

(2012) 09 IPAB CK 0007

In the Intellectual Property Appellate Board

Case No : M.P. No. 321/2009 In OA/43/2008/TM/AMD And OA/43/2008/TM/AMD

M/s Kalsi Valves Pvt. Ltd., Having Its Registered Office At: APPELLANT
B-2, Sports & Surgical Goods Complex, Kapurthala Road,
Jalandhar - 144021, Earlier Having Its Office At: D-44, Sports
& Surgical Goods Complex, Kapurthala Road, Jalandhar
144021

Vs

Registrar Of Trade Marks, Trade Marks Registry, Ahmedabad, RESPONDENT
15/27, National Chambers, 1st Floor, Ashram Road,
Ahmedabad -380009 And Samrat Sanitary Wares Pvt. Ltd., 8-
A, National High Way, Village: Dhuva, Taluk : Wankaner,
Distt. : Rajkot

Date of Decision : 21-09-2012

Acts Referred:

Trade Marks Act, 1999 — Section 9, 9(1)(a), 9(2)(a), 11, 11(1), 11(1)(a), 12(3), 18,
107

Citation : (2012) 09 IPAB CK 0007

Hon'ble Judges : S. Usha, J;V. Ravi, Technical Member

Bench : Division Bench

Final Decision : Allowed

Judgement

V. Ravi, Technical Member

1 . This is an appeal against order of the Deputy Registrar of Trade Marks, Ahmedabad dismissing opposition No. AMD-186675 to application No.

876305 in class 11 and ordering the said application to proceed to the registration. The sequence of events giving rise to this appeal is mentioned

below:-

i) The appellant is a registered company based at Jalandhar, Punjab engaged in the business of manufacture & sale of inter-alia, Centrifugal Pumps,

Reflex Valves, Bends, Monoblock Pumps and parts and fitting of tubewell pumps

and allied products in class 7. They are proprietors of the registered trade marks SAMRAT under No. 306140 as of 6th June, 1975. This mark is recognized throughout the trade as a mark of their identity and is a trusted brand known to millions.

ii) The respondent herein filed an application in 1999 for the registration of the mark SAMRAT VITREOUS in respect of Sanitary wares, sanitary

wares fittings etc. made of ceramics in Class 11 claiming just 8 months unproved user. This application was Advertised Before Acceptance and the

appellant being jolted into action duly opposed the said applications.

iii) The Deputy Registrar by his order dated 16.03.2009 disallowed the opposition filed by the appellant and allowed the respondent's impugned trade

mark to proceed for registration. In doing so he had grievously erred in coming to the wrong conclusion and cited rulings not relied on by either parties

at the hearing and quoted authorities out of context.

iv) The appellant have been using the trade mark SAMRAT ever since 1975 and have acquired tremendous reputation in the registered trade mark.

The adoption and use of the impugned mark by the respondent is dishonest, malafide and tainted at its very inception. The Deputy Registrar failed to

appreciate the un-rebutted & irrefutable voluminous documentary evidence filed by the appellant on record proving beyond doubt that the appellant's

trade mark SAMRAT has already become a well known mark. He had also failed to consider the well established principle of law that the onus is

always on the applicant to prove that it is entitled to the registration of the mark which the respondent herein failed to discharge. Most importantly,

majority of the invoices filed before the Registrar by the respondent in support of his application are beyond the relevant date namely the date of filing.

Similarly, advertisement cuttings enclosed in support of the application before the Registrar do not state when they were issued and the same was

published and therefore not relevant. Further, the sales figures and advertisement expenses mentioned in the affidavit were also filed beyond the

relevant date of the respondent's application. Therefore, the adoption and use of the respondent's impugned trade mark is both malafide and dishonest.

v) The appellant assert that respondent cannot take advantage of the appellant's reputation in a trade mark by adopting the same as a part of its

trading style. Further, the Deputy Registrar in his order has wrongly placed

reliance on the judgment in Vazir Sultan Tobacco Company Limited case (1996 PTC 512), as it was not concerning a rectification proceeding, it has no bearing because it was an action for infringement of trade mark and passing off not having any applicability to decide on registrability of a trade mark.

vi) Strangely, the Deputy Registrar in his order has not dealt with the various judgments relied on by the appellant in the proceedings before him.

vii) The respondent herein have been wrongly representing that the impugned mark SAMRAT is their registered trade mark even during its pendency

for registration and thus has committed an offence under Section 107 of the Trade Marks Act, 1959. No cognizance was taken of this.

viii) The Deputy Registrar also failed to appreciate that the expression VITREOUS is a generic word and no one can get monopoly on the use of the

said expressions. Further, as the initial adoption was dishonest and tainted, the subsequent use does not help the respondent. Also, his findings under

Section 18 is contrary to the material on record and established principles of law. The impugned trade mark SAMRAT VITREOUS is also barred

under Section 9.

