
(1998) 09 MAD CK 0094

In the Madras High Court

Case No : T.M.A. No. 3 of 1989 and Cross-objections

Khoday Distilleries Ltd.

APPELLANT

Vs

The Scotch Whisky Association and Others

RESPONDENT

Date of Decision : 25-09-1998

Acts Referred:

Trade and Merchandise Marks Act, 1958 — Section 29, 56, 56(2)

Citation : AIR 1999 Mad 274

Hon'ble Judges : R. Jayasimha Babu, J

Bench : Single Bench

Advocate : G. Narayanan, for K.V. Prakash and K. Gopal, for the Appellant; V. Tulzapurkar, for N.L. Rajah, for Nos. 1 and 2, for the Respondent

Judgement

R. Jayasimha Babu, J.—This appeal is directed against the order of the Asst. Registrar of Trade Marks allowing the application filed by the Respondents 1 and 2 herein for rectification of the register by expunging the trade mark No. 273203 registered in the name of the appellant herein. The mark that has been registered was in class 33 under No. 273203 consisting the words "Peter Scot". That mark had been registered with effect from 3-7-1971 in the name of the appellant herein. The application for rectification was filed on 17-4-1986 by the Respondents 1 and 2 herein namely (1) The Scotch Whisky Association and Johny Walker and Sons Limited, London. The application was on the ground that the trade mark offended Section 9 of the Trade and Merchandise Marks Act, 1958 as it was neither distinctive nor was capable of distinguishing the registered proprietor's goods; that the registration contravenes Section 11(a) of the Act as it contains the words "Scot" which is likely to deceive or cause confusion and/or the said mark was and is disentitled to protection of the Court u/s 11(e) of the Act.

2. The trade mark "Peter Scot" is used by the appellant for whisky manufactured by it. The second respondent is a manufacturer of Scotch Whisky in the United Kingdom. The first respondent is the association of manufactures of Scotch

Whisky, That Association being one whose principal object is to protect the interests of its members world wide.

3. The Respondents 1 and 2 had also filed a civil suit against the appellant in the High Court of Judicature at Bombay alleging that the whisky sold by the appellant under name "Peter Scot" has resulted in the passing off of the goods of the appellant as that of the manufacturer of Scotch Whisky in Scotland who are well known for the Scotch Whisky manufactured by them and which is universally known as Scotch Whisky. During the pendency of that suit, this present application for rectification of the register was filed on the grounds mentioned earlier.

4. In support of the application, the Respondents 1 and 2 filed affidavit of Oneian Glen Barclay of British Nationality and in house solicitor to the 1st respondent Association, as also 20 third party affidavits. It has been observed by the Asst. Registrar of Trade Marks in his order that though the appellant had taken several extensions of time for filing it's evidence, it did not do so and no material whatsoever was produced by the appellant before him. It may also be noted here that neither Barclay nor any of the deponents of the other affidavits was sought to be cross-examined by the appellant, before the Asst. Registrar, although u/s 99 of the Trade Marks Act, it was open to the Registrar to take oral evidence in lieu of or in addition to, such evidence by affidavit. The appellant did not choose to call upon the respondents to make available the deponents of the affidavits for cross-examination and the appellant did not cross-examine those deponents before the Asst. Registrar. The Asst, Registrar therefore proceeded to decide the matter on the basis of the affidavits filed by the respondents, after observing that unfortunately, there is absolutely no evidence whatever from the registered proprietors to assail or counter-act or rebut the applicant's evidence. In the absence of any material or evidence in rebuttal, he had held that the evidence of the applicant before him stood unquestioned, unrebutted, unassailed and even unmitigated and he had no other go except to receive the voluminous affidavits and documentary evidence filed by the applicants on its face value.

