
(2007) 02 IPAB CK 0003

In the Intellectual Property Appellate Board

Case No : TA/64/2003/TM/MUM (M.P. No. 30 to 2003)

ITC Limited

APPELLANT

Vs

Gtc Industries Ltd. And Anr.

RESPONDENT

Date of Decision : 23-02-2007

Acts Referred:

Trade Marks Act, 1999 — Section 9, 9(1), 9(4), 11(1), 18, 18(2)(1), 91(1), 108

Citation : (2008) 37 PTC 321 (IPAB)

Hon'ble Judges : Z.S. Negi, J;S. Usha, Technical Member

Bench : Division Bench

Advocate : Sanjay Kher, M.R. Nair

Final Decision : Allowed

Judgement

Z.S. Negi, J

1. This appeal by the ITC Limited through its constituted attorney is against the order dated 28.11.2002 passed by the Deputy Registrar of Trade

Marks whereby the opposition filed by the Appellant opposing application for registration of trader mark made by the Respondent No. 1 was

disallowed, alongwith miscellaneous petition for condoning delay in filing the appeal and staving the operation of the impugned order dated 28.11.2002

till the hearing and disposal of the miscellaneous petition, had been filed by the Appellant in the High Court of Judicature of Bombay. The said appeal

and miscellaneous petition which were transferred by the High a Court of Judicature at Bombay to the Intellectual Property Appellate Board in

pursuance of Section 100 of the Trade Marks Act, 1999 have been renumbered by the Appellate Board as TA/64/2003/TM/MUM and M.P. No.

59/2006 in TA/64/2003/TM/MUM, respectively.

2. The Appellants' case is that the Respondent No. 1 filed an application No. 442627 for registration of the word mark 'VENTURE' in respect of cigarettes, tobacco, safety matches and smokers' articles included in class-34 of the Fourth Schedule to the Trade and Merchandise Marks Rules, 1959. The said application was accepted for registration in Part B of the register and advertised in the Trade Marks Journal No. 996 dated 1.12.1990 at page 1032. The Appellants/Petitioners on 16.1.1991 filed opposition No. BOM-8304 on the ground, amongst others, that the word VENTURE could not qualify for registration as the same is neither inherently distinctive nor capable of distinguishing the goods with which the Respondent No. 1 is or may be connected in the course of trade in terms of Section 9 of the Trade and Merchandise Marks Act, 1958 (hereinafter referred to as the Act).

The Respondent No. 1 filed counter statement denying the material averments and stating that the mark 'VENTURE' was originally conceived and adopted by the Respondent No. 1 since September, 1985. The opposition was heard by the Deputy Registrar of Trade Marks and disallowed the same by his order dated 28.11.2002 mainly on the ground that the mark applied for is not descriptive of the character and quality of goods in question and the mark may not be required by a legitimate trader to describe his goods during the course of trade. The application No. 442627 was allowed to proceed to registration. Aggrieved by the order of the Respondent No. 2, the Appellants/Petitioners filed this appeal/petition for setting aside the impugned order dated 28.11.2002 and directing that the opposition be allowed.

3. The Respondent No. 1 filed its counter statement to the appeal in April, 2004. Since the miscellaneous petition No. 59/2006 was disposed of earlier, the appeal was taken up for hearing on 10.1.2007 wherein Shri Sanjay Kher, Advocate appeared for the Appellant and Shri M.R. Nair, Advocate appeared for the Respondent No. 1.

4. The Learned Counsel for the Appellant submitted that the Appellants are well known manufacturers of tobacco products including cigarettes and the cigarettes manufactured by them are sold under various trade marks and such marks have acquired considerable reputation and commanding large sales in this country and various countries abroad. The Respondent No. 2 by disallowing opposition filed by the Appellants has erred in law and facts of the case. He submitted that the word mark 'VENTURE' which is sought to be

registered by the Respondent No. 1 is not qualified to be registered even under Part B of the register as the same is neither inherently distinctive nor capable of distinguishing the goods of the Appellants or any particular trader and the word does not satisfy the requirement as to its registrability under Section 9 of the Act. The mark cannot be considered as adapted to distinguish the goods of the Respondent No. 1 from the goods of other persons because it is inherently not distinctive and distinguishing.

The Learned Counsel submitted that the Respondent No. 2 failed to appreciate that in order to show that the mark applied for is capable of

distinguishing the goods of the Respondent No. 1 so as to qualify for registration, the burden to prove that the proposed mark is distinct or capable of

distinguishing his goods is on the Respondent No. 1. But in the present case the Respondent No. 1 has failed to adduce sufficient evidence to prove an

extensive use of the mark or evidence to show that the mark is associated solely with the goods of the Respondent No. 1 over a period of time.

