There is no doubt in our mind that burden of proof initially always would be upon the applicant who is seeking rectification of registered trademark.

Counsel for the respondents has cited the decision of Delhi High Court. We agree with the same. In the present case, counsel for the applicant has

referred para 14 of the petition as well as is able to establish that the assignment deed is a manipulative document which was executed in order to

claim continuous user. But the respondents have failed to rebut arguments of the applicant. The respondents themselves have filed have filed an

affidavit which is contrary to the statement made in the assignment deed. It would show that there was no continuous user. Thus once these

objections raised by the applicant are valid objections, the applicant has discharged its burden. Thereafter it has to be shifted to the respondent to

discharge the same who miserable failure to discharge. The respondents counsel has failed to give any valid answer about the continuous user either

by the assignor or assignee nor able to give any justification to adopt and use of the well-known trademark of the applicant. Time and again merely

vague explanation was given to us which is contrary to facts and law. In view of above the decision referred does ___ help the case of the

respondents.

45. Dilution of Applicant's well known trade mark

We are of the opinion that the Applicant's trade mark EVEREADY is a well known trade mark. Dilution of the Applicant's trademark would

therefore greatly affect the distinctiveness of a trademark and reduce its value, since the principle is based on the presumption that the relevant

customers start associating the trademark with a new and different source of goods and services. In ITC Limited v. Philip Morris Products S.A. &

Ors. 2010 (42) PTC 572 (Del), the Delhi High Court observed the following essential features are to be satisfied to establish dilution:

â?¢ the impugned mark is identical or similar to the senior mark,

â?¢ the senior or injured mark has a reputation in India,

â?¢ the use of impugned mark is without due cause,

â?¢ the use of impugned mark amounts to taking unfair advantage of, or is detrimental to, the distinctive character or reputation of the registered

trademark.

In the present case, the mindless imitation of the Applicant's mark by the Respondent dilutes the reputation of the Applicant's trade mark and impairs

or tarnishes the distinctive quality of the trademark. Therefore as regards the Respondent's usage of a mark identical to that of the Applicant's well

known mark, there is no need to establish the likelihood of confusion as to source, association and connection, since there is dilution of the Applicant's

trade mark by tarnishment.

46. In the light of the above-mentioned facts and legal law, we are of the opinion that the applicant is the aggrieved party to file the present petitions.

The marks are wrongly remaining on the Register. In order to maintain the purity of the Register, we direct that both trademarks bearing no. 439233

(word per se) in Class-8 and 539621 (logo of Eveready) in Class-8 are removed from the Register of Trademarks. The prayer of both the petitions are

allowed.

47. No costs.