5. One of the affidavits filed by the respondents before the Asst. Registrar was that of one Peter Jeffery Warrenn. He has stated in his affidavit that he and his father were in the employment of the appellant therein, between 1965 and 1973; and that his father who was called Peter Warren and he were responsible for building and setting up the appellant's distillery which commenced operation around the end of 1965. He has stated that before they joined the services of the appellant, the appellant was not engaged in the production and sale of whiskies. He has further stated that the brand name "Peter Scot" was coined primarily with his father in mind, i.e., using his first name "Peter" and his nationality "Scot". He has stated that another factor behind the coining of this brand name was the internationally known British Explorer Captain Scott, and his son Peter Scot who is widely known as an artist, naturalist and Chairman of the World Wildlife Fund. He has finally staled that as far as he was aware, Khodaya has not

employed any other Scottish distiller to manage their distillery since 1973.

6. That is the only explanation offered for the choice by the applicant of the brand name "Peter Scot" by the appellant. The appellant has not disputed the contents of that affidavit. The appellant has thus deliberately chosen to use the word "Scot" as part of the mark under which the Whisky manufactured by it was to be sold, by taking advantage of the fact that the person who was in charge of the distillery at that time came from Scotland.

7. Before the Asst. Registrar, the Respondents 1 and 2 had filed numerous documents as annexures of the affidavit of Barclay to show that whisky is made in Scotland has a special flavour; that the whisky universally known as Scotch Whisky always has been regarded as manufactured in Scotland; that Scotch Whisky has been imported into India for many decades; that such imports have been consistently on the rise and that large number of users in India are familiar with Scot Whisky which has also been regarded as superior whisky.

8. The use of the word "Scot" for the Whisky therefore, according to the respondents is likely to result in deception and confusion as the customers are likely to be misled into thinking that the use of the name "Scot" as part of the mark under which the whisky is sold, would indicate that the whisky is of Scottish origin. The word "Scot" in the appellant's mark is spelt with a single "t" but is phonetically the same as "Scott" which is the word used to refer to persons hailing from Scotland. A person of average intelligence with imperfect recollection according to the respondents, was likely to be deceived and misled into thinking that the whisky sold under the name "Peter Scot" by the appellant is a whisky manufactured by one of the manufacturers of Scotch Whisky in Scotland.

9. The other affidavits filed by the respondents are affidavits of some businessmen and a lady who claims to be consumer of Scotch Whisky as also of persons working in restaurants. These affidavits were produced to show that there was likelihood of deception and confusion by reason of the plaintiff's registered mark being deceptively similar to Scotch Whisky. The affidavits produced by the respondents as also the contents of the documents produced along with the affidavits remained unrebutted.

10. Mr. N. Narayanan, learned Senior counsel for the appellant submitted that the impugned order is not one made in accordance with law and cannot be sustained. It was submitted that the trade mark "Peter Scot" is the combination of the first name of a person and that of his nationality and that the appellant has been using the mark for a long time from 1970 onwards; that the respondents had acquiesced with the use of the mark that the mark was distinctive; and that the evidence produced by the respondents before the Asst. Registrar was not satisfactory. The deponents of affidavits other than Barclay were characterised as professional witnesses as some of them had been examined by the respondents before the Bombay High Court in the Civil Suit filed

by them against another manufacturer of Whisky in India who had also used mark which included the word "Scot". It was further submitted that there was no plea or proof of fraud and that there was no blameworthy conduct on the part of the appellant. Reliance was placed on a portion of the judgment of the Bombay High Court in the case of "Royal Scot" wherein it was held that the principle of acquiescence is applicable to the individual case and it cannot be made applicable or invoked for the entire trade.

11. Counsel also submitted that the conduct of the respondents also disentitles them from securing any relief in the proceedings u/s 56 as the respondents though aware of the advertisement of the appellant's application had not objected to the same and had allowed the appellant's mark to remain on the register for many years and had not initiated any action, and even the action for passing off that was ultimately initiated was still pending in the High Court at Bombay and instead of proceeding with that action, they had abused the provisions of the Act by seeking rectification of the register. The long user by the appellant, it was submitted, shows the acquiescence on the part of the respondents and therefore, despite the fact that no period of limitation is prescribed in Section 56 of the Act, the application should have been rejected.