5. The Learned Counsel for the Appellant contended that the word is a common word of the English dictionary which is not a distinctive word and

cannot and does not have a secondary meaning as the same has not been used by the Respondent No. 1. It is neither adapted to distinguish nor

capable of distinguishing the goods of the Respondent No. 1 from those of any other manufacturer. The Respondent No. 2, while recognising the

dictionary meaning of the word VENTURE, failed to realise the import of such a word in respect of the goods in relation to which it was proposed to

be used. Such a word mark which is commonly used by the traders as a laudatory or descriptive expression or both for purposes of describing the

character associated with the goods which they use cannot be registered as a trade mark to be monopolised by any one trader or manufacturer. He

contended that the word VENTURE has been used in descriptive sense and, therefore, it is unregistrable as a trade mark. The Respondent No. 2,

therefore, erred in concluding that the impugned mark was not descriptive of the goods as envisaged under Sub-section (4) of Section 9 of the Act. In

support of his contention that the word is used in a laudatory sense, he drew our attention to a copy of an advertisement in connection with Wrangler

Jeans appeared in the Bombay edition of The Times of India newspaper of 12th of October, 1992 in which amongst others contained the

idiom/proverb 'Nothing ventured Nothing gained' used in a modified form to read as 'Nothing ventured Nothing won'. He drew our attention to

dictionary meaning of the word VENTURE contained in the Compact Oxford English Dictionary, Online Etymology Dictionary, the Merriam-Webster

Concise School and Office Thesaurus and Answers.Com. He further contended that the Respondent No. 2 erred in not appreciating the ratio of the

following cases, wherein the facts are similar to the case on hand, which were cited by the Appellants:

(a) ITC Limited v. GTC Limited and Anr., Misc. Petition No. 40 of 1995 (decided by the High Court of Judicature at Bombay;

(b) Joseph Crossfield and Sons Ltd.'s Appl., (1909) RPC 837;

(c) Must TM, (1976) RPC 712; and

(d) Sharpe (W.N.) Ltd. v. Solomon Bros. Ltd., 32 RPC 15 at 26.

The Learned Counsel also contended that the observation made by the Respondent No. 2 that the word may not be required by a legitimate trader to

describe his goods during the course of trade is without any basis.

6. The Learned Counsel for the Appellant also contended that the Respondent No. 2 failed to appreciate the impugned descriptive mark when applied

to the goods in question may cause deception or confusion to consumers with regard to the character and nature of the goods and as such the

conclusion arrived at by him that the mark is not descriptive is erroneous.

7. The Learned Counsel for the Respondent No. 1 raised a preliminary objection that the appeal filed by the Appellant is not admissible as the same

has been filed under Section 108 of the Act which deals with procedure for application for rectification before a High Court, because the impugned

order against which appeal has been preferred is passed on 28.11.2002 and communicated to both the parties in December 2002, the appeal should

have been filed in accordance with the provisions of Sub-sections (1) and (2) of Section 91 of the Trade Marks Act, 1999 which provision specifically

deals with appeals including time limit for filing appeals.

8. The teamed counsel submitted that the order passed by the Respondent No. 2 is in conformity with the well-settled principles of law and precedents

and, therefore, the appeal may be dismissed as the impugned order of the Respondent No. 2 does not call for any interference by the Board. He

further submitted that the word VENTURE as allowed to be registered has no direct reference to the quality or character of the goods of the

Respondent No. 1 and has been rightly considered to be inherently of a distinctive character and capable of distinguishing the goods in question and,

therefore, not disqualified to be registered even under Clause (a) of Sub-section (1) of Section 9 of the present Act.

9. It is submitted by the Learned Counsel for the Respondent No. 1 that the word VENTURE is not a laudatory word as the word is either noun or a

verb and never an adjective. The Appellants have failed to prove their allegation that the word had been used commonly by the traders as a laudatory

expression to describe the character or quality associated with any goods in respect of which registration has been sought by producing any evidence

before the Respondent No. 2.

10. The Learned Counsel for the Respondent No. 1 submitted that the case relied upon by the Appellant had no applicability to the facts of the case

on hand and the Respondent No. 1 had relied upon the decision in the reported case Misc. Petition No. 42 of 1995, I T.C. Limited v. G.T.C.

Industries Ltd. and Anr. 2002 (25) PTC 341 (Bom), which is mentioned by the Respondent No. 2 in his order.

