

(2011) 11 IPAB CK 0004

In the Intellectual Property Appellate Board

Case No : OA/54/2009/TM/CH And OA/70/2009/TM/CH, OA/69/2009/TM/CH

M/S. Karnataka Cooperative Milk Producers Federation
Limited KMF Complex Hosur Road Bangalore-560029

APPELLANT

Vs

M/s. Sree Nandhini Palace No. 1, 5th Main Road West Of
Chord Road Rajaji Nagar Bangalore-560010 And The Deputy
Registrar Of Trade Marks Trade Marks Registry At I.P.
Building, G.S.T. Road Guindy Chennai-600032

RESPONDENT

Date of Decision : 11-11-2011

Acts Referred:

Trade Marks Act, 1999 — Section 9, 11, 18, 18(1), 20(2), 21

Citation : (2011) 11 IPAB CK 0004

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

Bench : Division Bench

Final Decision : Disposed Of/Allowed

Judgement

S. Usha, J

1. All the three appeals arise out of a common order dated 16.03.2009 passed by the Deputy Registrar of Trade Marks dismissing the oppositions and

allowing the applications for registration of the trade mark ""Nandhini Palace"" to proceed for registration under the provisions of the Trade Marks Act,

1999 (hereinafter referred to as the Act).

OA/54/2009:

2. The respondents herein filed an application for registration of the trade mark ""Sree Nandhini Palace"" in respect of beers, minerals and aerated

waters and other non-alcoholic drinks, fruit drinks and fruit juices, syrups and other preparations for making beverages under application No. 1334084

on 24.1.2005 in class 32. The said Trade Mark was advertised before acceptance in the Trade Marks Journal under No. 1330 (S-1) dated 15th May,

2005 at pages 4907-4908.

3. The appellants herein filed a notice of opposition opposing the said registration on the ground that they are highly reputed and a well known

organization being the manufacturers and dealers of milk and milk products and other allied products. They are recognized and well known not only in

the State of Karnataka and also in other parts of the country. The opponents/appellants are the registered proprietors of the trade mark ""Nandini"" in

Classes 29 and 30. They have also applied for registration of the mark ""Nandini with device"" under No. 749760 in Class 32.

4. The appellants have also stated the registration of the impugned mark is likely to cause confusion and therefore registration ought not to be granted.

The appellant's trade mark have been in use from the year 1983 and their mark have acquired distinctiveness. The other objections were that of

Sections 9, 11 and 18 of the Act.

5. The respondents herein filed a Counter Statement stating that they are carrying on an established business of hotel and restaurant. In the restaurant,

they supply beers, minerals and aerated waters and other goods as mentioned in their application for registration.

6 . On completion of the pleadings, the Deputy Registrar heard the Counsel for the appellant and passed the impugned order on the grounds that the

appellants mark is ""Nandini"" and the respondents mark is ""Sree Nandhini Palace"". The appellants are selling milk and milk products whereas the

respondents are in the field of hotels and restaurants. The products therefore are totally different. The respondents are using the trade mark ""Sree

Nandhini Palace"" in an artistic manner since the year 1996 and till date there has been no instance of confusion and deception and therefore no one

would mistake the respondents trade mark as that of the appellants. The Deputy Registrar had also relied on a decision reported in 2007 (35) PTC 930

(Reg.) - Nandhini Deluxe, Applicants Vs. Karnataka Coop. Milk Producers Fed. Limited, Opponents where on similar grounds the Deputy Registrar

had decided the matter between the appellants herein and one other party, namely, Nandhini Deluxe. The other finding of the Registrar was that the

appellants cannot claim ""Nandhini"" to be a well known mark as it is not famous all over India. As regards Section 18 of the Act, the Registrar held that

the adoption of the mark by the respondent is honest and concurrent and they

have been using the mark since 1996 and therefore the respondents claim as to proprietorship of the mark under Section 18 was valid. Exercising the discretionary power, the Deputy Registrar held that the claim of proprietorship by the respondents was valid and therefore the discretionary power was exercised in favour of the respondents. Being aggrieved by the order, the appellants are before us on appeal. The appellants have filed the appeal on the following grounds:

(i) the order of the Registrar is erroneous, bad in law and not sustainable on facts of the case.

(ii) the order is perverse and capricious and the order is passed mechanically without application of mind.