12. It was also pointed out that the Asst. Registrar had held that the mark is distinctive and so long as the mark is distinctive, it should be allowed to remain on the register.

13. It was the further case of the appellant that the mark "Peter Scot" has not been used as a trade mark for any Scotch Whisky, and therefore no question of any deception by the appellant's (sic) of that mark would arise. It was also submitted that many other marks are in use for Whisky made in India although those marks are also capable of being regarded as indicative of having originated in Scotland, the mark "Bagpiper" was cited. "Bagpiper", it was submitted, is a musical instrument which is associated with Scotland. The likelihood of deception, it was submitted, is nil as in the bars and restaurants, Peter Scot is listed under Indian Whiskies and never as a Scotch Whisky. The statement of the deponents of the affidavits was also questioned on the ground that the Scotch Whisky is very expensive and the deponents were not persons who could be regarded as regular customers of Scotch Whisky.

14. The onus of proof was on the respondents and that onus, according to the appellant has not been discharged. When the onus had not been discharged, there is no discretion left to the Asst. Registrar and the approach of the Court should be, not to prevent the continuance of the registration which has been there for a long time especially when no evidence of actual confusion during that period has been produced. It was finally submitted that in the absence of proof of blameworthy conduct on the part of the appellant, there is no case at all for rectification of the register.

15. Counsel for the appellant referred to the decision of the Privy Council in the

case of Solavoid Tm, 1977 RPC 1 (PC) wherein it was held that the two marks Solaroid and Polaroid were not deceptively similar; that the length of the use of the registered mark is relevant in drawing an inference from the lack of evidence of actual confusion or deception and in exercising the discretion of the Court in expunging the mark. Reference was also made to the decision of the House of Lords in the case of GE Trade Mark, 1973 RPC 337 wherein the law relating to a trade mark which is likely to cause confusion was summarised in four propositions. It was held that the entry of the registered mark in the register is prima facie evidence of its validity; that if the mark was likely to cause confusion at the time when it was first registered, it should be expunged; that if the likelihood of causing confusion did not exist at the time when the mark was first registered, but was the result of events occurring between that date and the date of application to expunge it, the mark may not be expunged from the register as an entry wrongly remaining on the register, unless the likelihood of causing deception resulted from some blameworthy conduct of the registered proprietor of the trade mark or of a predecessor in title of his as registered proprietor and finally that the Court has a discretion whether or not to expunge it and also any conditions or limitations to be imposed in the event of its being permitted to remain on the register.

16. Counsel referred to the decision of the Supreme Court in the case of Amritdhara Pharmacy Vs. Satyadeo Gupta, to support his contention that in a case of acquiescence the mark could not be deleted from the Register. That was a case of opposition to prior to (sic) registration and not a case of rectification. The decision of the Supreme Court in the case of National Bell Co. v. Metal Goods Mfg. Co. (P.) Ltd. AIR 1971 SC 898 was referred to in support of the submission that power to rectify is discretionary. It was held in that case that u/s 56 the power to rectify is undoubtedly discretionary, and where such discretion has been properly exercised the Court on appeal would refuse to interfere, but where the principle embodied in the relevant statutory provisions was not properly applied, the Court would interfere. That decision was also relied on for the proposition that an "aggrieved person" could include a person who has, before registration used trade mark in question, as also person against whom infringement action is taken or threatened.

17. The decision of the Delhi High Court in the case of Rajya Synthetics v. Pradeep Corporation 1997 PTC 17 was relied on for the proposition that the onus in a passing off action is on the plaintiff. Certain passages in the Law of Trade Marks and Passing Off by P. Narayanan (4th Edition) were referred to regarding standard of proof -- particularly paragraph 354A wherein it is stated that the standard of proof in a matter relating to the grant of patent is the normal proof required in a civil litigation -- that is to say the balance of probability should be adopted. If something is inherently improbable more weighty evidence is required to establish that it probably occurred than if it were inherently probable.