11. The Learned Counsel submitted that the Respondent No. 1 has adopted the word mark first and made the first application for registration thereof

and as such the Respondent No. 1 are the rightful owners and proprietors of the mark under Sub-Section 2(1) of Section 18 of the Act. He submitted

that the mark will not cause any deception or confusion in the minds of consumer with regard to the character and nature of the goods as alleged by

the Appellants. The Appellants have not elaborated as to how the use of the word mark in respect of any of the goods specified in the impugned

application was likely to cause confusion in the minds of the consumers or deception in the trade.

12. The main issue for consideration before us is whether the Respondent No. 2 has rightly allowed the mark to be registered in Part B of the register.

The Respondent No. 2 has allowed registration on the ground that the word VENTURE is not at all descriptive of the goods as envisaged under

Section 9(4) of the Act. A mark which is not inherently adapted to distinguish but which is capable of distinguishing after reasonable use can be

allowed to be registered in Part B of the register. In the present case the mark was not, inherently adapted to distinguish the goods in question and, used but application was made for registration of the mark which was proposed to be used. It is an admitted fact that the impugned word is not an invented word but a word commonly used in English language. The Compact Oxford English Dictionary 'venture' (n) a risky or daring journey or undertaking; a business enterprise involving considerable risk and as a verb means 'dare to do something dangerous or risky; dare to say something that may be considered audacious and as a phrase - nothing ventured, nothing gained proverb you can't expect to achieve anything if you never take any risks. Online Etymology Dictionary 'venture' (v) "to risk the loss" (of something), shortened form of adventure, itself a form of adventure. General sense of "to dare, to presume" is recorded from 1559. Noun sense of "risky undertaking" first recorded 1566; meaning "enterprise of a business nature" is recorded from 1584. Venture capital is attested from 1943. The Pocket Oxford English Dictionary (Tenth Edition) 'venture'(n) means a risky or daring journey or undertaking; a business enterprise involving considerable risk and as a verb (ventures, venturing, ventured) means dare to do something dangerous or risky; dare to say something bold. In the Answers. Com, 'venture' (n) means 1. An undertaking that is dangerous, daring, or of uncertain outcome; 2. A business enterprise involving some risk in expectation of gain; and 3. something, such as money or cargo, at hazard in a risky enterprise; (v.tr.) 1. To expose to danger or risk: ventured her entire fortune. 2. To brave the dangers of: ventured the high seas in a small boat. 3. To express at the risk of denial, criticism, or censure: "I would venture to guess that Anon., who wrote many poems without signing them, was often a woman" (Virginia Woolf); (v.tr.?????) 1. To take a risk, dare; 2. To proceed despite possible danger or risk: ventured into the wilderness. In the Chambers Dictionary (New Edition), 'venture' (vt.) means to expose to hazard; to risk; to take the risk of; to dare to put forward.

13. The goods in respect of which the mark was sought to be registered are cigarettes and tobacco which is meant for smoking and smoking of tobacco or cigarette is undoubtedly hazardous or risky or dangerous to health or smoking cigarette and tobacco is to risk the loss of health and thus the word is descriptive of the nature, quality or character of the goods. The other meaning of the word are - to take the risk, dare; to proceed despite

possible danger or risk; to dare to do something dangerous or risky (such as smoking cigarette and tobacco) which denote a laudatory epithet. The

word has a meaning of a risky or daring journey or undertaking or enterprise of a business nature. According to the Chambers Dictionary (New

Edition) one of the meanings of 'undertaking' is any business or protect engaged in, which could denote the business of manufacturing cigarette or

tobacco for which the word was sought to be registered. The Respondent No. 2 has not recorded in his order the basis on which he came to the

conclusion that the word is not descriptive of the character and qualify of the goods of the Respondent No. 1. It is not possible to accept the

submission of the Learned Counsel for the Respondent No. 1 that the word is not a laudatory word as the word is either noun or a verb and never an

adjective. Such a contention has not been accepted by the Courts. While considering whether the word ""perfection"" should be allowed to be used as a

trade mark for soap in Joseph Crosfield and Sons Ltd.'s Appl., (1909) 26 R.P.C. 837 (C.A.), the learned Judge in conclusion observed as under:

The name they have selected is the ordinary laudatory term ""Perfection"". Speaking only for myself I am not much impressed by, the argument that

such a word ought not to be allowed to become a Trade Mark because a more perfect method of making soap might deceive the public. The use of

inordinate laudation of his goods by a trader is too deeply rooted, and too ineradicable not to be well known to all the public, and I do not believe that

any person buying soap would suppose that it was perfection merely because the maker calls it so. But to my mind this tells, against the Applicants. It

shows that the word is one that probably, and I might almost say naturally, would be used by others in the description of their soap. To me there is not

much difference in the respect between the noun ""Perfection"" and the adjective ""perfect."" Therefore, I think we ought not to allow it to become a