(iii) the impugned order is contrary to the facts of the case and on the date of hearing the Counsel for appellant was not present, had not filed the form

on TM-7 to attend the hearing. In spite of a new Counsel being present and a request being made, the Registrar refused to grant time and proceeded

with the matter even without hearing the appellants herein. It is also seen that the Registrar had observed that the Counsel was present and gave his

submissions which is a total false submission in the impugned order.

(iv) The Registrar had indirectly accepted the plea that the mark of the respondent is not distinctive however proceeded to accept the application for registration which was ""proposed to be used"" as on the date of application.

(v) The Registrar erred in blindly accepting the user from the year 1996 where there was no proof of user before the Registrar.

(vi) The Registrar had also lost sight of the absence of evidence pertaining to the alleged partnership since 1996 or change since 2001 or for rights of user etc.

(vii) The learned Registrar had also failed to consider the appellant's objections as regards the provisions of the Act.

(viii) The Registrar had also erred in considering the fact that the appellants were already the Registered Proprietors of the trade mark ""Nandini"".

(ix) The Registrar erred in observing that no actual confusion has arisen in the user by the respondent and in the process went against the settled

principles that does not oblige a registered proprietor to allege or produce instances of confusion.

(x) The appellants therefore prays that the applicants be refused registration

allowing the opposition.

7. The first respondent herein filed a counter statement stating that they are carrying on an established business of hotel and restaurant. In the hotel

business they also supply alcoholic beverages (except beers). In the course of business they had honestly conceived and adopted the trade mark

"SREE NANDHINI PALACE" in respect of the above products and started using it since 09.02.1996 by Mr.R. Ravichandran along with his then

partner Mr.N. Ananda, from 29.11.1997 individually by the said Mr.R. Ravichandran and from 26.04.2001 along with his wife Mrs.R. Sarala in

partnership continuously and extensively.

8 . The first respondent had done extensive business since 1996 and ever since the adoption there has been a continuous heavy demand for their hotel

and restaurant business and by virtue of long, extensive business the mark "Sree Nandhini Palace" has acquired the distinctiveness and is well known

among the public.

9 . The first respondent submitted that the business of the appellants and the respondents are entirely different and that no one will mistake one for the

other and there have been no instance of confusion among the public. The other difference was that the appeal has been filed beyond the limitation

time and therefore liable to be rejected in limine. The appellants mark "Nandini" cannot be said to be well known mark and their business was confined

to only in the state of Karnataka and that too in respect of milk and milk based products.

10. The first respondent submitted that the appeal is based on the advertisement made in Journal No. 1330 Suppl (i) dated 15.05.2005 at pages 4907

and 4908. The said advertisement shows that it was proposed to be used mark. It is pertinent to bring to the notice of this Board the said

advertisement was wrongly published and therefore a letter was sent to the Registrar of Trade Marks requesting for the correction of the mistake by

letter dated 15.10.2005. The Registrar of Trade Marks issued a Corrigendum and the same was duly notified in the Trade Marks Journal No. 1350

dated 16.08.2006 which fact was also brought to the notice of the Learned Registrar at the time of hearing the opposition proceedings. The Registrar

therefore considered the respondent plea from the year 1996.

11. The first respondent also submitted that the appellant's Counsel was present

at the time of hearing and argued the case on behalf of the appellants and therefore statement made by them that in the absence of the Counsel for appellants the matter was heard, is denied. The first respondent therefore submitted that the appellants have not made out a prima facie case for interfering with the orders of the Registrar and therefore the appeal may be dismissed with costs.

OA/69/2009:

12. The respondent herein on 24.01.2005 filed an application for registration of the trade mark ""SREE NANDHINI PALACE"" in respect of pamphlets, bill books, visitin cards, menu cards, printed matter and paper bags under application No. 1334080 in Class 16. The mark was said to have been used since 1996. The mark was advertised before acceptance in Trade Marks Journal No. 1336 dated 15.11.2005 at page No. 1898.

1 3 . The appellant herein filed an opposition on the ground that they are manufacturers and dealers of milk and milk products, cattle feed and other allied products. They also stated that they are the source of ""NANDINI"" products. They have been using the trade mark ""Nandini"" with or without device since the year 1983 not only in the State of Karnataka but also in other parts of the country. They also stated that they are the registered proprietors of the trade mark ""Nandini"". The other objection was that the registration would be in contravention of the provisions of the Act.

1 4 . The respondent herein filed their counter statement denying all the material averments made in the notice of opposition and stated that they are carrying on business of hotels and restaurants. They have been using bill books, visiting cards, menu cards in their hotel business. They have honestly conceived and adopted the trade mark ""Sree Nandhini Palace"" since 09.02.1996.

