

(1998) 01 DEL CK 0024
In the Delhi High Court
Case No : C.M. (M) No. 515 of 1995

Gupta Enterprises

APPELLANT

Vs

M/s Gupta Enterprises and Another

RESPONDENT

Date of Decision : 20-01-1998

Acts Referred:

Citation : AIR 1998 Delhi 232 : (1998) 71 DLT 521

Hon'ble Judges : Usha Mehra, J

Bench : Single Bench

Advocate : MR. M.R. Bhalerao, for the Appellant; Mr. S.K. Bansal, for the Respondent

Judgement

Usha Mehra, J.—Appellants M/s. Gupta Enterprises has felt aggrieved with the order of the Deputy Registrar of Trade Mark (hereinafter called the Registrar). The appeal has been preferred, inter alia, on the grounds that: (1) the agreement deed dated 21st June, 1988 relied by the respondent for having acquired the proprietary right had not been placed on record. In the absence of this document the Registrar could not accept the opposition. (2) That there was no document before the Registrar to conclude that Shri Kewal Krishan acquired exclusive proprietary right, nor proved the user of the trade mark in question. (3) The Registrar did not examine whether the goods of the rival parties were of same description or trade connection. In the absence of statutory or common law right having vested in the respondent the opposition could not be allowed, any finally (4) the opponent never led any evidence to prove his case inspire of the opportunities given.

2. In order to appreciate the challenge let us have look at the relevant facts of the case. The appellant herein applied in Form TM-1 to the Register for registration of his trade mark in respect of the electric boxes, light, brackets, tube patties and chokes. All being goods included in Class-9 in the name of Shri Rajender Kumar Gupta, Rajesh Kumar Gupta and Smt. Pushpa Mahajan, trading as M/s. Gupta Enterprises a partnership firm. On this, application, a notice was

issued. In response to which one Kewal Krishan filed opposition on Form TM-5 stating to be the sole proprietor of a proprietary concern namely M/s. Gupta Enterprises. Mr. Kewal Krishan alleged that M/s. Gupta Enterprises was engaged in the business of manufacturing electrical conduit pipes and their electrical parts and fittings. Being registered proprietor of trade mark "GUPTA" since 1953 he was competent to resist the application. His goods had attained the goodwill and reputation in the market. Since the applicant intend selling the goods identical to that of the opponent in the same area i.e. Punjab, Haryana, Madhya Pradesh, Jammu & Kashmir, Andhra Pradesh, Karnataka, Chandigarh etc. it would create confusion and deception in the mind of the customers. Opponent acquired exclusive proprietary right of the said registered trade mark "GUPTA" in view of the agreement dated 21st June, 1988 vide which other partner Ram, Sarup Mahajan while separating from the firm gave exclusive right over the registered trade mark to the opponent. The third partner Sain Dass father of Kewal Krishan died on 25th October, 1984. Thus his share also came to the opponent. Since partnership stood dissolved vide agreement dated 21st June, 1988, Therefore, the appellant acquired proprietary right of the registered trade mark "GUPTA" which trade mark has been in use by the opponent since 1953 in relation to electrical goods registered therein.

3. Counter statement u/s 21(2) of the Trade and Merchandise Act, 1958 (in short the Act) on Form TM-6 was filed by the present petitioner refuting that the opponent was the sole proprietor of the registered trade mark "GUPTA". He further stated that in the year 1982 he honestly and bona fide conceived and adopted the trade mark "GUPTA" knowing fully well that in respect of the aforesaid electrical goods there was no such trade mark in use especially in the market of States of Punjab, Haryana, Karnataka, Madhya Pradesh, Andhra Pradesh, Jammu & Kashmir, Maharashtra and the Union Territory of Chandigarh.

4. It was also stated in the counter statement by the present petitioner that the goodwill and reputation has been closely associated with the trade mark "GUPTA" of the petitioners. The petitioners were the first and prior adoptor, user and promoter of the trade mark "GUPTA". They are the actual proprietor of the said trade mark which has been actually recognised by the general public. It was further pointed out that no proper assignment/transmission has taken place amongst partners of the Firm M/s. Gupta Industries. Thus the opponent Kewal Krishan was not entitled to claim himself as the proprietor of the Firm Gupta Industries or the registered trade mark "GUPTA". Moreover, the registered trade Mark "GUPTA" was not in use by the opponent. Having no proprietary right over the alleged trade mark, Kewal Krishan was not authorised to file the opposition.

5. The opponent, respondent herein, filed a letter with the Registrar on 25th August, 1993 stating therein that he did not wish to file evidence under Rule 53 but would rely on the facts and the submissions made in the notice of opposition. The petitioner herein, however, filed evidence by way of affidavit of one Shri Rajinder Kumar Gupta and reiterated the stand taken by him in his counter

statement. He also stated, instances and sale transactions to show that he had been dealing with trade mark "GUPTA" since 1982 onwards. He further alleged that the opponent had failed to prove his statement regarding his proprietary right as well as the continuous user of the trade mark "GUPTA". In reply to this evidence of this petitioner no evidence was filed by the respondent/opponent before the Registrar. The Registrar after hearing counsel for the parties allowed the opposition and dismissed the application of the petitioner. On the review application filed by the present petitioner, the Registrar after allowing the same dismissed the opposition of this respondent. In appeal this Court vide order dated 4th August, 1995 set aside the order on review holding that the Registrar could not rewrite his judgment under the garb of review. That he had no jurisdiction to review his own order. The present petitioner having felt aggrieved with the order of the Registrar thereby allowing the opposition of this respondent and hence preferred this petition.