18. Mr. V. Tulzapurkar learned counsel for the respondents supported the

impugned order and submitted that the order is well reasoned one based on affidavits documentary evidence, and applicable law and that the order also being discretionary order does not require any interference. The decision of the Supreme Court in the case of National Bell Co. v. Metal Goods Manufacturing Private Limited AIR 1971 SC 898 was referred to in support of the proposition that the discretionary order of the Asst. Registrar is not to be lightly interfered with. It was also submitted that Stoch Whisky Association is a person aggrieved and entitled to maintain application for rectification. The impugned order, it was submitted, is perfectly valid.

19. The word "Scot", it was submitted, was likely to cause deception and confusion inasmuch as that would indicate Scottish origin, though the whisky is in fact manufactured in India. The word "Scot" cannot be registered in respect of Indian Whisky. The mark registered is one which has been wrongly registered and is required to be expunged. It was also submitted that the Courts in India recognise the reputation of marks registered elsewhere and Scotch Whisky being well known in India, its mark "Peter Scot" though not registered in favour of any of the respondents, the use of the word "Scot" must be held to be one which was likely to cause deception and confusion.

20. Reliance was placed in this context on the decisions rendered in the case of Bollinger J. v. Costs Brawa Wine Company Limited 1960 RPC 16; Vide Products v. Henry Ost 1970 RFC 489; Erven Warnic v. Townend and Sons 1980 RPC 131 and unreported judgment of the Bombay High Court in the case of Scotch Whisky Association v. Mohan Meakin Limited in Suit No. 1352 of 1986 decided on 19-11-1986; Dyer Meakin Limited v. The Scotch Whisky Association AIR 1980 Delhi 125 and the The Scotch Whisky Association and another Vs. Pravara Sahakar Shakar Karkhana Ltd., .

21. Counsel repudiated the charge of acquiescence and submitted that the delay in making the application for rectification which was only for a period of seven years from the date of registration cannot be regarded as a long period; that the adoption of the mark by the applicant was not bona fide; that a person who has been dishonest at the inception, cannot assert a right to retain a mark dishonestly adopted even after rectification has been sought by the person aggrieved by the registration of the mark. It was submitted that the word "Scot" was inherently incapable of being registered in respect of any Indian Whisky and therefore the mark should never have been registered and is required to be expunged. It was also the submission that the continuation of the mark on the register was against the public interest.

22. The appellants are guilty of blameworthy conduct, according to the respondents, from the inception by the very choice of the name "Scot" as part of the mark for the whisky. The fact that the nationality of one of the employees of the appellant at the relevant time was a Scottish would not afford a justification for adopting his nationality as a part of the appellant's trade mark. The respondents, it was submitted, had never done anything to encourage the

Appellant to use that mark.

23. It was not disputed by the learned counsel for the respondents that the onus of proof was on the respondents. Counsel in this context referred to the case of the Shredded Wehat Company Limited v. Kellogg Company of Great Britain Limited 57 RFC 137 and National Bell Co. v. Metal Goods Mfg. Co. AIR 1971 SC 898. So far as the standard of proof is concerned, it was submitted, that the standard is the same as in the registration as also rectification proceedings, the only difference being that in registration proceedings it is the applicant for the registration of mark who has to discharge the burden while in the rectification proceedings, it is the applicant seeking for rectification who has to discharge that burden of proof. In this context reference was made to the case of United Chemist Association(1923) 40 RFC 219.