15. On completion of the pleadings, the learned Registrar heard the Counsel for the respondent who passed the impugned order. The Registrar held that the mark of the appellants is ""Nandhini"" whereas the respondents trade mark is ""Sree Nandhini Palace"" and the rival goods are also totally different and therefore the registration was not likely to cause any confusion or deception. The Counsel also relied on another opposition proceedings between the appellants herein and one other party, namely, ""Nandini Deluxe"". The other finding of the Registrar was that the respondents have been

using the mark since 1996 and the appellants have not initiated any action against the respondent as there has been no confusion or deception among the public and moreover the goods are totally different. As regards Section 18, the Registrar held that the respondents have been using the trade mark

Sree Nandhini Palace"" for a very long time and the adoption has been honest, concurrent and bonafide. They have also produced evidence in support of the application. Further the artistic work, design and get-up adopted by the applicant is totally different from the appellants firm.

16. The balance of convenience is in favour of the respondents as they have been extensive users of the mark since the year 1996. Their adoption is honest and concurrent and the applicants are having definite claim of proprietorship of the mark applied for and therefore the mark was qualified for registration under Section 18(1) of the Act. Therefore the application was allowed to proceed for registration and the opposition was dismissed.

OA/70/2009:

17. The respondents herein filed an application on 24.1.2005 which was ""proposed to be used"" on the basis of the application for trade mark consisting of the word ""SREE NANDHINI PALACE"" under No. 1334086 in Class 31 for the goods ""Agricultural, Horticultural and Forestry products and grains

not included in other classes, live animals, fresh fruits and vegetables, seeds, natural plants and flowers, foodstuffs for animals, malt"" etc. The mark

was advertised in the Trade Mark Journal No. 1330 Suppl (1) dated 15.5.2005. The appellants herein opposed the registration on the ground that they

are using the trade mark ""NANDINI"" with or without the device since the year 1983. They are the registered proprietors of the trade mark ""Nandini"",

their application for registration with the device of ""Nandini"" is pending registration. The registration of the impugned trade mark would be in

contravention of the provisions of the Act.

18. In reply, the respondent filed their counter statement denying the allegations and stated that they have been using the trade mark for a very long

time for the goods for which the application was made. They have also stated that they have adopted and started using the trade mark since

09.02.1996. There has been no instance of confusion and therefore their trade mark was qualified to be registered. On completion of the pleadings, the

learned Registrar heard the Counsel for the respondent and opposed the

impugned order. The Registrar held that the goods are totally different and the mark was also not similar as the appellants mark was ""Nandini"" and the respondents mark was ""Sree Nandhini Palace"". The Registrar also held that the appellants mark was not a well known mark.

19 . The Registrar further held that there has been no instance of confusion or deception even though the appellants have been using the mark since the year 1983 and therefore the mark was qualified for registration and was not in contravention of the provisions of the Act. As regards the claim of proprietorship, the Registrar held that the respondents have proved their user since the year 1996 and has also given the sales figure and therefore the claim of proprietorship under Section 18 was considered to be valid and so they are the proprietors of the mark under Section 18 of the Act. The Registrar held that the respondents have discharged their onus that they are the proprietors of the mark ""Sree Nandhini Palace"" and in order to safeguard the public interest and to protect the intellectual and industrial property rights of the respondents who are honest adopters and bonafide users and in order to enable the respondents/applicants to use their mark legally without any hindrance application for registration is allowed and the opposition is dismissed.

20 . We have heard Ms S. Indumathi Ravi, Counsel for the appellant and Ms P.V. Rajeswari, Counsel for the respondents on 23.09.2011.

21. As the issues and the parties are one and the same common arguments were advanced and the appeals are disposed of by a common order with the consent of both the Counsel.

22. The learned Counsel for the appellant submitted that they had been dealing with milk and milk products and other allied products since the year 1983. They are the registered proprietors of the trade mark ""Nandini"" under various classes. They have also obtained copyright registration. The sales turnover seems to be several lakhs of Rupees.

23. The respondents have adopted the trade mark only with malafide intentions to trade upon the goodwill of the appellants. The respondents though claim to be using the trade mark ""Shree Nandhini Palace"" - the words ""Nandhini"" is only prominent and in some places the word ""Shree"" is not mentioned. The only defence of the respondent is that the marks are not similar and so no confusion among the public. The marks are similar which

the Registrar had not considered.