In view of the foregoing, the appellant prays that the order of Deputy Registrar in dismissing the opposition should be set aside as it does not square

with the fact and records of the case and the present appeal be allowed refusing the respondents application No. 876305 in Class 11 as it is without

the sanction of law.

2. The case of the respondent is indicated below:

i) They have honestly & bonafidely adopted the trade mark SAMRAT from their own trading style Samrat Sanitary Wares Pvt. Ltd.

ii) They have spent huge amount for promotional activities to popularize the said trade mark. They have also given wide publicity in the internet for the

product bearing the said trade mark and have been marketing it through a wide network of distributors/dealers. As a result by 2009-2010 they had a

turnover of about Rs. 1.24 crores.

iii) The respondent state that the order passed by the Deputy Registrar is appropriate and passed after carefully considering the full facts of the case

and is in accordance with the established principle of law. The trade mark SAMRAT is distinctive of their goods and the objection raised under

Section 9 is baseless and the Deputy Registrar has rightly rejected the same. The respondent also deny that there is no evidence on record to show

the use of the mark SAMRAT by them and that therefore the order is purportedly bad in law. The mark SAMRAT is not an invented word and

therefore the appellant is not entitled to claim exclusive right over the same.

iv) The appellants are using the trade mark SAMRAT in respect of centrifugal pumps, reflex valves, Bends, Monoblock pumps and parts and fittings

of tube well pumps and allied products falling in Class 7. On the other hand, the respondents are using the trade mark SAMRAT in respect of sanitary

wares & sanitary fittings made of ceramics in Class 11. The goods are not of the same description as the user of the respective goods and end users

are entirely different from each other. In fact at the wholesale stage the competing goods emanate from totally different trade channel. However, at

the retail stage, some stray cases may be found where the rival goods may be sold but this cannot mean they pass through the same trade channel.

v) The respondent state that they have been using their trade mark since 1999 and allegations of confusion and deception are totally baseless.

Objection raised under Section 11 cannot be sustained. They also claim to be bonafide and concurrent user in respect of their goods for which they

are registered.

vi) The assertion that the appellant's trade mark has become well known is a self serving claim not supported by the order of any Court or the

Registrar.

vii) The Deputy Registrar has expressed his view that there is no similarity between appellant's and respondent's mark and therefore, the adoption of

the impugned mark is bonafide and honest. The word SAMRAT is a dictionary word and no one can claim exclusive monopoly right on the same. All

the contention and allegations made by the appellant are frivolous and the subject appeal should be dismissed.

3. The matter came up for hearing on 09.04.2012. We have heard the arguments of both the learned counsel and various case laws relied in support

of their arguments and gone through the pleadings and other documents before deciding the matter.

4. Authorities relied on by appellant

(a) Ellora Industries, Delhi Vs Banarsi Das & Others - (1981-PTC-46)

The trade mark ELLORA is suggestive that goods come from the same source, given both parties are in direct competition. There is

misrepresentation for business purposes as to origin of goods.

(b) Poddar Tyres Vs Bedrock Sales Corporation (AIR 1993 Bom. 237)

Where it was contended that in a situation where a rival trader bodily lifts a substantial portion of the registered trade mark of the plaintiff and uses it

as part of his trading style or corporate name, the damage to the plaintiff's goodwill and reputation is inherent in the act itself. (Held in para 44) ""in my

judgment, the circumstances prima facie, do indicate an attempt to usurp the reputation and goodwill attached to the word ""Bedrock"" which forms part

of the registered trade mark of the plaintiffs

(c) Ansul Industries Vs Shiva Tobacco Co (Delhi HC)2007 (34) PTC 392 (Del) - Held:- On the question of confusion, the standard is not that of

vigilant consumer or trader but an unwary normal customer of the product. The court has to decide this after examining the broad and dominant

features of the two marks and whether there is overall similarity that is likely to mislead purchasers. Both the marks have to be considered as a whole

(Para 17) Held, further, honesty of adoption at the initial stage has to be established to take benefit of concurrent registration under Section 12(3) of

Act. If the user at inception is dishonest, subsequent concurrent user will not purify the dishonest intention. Commercial honesty at the initial stage of

adoption is required. What is protected is innocent use of a mark by two or more persons unknown to each other and unaware of the mark used by

the other. Adoption must be honest, bona fide and without any knowledge on the part of the adopter. The onus and burden is on the defendant to show

the user and adoption at the initial stage was honest (Para 52).

