
(2011) 10 IPAB CK 0012

In the Intellectual Property Appellate Board

Case No : ORA/69, 70/2004/TM/DEL

Kunj Aluminium (P). Ltd., C-43, Surya Nagar, Ghaziabad,
Uttar Pradesh

APPELLANT

Vs

Koninklijke Philips Electronics NV, (A Company, Established,
Incorporated, And Existing Under The Laws Of Netherland),
At Groenewoudseweg, Eindhoven Netherlands Also At
Registered Office At 7, Justice Chandra Madhab Road Kolkata,
West Bengal

RESPONDENT

Date of Decision : 31-10-2011

Acts Referred:

Trade Marks Act, 1999 — Section 56, 56(2), 124

Citation : (2011) 10 IPAB CK 0012

Hon'ble Judges : Prabha Sridevan, J;S. Usha, J

Bench : Division Bench

Final Decision : Dismissed

Judgement

Prabha Sridevan, J

1. The applicant is aggrieved by the registration of the mark ""Philips"" in Trade Mark Nos. 145532 and 563814 in class 21 in the name of the

respondent.

2. The predecessor of the applicant had been manufacturing and selling non-electric pressure cookers under the trade name ""Philips"" which is same as

the impugned mark. In 1984 the respondent issued a cease and desist notice to the applicant's predecessor to stop using the trade mark ""Philips"". In

1988 the Applicant's predecessor applied for registration of the mark ""Philips"" in class 21. It was advertised in the Journal No. 1030 dated 01.05.1992.

This was opposed by the respondent. But by order dated 9.1.1996, the opposition was disallowed and their application proceeded to registration.

Therefore they are aggrieved by the registration of the respondent's mark and seek rectification.

3 The respondent had filed a Miscellaneous Petition raising preliminary objections. This was received by the IPAB Registry on 18.08.2011. Before it was taken on file after due scrutiny, the IPAB held its Kolkata sitting from 23rd August,. So though the Miscellaneous Petition was not listed, these objections were considered and we have dealt with the same in this order. The respondent has also filed written submissions after the orders were reserved, for which no permission was sought for. We find that there is a certain laxity in the attitude of the members of the Bar with regard to the proceedings before IPAB. Miscellaneous Petitions for receiving evidence are filed after arguments are over, extension of time is asked for endlessly on grounds like ""collating information"" or ""my client carries on business overseas"". We are aware that principles of natural justice must be adhered to in adjudication of IP disputes but if the elastic band of natural justice is stretched beyond a limit, then this adjudication mechanism will break. The counsel and the litigants would do well to remember that the Intellectual Property rights have a limited life, and therefore, the adjudication of disputes must be as swift as possible without sacrificing the spirit of justice. Otherwise the object of setting up this Board will be defeated.

4. With this prelude, we will take up the preliminary objections. They are,

a) The petition is barred since no leave under Section 124 was sought for. We have already held in M.P. No. 192/2008 in ORA/153/2008/TM/DEL &

M.P. No. 200/2008 in ORA/147/2008/TM/DEL -Jeet Biri Manufacturing Co. Private Limited Vs. Pravin Kumar Singhal & Others. that the Act does

not require such leave to be obtained. This objection is rejected.

b) One petition has been filed against two trade marks. The applicant could have filed two different petitions and asked for joint hearing. But in this

case, the applicant has filed one petition, paid the appropriate court fee for the two marks to be rectified. Unless the respondent shows prejudice, such

technicality shall not stand in the way of rendering justice. This objection is rejected.

c) TM No. 145532 was granted by the Intellectual Property Office at Kolkata, while TM 563814 was granted by the Intellectual Property Office at

Mumbai, and a single application cannot be filed when the jurisdictions are

different. When the parties are the same and issues are the same and there are more than one litigation, a joint hearing alone will serve the ends of justice. Here too the respondent has not shown how he is prejudiced. This objection is also rejected.

5 . The applicant is a person aggrieved only because their mark was registered. But the IPAB by its order in TA/321/2004/TM/Del (CM (M) 140/97)

dated 9th March, 2005 has set aside the order dated 9.1.1996 granting registration of the applicant's mark. The finding is that the adoption of trade mark 'Philips' by the applicant, is dishonest and that ""This dishonesty disentitles him of the benefit of the provisions of the Act"".

6. Against this, the applicant filed Writ Petition 8973 of 2008 - M/s. Kunj Aluminium Private Limited Vs. M/s. Koninklijke Philips Electronics NV in

the Delhi High Court. The learned Single Judge held that the initial adoption of the mark by the applicant is ""malafide and tainted"" and ""continued

adoption and use cannot undo the illegality"". Against this judgment, the appellant filed LPA on 01.08.2011.