24. As regards Section 11(a) of the Trade and Merchandise Marks Act, 1958, it was submitted that what is required of the person seeking to rely on that provision is to show that the person has acquired reputation in trade in connection with the mark or trading style or a device before, the Tribunal proceeds to consider whether having regard to that reputation, there is possibility of confusion. Once it is established that confusion or deception is likely to result, the burden would shift to the holder of the registered mark to demonstrate that there was no likelihood of deception or confusion. The statutory standard is only "likelihood" of deception or confusion and not the actual confusion or deception. In the instant case, it is submitted, that the appellant has got a false trade description registered as trade mark and therefore, irrespective of any other consideration, it is the duty of the Tribunal to rectify the register. The probability of deception depends mainly on the degree of resemblance between the marks which the Tribunal can decide by looking at the marks even without any other evidence and no further evidence is in fact required.

25. It was further submitted that the evidence produced by the respondents showed that "Scot" formed part of the registered trade mark of various distilleries in Scotland manufacturing "Scotch Whisky". The use of the word "Scot" in relation to a whisky, which is not Scotch Whisky is likely to lead the public to think that such whisky is Scotch Whisky. The evidence by way of affidavits given by the respondents, it was pointed out by the counsel, remains unchallenged and uncontroverted. The use of the word "Scot" by the appellant as part of its mark was intended to give its product a false trade description, and such use was dishonest, The adoption of a name which indicates the geographical region even when the goods had no connection with that place, was itself dishonest. It was lastly submitted that if there is evidence to show that there was likelihood of deception and confusion, that is sufficient for the Tribunal to arrive at the conclusion that there is likelihood of deception or confusion.

26. Respondents have filed cross-objections as well, questioning the finding of the Asst. Registrar that the Scotch Whisky Association is not a person aggrieved. It was submitted by the counsel for the respondents that the view of the Asst.

Registrar was legally incorrect as it was not necessary that a person has to be trader to be able to claim to be a person aggrieved and what is required is that he must not be a busybody and relied on the decision in the case of Powell's Trade Mark, 1984 (11 RFC 4). In that case it was observed that though the words "person aggrieved" are used in the statute to prevent interference by those who had no interest at all in the register being corrected, it is undoubtedly in public interest that they should not be unduly limited, inasmuch as it is a public register. Counsel submitted that though Scotch Whisky Association is not a trading body and as such, it can still claim a right to be a person aggrieved if its objects are to protect and to promote the interest of its members who are traders. Reliance was placed in the case of Karo Step Trade Mark; 1977 RFC 255. It was submitted that Scotch Whisky Association consists of those engaged in the manufacture or trading in Scotch Whisky and they have a common interest in protecting their rights in relation to whisky produced in Scotland, and in furtherance of their common object, the Association is the person aggrieved when it seeks to have the register rectified by seeking the deletion of the marks which are deceptively similar to those used by the members of the Association or the marks are likely to cause confusion. It is also submitted that the Association has a direct financial interest as it cannot retain its members unless it effectively protects their interest.

27. The principal controversy in this appeal is the registrability of the word "scot" either independently or in association with other words for a whisky which is manufactured in India. The mark that was registered in favour of the appellant is "Peter Scot". The word "Scot" does not refer to any part of India or anything Indian. It is used normally to refer to persons who regard Scotland as their home land or who are descended from persons who hail from Scotland. Though the word normally is spent with two "t"s as "Scott" when referring to persons of Scottish origin, phonetically "Scot" and "Scott" are similar. Scotland is not an independent country. It is a part of United Kingdom, Scotland is one of the regions in United Kingdom but with its own distinctive history and traditions and culture. It is known among other things for its distinctive culture in music and dress -- Bagpiper and kilts. It is known universally as the home of scotch whisky. The water in the streams flowing there and which is used in Scotch whisky is regarded as a significant factor adding to the flavour of that whisky. "Scotch whisky" is well known in almost all parts of the world among those who consume whisky. A mark which is likely to deceive or confuse a person into thinking that the whisky sold under that mark is a scotch whisky even though it is not made in Scotland is a mark which prejudices the legitimate interest of those who manufacture scotch whisky in Scotland.