(d) In Cadila Health Care Ltd. vs. Cadila Pharmaceuticals (SC)2001 PTC 541-- It was held nobody has a right to represent his goods as goods of

somebody else. In other words, a man cannot be selling his goods or services under the pretence that they are those of another person.

(e) Our attention was drawn to National Sewing Thread Co. Ltd. Chidambaram v/ s James Chadwick & brothers, (AIR 195 3 SC 357) --Where it was

held ""The real question to decide in such cases is to see as to how a purchaser, who must be looked upon as an average man of ordinary intelligence

would react to a particular trade mark, what association he would form by

looking at the trade mark and in what respect he would connect the trade mark with the goods which he would be purchasing"" (Para 21, 22)

5. Authority relied on by Respondent Vihnudas Kishendas vs. Vazir Sultan Tobacco Ltd., (SC) 1996 PTC (16) -- Held, trader or manufacturer should not be allowed to enjoy monopoly in respect of all the articles under the guise of broad classification, if he does not actually trade or manufacture such goods or has no bonafide intention to do so.

6. On a perusal of the Deputy Registrar's order, he has firstly rejected the objection under Section 9(1)(a) of the Act. His reasoning is the competing goods are different and so there will be no product confusion and SAMRAT (meaning EMPEROR in Hindi) is a common word open to all. He then justifies the adoption and use of the impugned mark on the ground that SAMRAT is extracted and used as trade mark from its trading style M/s

Samrat Sanitarywares (P) Ltd. We find that the trade mark SAMRAT is displayed and magnified four to five times bigger than the remaining portion

of the trading style Sanitaryware (P) Ltd which is shown in the second line in very small format The Poddar Tyre case (Supra) will apply here and the

respondent's mark which was adopted almost 25 years after the appellant is clearly a copycat mark and cannot distinguish the respondent's goods

from those of the appellant and is accordingly hit by section 9(1)(a). The proviso to Section 9(1)(a) cannot come to the rescue of the respondent as the

impugned mark has been registered absent use and in any event a eight month alleged use cannot displace a twenty five year old established trade mark.

7 . Objection has also been raised under Section 9(2)(a) of the Act. That section states a mark shall not be registered as a trade mark if it is of such

nature as to deceive the public or cause confusion. In his ruling the Deputy Registrar has dismissed this stating Section 9(2)(a) is not attracted as the

rival goods are totally different and the trade mark a common word. This needs to be looked into. The competing goods in respect of which both the

parties are registered proprietors are indicated below:

APPELLANT'S GOODS

Centrifugal pumps, reflex valves, bends, monoblock, pumps and parts and fitting of tubewell pumps and allied products falling in Class 7.

RESPONDENT'S GOODS

Sanitary wares, Sanitary ware fittings made of ceramic falling in Class 11.

8 . The question is whether the average consumer will mistake that the competing goods bearing the same mark will lead to source confusion. We

think it will. In our judgment the channel of trade is not so pronounced that an average Indian consumers can make the fine distinction drawn by the

Deputy Registrar. A trade mark will tell consumers what they are buying and from whom. The common man will infer a trade connection with the

owner of these two marks. A prospective purchaser (a casual consumer in a hurry) may be led to the mistaken inference that the goods associated

with the appellant are also manufactured, sold or hired by the respondent whether or not the goods are of the same general class. It seems that the

Deputy Registrar has misinterpreted the rival goods as totally dis-similar. To be goods of the same description does not mean a replica or an exact

counterpart. Classification of goods is not the proper test. Accordingly, Deputy Registrar fell in error in holding that there is no likelihood of confusion

under Section 9(2) (a) as the respondent's mark is designed to infiltrate the distribution channel of the appellant and seize a share of their market under

the same brand.