7. In the L.P.A. No. 613/2009, the Division Bench of the Hon'ble Delhi court recorded that it was the second round of litigation. An earlier Division

Bench had dismissed the applicants' appeal. But the Supreme Court held that the order was cryptic and sent it back to the High Court for a reasoned

order. On 01.08.2011, in the above L.P.A it was held that the applicant's adoption of the mark ""Philips"" was commercial dishonesty and costs of Rs.

22,000/-were awarded. We extract the following paragraph of the judgment of the Division Bench.

The Word 'Philips' is not an invented word. But there is overwhelming evidence in favor of the respondent that since 1950 its products were being sold

in India under the trademark 'Philips' and these products were electrical bulbs, electric toaster and the like, and had attained distinctiveness. Who has

not seen 'Philips' bulbs in India? We wonder any! Thus, when the appellant adopted the same mark for its pressure-cookers in the year 1982, a finding

of fact returned, that the Directors of the appellant were aware of the existence of the respondent and its association with the trademark 'Philips'

cannot be faulted with. Further, we find no reasons whatsoever given by the appellant as to wherefrom the appellant bona-fide conceived to use the

word 'Philips' as its mark. The appellant have not denied that their shareholders

and Directors profess Hindu religion and learned counsel for the appellant did not dispute that the name 'Philips' is normally adopted as a name or surname by Christians. Now, electrical toasters, electrical ovens are kitchen appliances and so are pressure-cookers. All belong to the same genus and are species thereof. It is not in dispute that the goods are sold in shops selling home appliances and the class of consumers is the same. It is not in dispute that respondent's goodwill is all pervading in India and sweeps virtually every segment of the society. Thus, the common ordinary buyer with the usual imperfect memory would conceivably be misled into believing, when he sees a pressure-cooker with the trademark 'Philips' as being he product of the same company which sells 'Philips' bulbs, electric toasters, electric ovens, etc.

This is the position with regard to the applicant's mark.

8. We heard the grounds of attack on the impugned mark. Lengthy arguments were advanced by the learned counsel for the applicant regarding the non-user by the respondent of the goods in question. The applicant relied on 2004 (29) PTC 385 (IPAB) - "Jupiter Infosys Limited Vs. Infosys

Technologies Limited. But this order has been set aside by the Supreme Court in MANU/SC/0932/2010 -Infosys Technologies Limited Vs. Jupiter

Infosys Limited and Anr. The learned Counsel for the applicant also submitted that the goods were different, and that the respondent had never traded

in non-electrical goods. He also submitted that whatever may be the position with regards to electrical goods, the respondent had no right to

appropriate a mark with regard to goods for which there was no user or intention to use.

9. Many judgments were cited on behalf of the applicant. It is not necessary to deal with any of the other grounds since applicant has been found to be

dishonest. When the applicant's locus standi rests on a mark which was dishonestly adopted, we need not look any further. On that ground alone his

petition must be rejected. The applicant is not entitled to invoke the provisions of this Act and the issues of public interest and purity of Registration

stand against the applicant..

10. But there are other grounds for rejecting this application. In Writ Petition NO. 8973/2008 (referred to supra) the Hon'ble Delhi High Court had

recognized the reputation of the respondent mark. We also agree with the

observations in the above L.P.A regarding the reputation of the respondent's mark.

11. Further from 1984 to 2004 i.e. from the date of the cease and desist notice till the date of this petition 20 years have gone by and in 2008 (37) PTC

413 (SC) -Khoday Distilleries Limited (Now known as Khoday India Limited) Vs. Scotch Whisky Association and Others held that

The power of the Registrar in terms of Section 56 of the Act is wide. Sub-Section (2) of Section 56 of the Act used the word ""may"" at two places. It

enables a person aggrieved to file an application. It enables the Tribunal to make such order as it may think fit. It may not, therefore, be correct to

contend that under no circumstances the delay or acquiescence or waiver or any other principle analogous thereto would apply.

Purity of register as also the public interest would indisputably be relevant consideration. But, when a discretionary jurisdiction has been conferred on

a statutory authority, the same although would be required to be considered on objective criteria but as a legal principle it cannot be said that the delay

leading to acquiescence or waiver or abandonment will have no role to play. [See Ciba Ltd. Basle Switzerland v. M. Ramalingam and s. Subramaniam

trading in the name of South Indian Manufacturing Co., Madura and another AIR 1958 Bom 56].

In determining the said question, therefore, conduct of the person aggrieved in filing the application for rectification would be relevant.

12. On these three grounds, a) dishonesty of the applicant b) the reputation of the respondent mark as recognized by the Delhi High Court and c) on

the ground of laches on the part of the applicant in moving this rectification petition, the applicant must fail. We find no merit in the application. The

petition is dismissed with costs of Rs.10000/-.