28. All things evocative of Scotland cannot be regarded as the exclusive monopoly of manufacturers and traders in Scotland. It is only the word or mark which when used for a particular product is likely to cause deception or confusion by reason of it being evocative not only of Scotland but also of the well known product of Scotland with which that word or mark is closely identified that the

mark can be regarded as one which is likely to cause deception or confusion. The use of the words like Kilt, Loch or Bagpiper though evocative of Scotland cannot normally be regarded as resulting in deception or confusion when used in relation to whisky made outside Scotland as those words are not evocative of whisky made in Scotland. But when the word "Scot" which so nearly resembles "Scott" is used in relation to whisky made outside Scotland, "Scot" would be evocative of "Scotch Whisky" and would cause confusion and/or deception, the average consumer of ordinary intelligence and imperfect recollection being misled into thinking that the whisky bearing the name scot is but a variant of Scotch whisky. The word "Scot" when used in relation to whisky made outside Scotland being per se capable of causing confusion or deception is ineligible for being registered as a trade mark for whisky made in the Country when used by itself or in association with another word such as "Peter".

29. The reputation and good will earned by Scotch whisky has been set out at great length in the affidavit of the Solicitor to the Scotch whisky Association. The appellant did not choose to controvert any of the averments in that affidavit or in the other affidavits nor did it offer any evidence. The objection statement filed by the appellant cannot be treated as evidence.

30. Substantial volume of export of Scotch whisky to India continuously for several decades, has been proved by the affidavit of Barclay. The trade mark that was adopted by the appellant "Peter Scot" was in relation to whisky and when so used, the mark was deceptively similar to "Scotch" and was likely to lead a consumer of whisky into thinking that the whisky manufactured in the country by the appellant and sold under the trade mark "Peter Scot" was also scotch whisky. The mention on the label of the name of the manufacturer does not nullify the likelihood of deception or confusion. What is prominently displayed on the label is the name "Peter Scot". That is the name by which the whisky is referred to by those who consume it.

31. The registering authority should have declined to register that mark, notwithstanding the fact that no objection had been filed. The fact that it did not do so cannot result in the appellant acquiring indefeasible right to the mark. A trade mark registered in contravention of Section 11 of the Act is not to be regarded as valid on all respects, even after a lapse of seven years from the date of registration as provided in Section 32(b) of the Act.

32. The appellant's contention that the inaction on the part of the respondents for a period of about seven years amounts to acquiescence and therefore rectification was not legally permissible, cannot be accepted. Section 56 of the Act does not prescribe any period of limitation for making an application thereunder. The fact that the application was made some years after the registration by itself would not prevent the authority from directing the rectification if it was found to be otherwise justified. The acquiescence if it is to be made a ground for declining to rectify, must be of such a character as to establish gross-negligence on the part of the applicant or deliberate inaction

which had regulated in the appellant incurring substantial expenditure or being misled into the belief that the respondents though entitled to, had deliberately refrained from taking any action and were unmindful of the use of the mark by the person in whose name it was registered.

33. The facts of this case are not such as to warrant the conclusion that there has been acquiescence. At the time the registration of the mark was applied for some time in 1971, had the respondents been more vigilant could have objected and prosecuted their objection thereby preventing the registration at the very inception, the fact that they did not do so cannot be regarded as acquiescence on their part. Section 56 of the Act does not disable one who, though having the opportunity to object, had failed to object before the registration was effected for seeking rectification.

34. A strong case is required to be made out by an applicant u/s 56 of the Act especially when the rectification is sought several years after the registration of the mark. In case of reasonable doubt as to whether the mark when registered was likely to cause deception or confusion, it would be proper to exercise the discretion in favour of the registered owner of the mark. However, in cases where the mark registered is inherently one which was likely to cause deception or confusion, the discretion is properly exercised by directing the rectification of the register.