9. The Deputy Registrar has further ruled that in view of the rival goods being good of totally different description Section 11(1) objection raised by

the opponent will also fail. He has cited two decisions that are reproduced below:

i) In Roshan Lal Mills Ltd., Vs Assam Co., Ltd, 1996 PTC (16) the Hon'ble High Court of Delhi observed that ""there cannot be monopoly in use of

trade mark in respect of goods falling under different class

ii) Similarly, in Reliance Industries Ltd., Vs Reliance olycrete Ltd., 1997 (Supplementary) Arb. LT 401, the Hon'ble High Court of Mumbai observed

that ""if anything public interest requires that a big company like the plaintiff be not allowed to flex its muscles and try and oust all others from use of

word which is common word in English language and which is commonly used by very large number of companies/firms in various field of activities.

10. It appears that the Deputy Registrar had come to the hasty conclusion that when a person adopts a common word as a trade mark (that has been

registered for unrelated goods), laws permit its blanket protection. On principle, this is fine. But when confronted by an aggrieved litigant, one needs to

go to the root of the matter. Let us look into a little history of this case.

11. The Deputy Registrar has brushed aside the concept of cognate class of goods. He has ignored the spillover effect of the appellant's trade mark reputation. It is asserted that the competing goods pass through the same trade channels; products are displayed side by side in the same counter and purchased and used by same class of customers. An identical trade mark is adopted after nearly 25 years by someone in the same trade clearly shows the dishonesty, malafide and tainted adoption of the impugned mark. The Deputy Registrar has ignored the basic trade mark dictum that the onus is always on the applicant to prove he is entitled for its registration by showing there no likelihood of confusion or deception. Records indicate that the majority of invoice of the respondent are beyond relevant date. There can be no premium on dishonesty. Further there is no evidence on record to show that the word SAMRAT is being used by a large number of companies in other field of activities as alleged. The impugned mark was allowed to go on the register with just claim of 8 months use prior to the date of filing by the respondent. The Deputy Registrar also failed to appreciate that the expression VITREOUS is generic. In fact he had been indulgent to even accept and consider time barred evidence filed by the respondent. Finally, it has been alleged none of the authorities relied on by the appellant have been considered in his order disallowing the opposition.

12. We need to review the findings of the Deputy Registrar under Section 11(1) in the light of the above. It is relevant to quote the material portion of the order why the Deputy Registrar rejected the objection raised under Section 11(1) of the Act?.

13. ""In the present case the opponents have filed evidence enclosing proof of sale relating to Centrifugal pumps, reflux valves, bends, monoblock pumps and parts and fittings of tube well pumps and other allied products. The proof including affidavit indicate the sales of the products since the year 1975. The affidavit also reveal that sale under brand name SAMRAT is confined only to the Centrifugal pumps, electric motors, Reflux valves etc. No evidence was filed by the opponents showing the sale of Sanitary Wares & Sanitary Wares Fittings etc. under the said trade mark. On the other hand the applicants have filed evidence in support of their claim of use of the mark. On careful scrutiny of the evidence filed by the applicants it

proved that they are engaged in the business of marketing and selling Sanitary Wares & Sanitary Wares Fittings etc. under the trade mark SAMRAT.

No doubt that the rival marks are same and also applicants have started use of the mark just few months before filing the impugned application.

However, in my opinion the goods of the rival marks are entirely different. The opponents are registered proprietors of goods under the trade mark

SAMRAT in respect of Centrifugal pumps, reflux valves, bends, monoblock pumps and parts and fitting of the well pumps and other allied products in

Class 7 whereas the goods for which the applicants sought registration is Sanitary Wares & Sanitary Wares Fittings etc. made of ceramic and parts

thereof included in Class 11. Both set of goods are entirely different as manufacturing, marketing and distributing separately. "" Hence, the objection

under Section 11(1) was rejected.

14. In our view this finding is flawed. The appellant's goods falling in class 7 are basically power driven machines and its components. It has a number

of companion classes, that is, classes in which related goods are classified. Centrifugal pumps etc. need motors and engines to be operated and to

perform a task such as pump water etc. Class 7 apparatus usually involve moving parts but do not rely on electric circuitry to execute their functions.