Trade Mark. I regret to have so to decide because I feel that there has grown up a vast trade round the word which cannot be protected by the

agency of the Trade Marks Act, but must be defended, so far as it can, by other and less efficient methods. But it is the consequence of the

Applicants having been so unwise as to choose a mere laudatory word for their brand. Had the word been less objectionable in its nature the case that

has been proved before us would have influenced me greatly, for it shows, to my mind, that throughout about half of England the past user of the word

has identified it in the eyes of the public with the goods of the Applicants (emphasis supplied).

Dr. S. Venkateswaran in his book 'The Law of Trade Marks and Passing-off' (fourth Edition - Reprint 1999) while discussing the test of direct

reference has stated as under:

the character or quality of the goods one must look at the word ""not in its strict grammatical significance, but as it would represent itself to the public

at large who are to look at it and to form an opinion as to what it connotes"". The word should be considered as a whole and should not be dissected to

show that it is objectionable as part of it is descriptive. The word must be considered in relation to the goods and the question should be what the word

would connote to an average purchaser of the particular goods and what his mental reaction would be. It is also important that the impression which

the word conveys to the ear as well as to the eye should be taken into account. Where a word is unregistrable in its proper spelling its phonetic

equivalent is also equally unregistrable. The objection to the adjectival form of a word generally applies to the noun also, e.g., ""perfect"", ""perfection"",

charm"", ""charming"", ""Eboli"". ""Eboline"", ""India"", ""Indian"" (emphasis supplied).

As per order dated 28.11.2002, the Respondent No. 2 has allowed the registration of the mark under Section 9(4) of the Act. In view of this, the

contention of the counsel for the Respondent No. 2 that the word is not disqualified to be registered even under Section 9(1)(a) of the Trade Marks

Act, 1999 is a misplaced contention and is not acceptable. The decision in I.T.C. Limited v. G.T.C. Industries Ltd. and Anr., 2002 (25) PTC 341

(Bom) relied by the Respondent No. 1 will be of no help to him as in that the mark MAGANUM was allowed on finding that the word is not part of

the common language in India (but is derived from a Latin word 'magnum' which means great) and must be taken to be word which is adapted to

distinguish or capable of distinguishing of goods of its proprietor from the goods of another. The facts of another case, namely, Mohd. Rafiq and Anr.

v. Modi Sugar Mills Ltd., AIR 1972 Delhi 46 (V 59 C 13) : PTC (Suppl) (1) 753 (Del) (DB), is different from the present case and as such will not

support his case. We are, therefore, of the opinion that the word is descriptive and not registerable especially when there is no user. The contention

that the use of mark would be likely to deceive or cause confusion within the meaning of provisions of Section 11(a) of the Act does not carry any weight as such eventuality is possible only when a similar or deceptively similar mark of other proprietor is in existence. In the present case an existence of any similar mark has not been pleaded.

14. It is difficult to agree with the finding of the Respondent No. 2 that the word VENTURE may not be required by a legitimate trader to describe his

goods during the course of his trade as in this era of globalisation, enterprises like venture capital and Joint ventures are coming up and the use of the

word venture frequently in such enterprises in any descriptive form cannot be ruled out and, therefore, it may not be in the interest of other traders to

allow one person to have the exclusive right to use the word as a trade mark in respect of the cigarette and tobacco manufactured by him. The

submission of the Respondent No. 1 that the appeal is not admissible, as filed under a wrong provision and also filed beyond the prescribed period of

limitation also falls to ground as the relief sought cannot be denied simply because a wrong provision has been mentioned in the appeal. By perusal of

the entire pleading, we find that case in hand is nothing but an appeal against the order of Respondent No. 2 and except wrong mention of the section,

the appeal has been rightly filed under the Trade and Merchandise Marks Act, 1958. The question of filing appeal under Section 91 of the Trade

Marks Act, 1999 does not arise as that Act had come into force much later than the filing of this appeal. The delay in filing the appeal had, on an

application made by the Appellant for condoning delay, been condoned by this Appellate Board.

15. In view of the above, the appeal is allowed by setting aside the order dated 28.11.2002 passed by the Respondent No. 2 and the opposition BOM

8304 filed by the Appellant is allowed. There is no order as to costs.