35. The standard of proof required to be met by an applicant u/s 56(2) of the Act is the same standard which an applicant for registration is required to meet except that in a proceeding for rectification, the proof adduced should also be such as to warrant the exercise of the discretion in favour of the applicant. While the authority dealing with the application for registration has no discretion to declare to register a mark which is otherwise fully in conformity with the provisions of the Act, in a proceeding for rectification the authority has the discretion in directing or declining to direct the removal of a mark on the register. Such discretion is vested in the authority in view of the fact that despite registration of a mark under the Trade Marks Act, it is still open to any one prejudicially affected by that registration, to bring an action for passing off and the fact of registration of the mark by itself is not to be regarded as an unimpeachable defence in such action.

36. It is unfortunate that the appellant had chosen to refrain from placing any material before the authority to refuse the claim for rectification. Apparently appellant did not have great faith in the validity of the registration and did not consider it worthwhile even to cross-examine the witnesses who had filed the affidavits in support of the application for rectification. It is evident that adoption of the mark "Peter scot" by the appellant was for the reasons mentioned in the affidavit of Peter Jeffery Warren. The mark was adopted apparently with a view to take advantage of the good will associated with Scotch whisky by using the word "Scot" as part of the trade mark for the whisky manufactured by the appellant.

37. The conduct of the appellant subsequent to the registration is not of much materiality. The appellant has continued to use that mark. The fact that appellant did not do anything more than use the mark does not have the effect of discharging it from the consequences of adopting a mark which should not have been registered.

38. The criticism levelled against the deponents of some of the affidavits filed by the respondents as evidence though justified to some extent does not help the appellant to avoid rectification. The statutory standard is not the actual confusion and deception but likelihood thereof. The term "Scot" when used in association with whisky of non-Scottish origin is inherently capable of and is likely to cause confusion and deception.

39. The discretion exercised by the authority in favour of the respondents cannot be said to have been exercised contrary to any valid legal principle or in violation of any of the provisions of the Act. The discretion exercised by the authority is not the result of any arbitrary exercise of power but is based upon the material placed before the authority and does not require interference.

40. So far as the cross-objections are concerned, the fact that the Scotch Whisky association consists of manufacturers by itself is insufficient to enable the Association to maintain the action by itself. It may however do so along with the member who is prejudicially affected by the registration. In this case, the association had filed the application along with one of its members whose standing is not in question. Having regard to that fact, the authority below was in error in holding that the association had no standing to maintain the application along with one who had the standing. The association of traders and manufacturers cannot always take the place of their members in all matters which affect the members unless the statute permits them to do so. The right of action of the member does not by virtue of the membership vest in the Association. It would be within the competence of the association to support the action of its members and join them in the action, but the association cannot replace a member in a statutory action unless the statute permits it. The words "person aggrieved" in Section 56(2) however widely interpreted cannot dislodge the need for a direct link between the person and the grievance.

41. Though in normal circumstances the fact that a suit for passing off is pending in the appropriate Court, would have been sufficient reason to exercise the discretion against the applicant for rectification, on the facts of this case, having regard to the inherent inappropriateness of the use of the word "Scot" in relation to whisky made in India, the exercise of the discretion of this Court in this case has to be in favour of the respondents.

42. Learned senior counsel for the appellant prayed that the Court grant a certificate of fitness to appeal. Section 109(5) of the Trade and Merchandise Marks Act, 1958, provided that where an appeal is heard by a single Judge, further appeal shall lie to a Division Bench of the High Court. That is the

statutory right of the appellant and it is for the Division Bench to make such orders as it considers appropriate on the further appeal that may be preferred by the appellant.

43. Counsel for the appellant submitted that appellant intends preferring an appeal, and therefore the operation of this judgment be stayed till such time as the appellant, after securing certified copy is able to file the appeal and move the matter before the Division Bench. As the impugned order of the Assistant Registrar of Trade Marks has not been given effect to till date, the request so made by counsel is reasonable. The operation of this judgment is stayed till 20th of February, 1999.