On the other hand, the respondent's goods falling in class 11 are for sanitary purposes. These are integrally related to water supply, such as bath tubs,

showers, sinks and toilets. Apparatus that can be used for sanitary purposes includes a broad range of goods. Thus pipes that are directly attached to

and are specialized part of installations such as sinks, showers and toilet fall in class 11. So when one buys a Centrifugal Pump from a hardware shop,

purchase of its suitable accessories from the same shop like pipes etc. is necessary. That is the likely source of all confusion. It is necessary to

safeguard the guarantee of origin of appellant's good. There is confusing similarity because of similarity in nature of goods in respect of an identical

trade mark which will result in every likelihood of confusion. The consumer rarely has the chance to make direct comparison and must base his

purchase/procurement on the basis of imperfect memory. In the instant case, the level of attention to the category of goods in question is similar. The

addition of the word VITEROUS (which is generic expression) does not make any significant difference. The appellant's mark are recognized in the

market. It is well - settled that the more distinctive the earlier mark, the greater the risk of confusion. The fact that the appellant have been in the market for 25 years before the respondent's mark was conceived establishes that his mark SAMRAT is highly distinctive, either per se or because of the reputation they possess in the market. Hence, the appellant are entitled to a much broader protection. The nature of goods, the method of use, their end user, the spillover effect, and the overall impression lead us to believe that there exists a likelihood of confusion between the two mark on the part of the public. We are fortified in our view after taking into account the market share held by appellant's mark, its longstanding use, the amount invested in promoting their mark, the proportion of relevant section of the public which identifies the goods as originating from the appellant's undertaking etc. The Deputy Registrar had clearly erred in his finding. It is well settled in an opposition proceeding, the onus is always only on the applicant to prove that there is no likelihood of confusion or deception. A case cannot be manufactured to reject an opposition on the ground that the opponents have not traded, dealt or manufactured any of the applicant's goods and supplemented by a finding that the competing goods are goods of different description. Merely because the competing goods are not identical or that they may fall in different classes does not lead to an automatic presumption that no confusion is likely. The word 'SAMRAT' has been used in the market by the Appellant/Opponent for almost 25 years before the Respondent/Applicant entered the market. In this case appellant have shown that the trade mark SAMRAT has been used very extensively in the market and the said mark will be associated with the appellant so that customers buying may feel that it is the product of the said appellant. Here, the appellant have built genuine and substantial reputation leading to the likelihood of confusion. There is no doubt in our mind the adoption of an identical mark in the market after nearly 25 years even in respect of marginally unrelated goods is designed with a purpose to take unfair advantage of the reputation of the earlier mark. The respondent/ applicant cannot in all good conscience assert that the adoption of SAMARAT VITEROUS was completely innocent. That is not clearly th case here. The registered proprietor will start losing confidence in the sanctity of the register, if this sort of registration is encouraged. As a general rule, if cognate class of goods or services with similar brand are sold in the same market as those sold under

the registered trade mark they will be considered similar even if for the purpose of registration it falls in different classes under the Nice Classification.

In the instant case 25 years of carefully built up goodwill in the market which the appellant registered trade mark SAMRAT bears cannot be

sabotaged by a 8 months new entrant SAMRAT VITREOUS even if the competing goods strictly speaking are not similar o substitute for one

another. There is bound to be undeniable source confusion. That is the crux of the issue. The reality of the market place in India where jostling to free

ride on someone's labour and effort cannot be lost sight of Section 11(1)(a) is clearly a bar to the registration of the impugned application.

15 . The final question to be answered is can the respondent be considered the rightful proprietor of the impugned trade mark? We think not. A

perusal of the afore mentioned case history leads us to be believed that the respondent lack good faith to assert a claim of proprietorship. The

respondents use of the impugned mark is not within the normal boundaries of fair use. It cannot indicate a connection in the course of trade with their

goods. Trading in his goods is the ultimate objective. Doing so under the impugned mark will create confusion in the market and amongst the public. Its

continued presence in the register amounts to a representation that the respondent vouches for the origin of the good under the said mark for the said

good. The appellant are rightly exercised in agitating such claim of proprietorship of the mark as totally false. The argument that the respondent are

chipping away, diluting and tarnishing the repute of an established mark has substance. We uphold the plea that the respondent cannot be the

proprietor of the impugned trade mark within the meaning of Section 18(1) of the Act. In the result, OA/43/2008/TM/DEL is allowed and registered

trade mark 876305 in Class 11 is removed from the register. The respondent is directed to pay a sum of Rs. 5,000/- as costs of these proceedings to

the appellant.