6. At the outset it must be said that to establish his case the respondent was to prove before the Registrar that he was the registered proprietor of the trade mark "GUPTA" and that he had the exclusive right to use the same. It is an admitted fact on record that the registered trade mark "GUPTA" belonged to a partnership namely M/s Gupta Industries consisting of Sain Dass, Kewal Krishan and Ram Sarup Mahajan. Shri Sain Dass was the father of the opponent Kewal Krishan who died in October, 1984. According to opponent dissolution of the partnership took place and vide agreement dated 21st June, 1988 the other partner Shri Ram Sarup surrendered his right in the registered firm in favor of the opponent. But unfortunately the said agreement dated 21st June, 1988 on the basis of which opponent claimed exclusive right over the registered trade mark had not been placed before the Registrar when he passed the order allowing the opposition. Nor the opponent placed on record any document to show that he acquired the exclusive proprietary right under the Statute or on the basis of common law to the registered trade mark "GUPTA" with regard to electrical goods mentioned therein. The alleged agreement dated 21st June, 1988 having been not placed on record the opponent could not claim exclusively proprietary right on the said Trade Mark. In the absence of the agreement dated 21st June, 1988 the Registrar was not justified in concluding that Kewal Krishan having registered proprietary rights in the trade Mark "GUPTA" was entitled to file the opposition. The opponent had also not led any evidence to show that he was continuous user of the trade mark "GUPTA" beside having exclusive registered proprietary right.

7. Mr. Bansal, counsel for respondent in order to support his defense placed heavy reliance on Section 28 of the Act. Reading of the same show that the Registration of trade mark if valid would given to the registered proprietor of the trade mark the exclusive right to the use of the said trade mark in relation to the goods mentioned therein.

8. The registered proprietor can initiate action if his registered trade mark has

been infringed or used by someone else. The question for considering is whether the opponent proved before the Registrar that he was the registered proprietor of the trade mark and, Therefore, had exclusive right to use the trade mark "GUPTA". As already pointed out above, this respondent Kewal Krishan could not prove by any document that he acquired exclusive proprietary right on the trade mark "GUPTA". In the absence of having acquired exclusive proprietary right on the registered Trade Mark "GUPTA", to my mind, the respondent/opponent had no locus standi to file the opposition. He was given opportunity to lead evidence and to support his case but he miserably failed to establish the same. He not only failed to establish his locus standi but also failed to prove prior user. By merely asserting that he was the registered proprietor was not enough. He was to prove the actual use as held by the Supreme Court in the case of Corn Products Refining Co. Vs. Shangrila Food Products Ltd., . It has been held that the presence of a mark in the register does not prove its user at all, it is possible that the mark may have been registered but not used. It is not permissible to draw any inference as to the user from the presence of the marks on the register. The only way by which the user can be proved is by leading evidence which the opponent failed to do. Therefore, simply relying on the registered trade mark was not enough to prove the continuous user of the registered trade mark.

9. Once the opponent admits that he acquired the registered proprietary right of the trade mark "GUPTA" and that right passed on to him after the firm was dissolved then the burden was on him to prove that other partner transmitted his right in favor of the opponent. He relied on an agreement through which he got the exclusive right on the registered trade mark "GUPTA". But he failed to produce the same on record. Therefore, the Registrar ought to have drawn adverse presumption against the opponent. It is well settled principle of law that in an opposition proceedings the onus is ultimately upon the applicant to establish that he is entitled to the registration of the trade mark applied for. Where the opposition is based on the alleged registration of the trade mark or the use and reputation of the opponent's trade mark or on any other fact, the onus of establishing those facts lies upon the opponent. It is only when the opponent initially discharge his onus that the burden shifts to the applicant. In this case opponent miserably failed to discharge his initial burden. Hence, Registrar was not justified in allowing the opposition.

10. Contention of Mr. Bansal that even if exclusive proprietary right had not been proved still the opponent being partner of the concern which was having registered trade mark, the opponent could oppose registration. This argument has no force. Mr. Kewal Krishan did not file his opposition as partner of the firm. He based his opposition primarily on the ground that he was the sole registered proprietor of a proprietary concern. His opposition being not as partner hence he could not file the objections. Hence contention raised by respondent has no force. Reliance by Mr. Bansal on the decision of Supreme Court in the case of American Home Products Corporation Vs. Mac Laboratories Pvt. Ltd. and Another, is also no help to him. There cannot be any quarrel with the proposition of law

laid down. It cannot be disputed that registration of trade mark given to registered proprietor the exclusive right to use the said trade mark in connection with the goods registered. If there is any invasion of this right by any person the registered proprietor can protect his right by opposing the same. For initiating any such action he has prima facie to lead evidence and prove his exclusive right. But Kewal Krishan failed to prove registered proprietor of the trade mark "GUPTA" nor he could prove that he was prior user of this mark.

11. So far as the question of prohibition of registration of identical and deceptively similar trade mark u/s 12(1) is concerned, the Registrar has not gone the same nor decided the same on merits.

12. For the reasons stated above the impugned order cannot be sustained. The same is accordingly set aside primarily on the ground that Kewal Krishan failed to establish he was the registered proprietor of the trade mark "GUPTA" or that he was prior user of this trade mark. Case is thus remanded back to the Registrar to decide the application of this petitioner on merits in accordance with law.