24 . When the adoption is dishonest any amount of use will be of no use. The respondents claim of honest and concurrent use cannot be considered.

The Counsel then relied on the judgments reported in 2003 (27) PTC 391 (Del) - Sarda Plywood Industries Ltd. Vs. Tac Construction Materials Ltd.

and Ors. and 2001 (5) SCC 73 - Cadila Health Care Ltd., Appellant Vs Cadila Pharmaceuticals Ltd., Respondent where the factors to decide the issue of deceptive similarity were mentioned.

25 . In reply, the Counsel for the respondent submitted that the appellants were aware of the respondents use and allowed them to expand their

business and now cannot oppose them. The Counsel then submitted that the marks Nandini & Shree Nandhini Palace are not similar and relied on the

judgment reported in 2003 (26) PTC 175 (Del) - Kewal Krishan Kumar, Petitioner Vs. Rudi Roller Flour Mills (P) Ltd. & Anr., Respondents. The

Counsel then relied on judgment reported in AIR 1972 SC 1359 - Parla Products (P Ltd., Appellant Vs. J.P. & Co., Mysore, Respondent and

submitted that the marks should not be placed side by side to find out if there are any differences in the design/mark.

26. We have considered the arguments of both the Counsel and have gone through the pleadings and documents.

27. We shall first deal with the appeals - OA/54/2009 and OA/70/2009 - Application No. 1334084 in Class 32 and Application No. 1334086 in Class

31. In both the applications the trade mark has been applied for as a label mark with a given date of user but has been advertised as a word mark as

proposed to be used. The respondent has made a request for carrying out the correction by a Journal Corrigenda by letter dated 15.10.2005. The same

was carried out by the Trade Marks Registry and a notification was issued in the Trade Marks Journal No. 1350 at page 4300 dated 16. 08.2006. All

these facts were not brought to the notice of the other side or the Registrar. The Registrar had however considered the respondents use since the

year 1996 though in the impugned application for registration was only proposed to be used.

28. In these two applications, there has been a substantial change. The label mark is advertised as a word mark, the date of user is proposed to be

used where the application filed was for the mark being used since 1996 and the

trading style was Nandhini and not Nadhini. The provision of sub section (2) of Section 20 of the Act gives a discretionary power to the Registrar either to re-advertise or to notify. When there is a material/substantial change then the application has to be re-advertised giving an opportunity to third parties whose rights may be affected.

29. It is the case of the respondent now at the appellate stage that the trade mark was wrongly advertised and subsequently even before the counter statement was filed a letter requesting for the correction to be made was sent to the Registrar. The Corrigenda was also issued on 16.08.2006 which fact was not mentioned in the affidavit of evidence in support of application which only proves the intentions of the respondents.

30. Amendments which materially change the nature of the application ought not to have been notified instead they ought to have been re-advertised giving an opportunity to the public. The Deputy Registrar who is in possession of the records ought to have considered the fact of correction before passing the impugned order. The Registrar has in fact not even considered the corrigenda but has dealt with the matter based on the registration which was wrongly advertised. At the same time the Registrar had given a finding that the respondents had been using the mark since 1996 whereas the application is a ""proposed to be used"" mark. We are unable to accept any of these findings of the Registrar. The Deputy Registrar has exercised her powers in a very casual manner by stating that the opponents, i.e., the appellants Counsel argued the matter when such person did not appear before the Registrar. It is the duty of the Deputy Registrar to be more cautious and careful before any such order is being passed.

31. The appeals therefore are to be remanded back to the Trade Marks Registry for re-advertisement. As stated earlier if there is a minor change, the mark can be notified. In case of any change which affects the representation of the trade mark, the application has to be re-advertised. When the mark is re-advertised the provisions of Section 21 of the Act will apply and in case of notification the provisions of Section 21 of the Act has no relevance. Here the marks have to be re-advertised and the provisions of Section 21 of the Act will apply.

32. We therefore remand the appeals - OA/54 and 70/2009 against application Nos. 1334084 and 1334086 in Classes 30 & 31 respectively, back to

the Trade Marks Registry, for re-advertisement in Trade Marks Journal and then the matter be decided in accordance with law.

33. We shall now deal with OA/69/2009 - application No. 1334080 in Class 16.

34. The impugned trade mark application has been filed in the name of M/s Nandhini Palace for the registration of the trade mark Shree Nandhini

Palace claiming user since 29.11.1997. It is not clear as to who is the proprietor of the trade mark. The application for registration has been made by

M/s. Nandhini Palace, the bills and vouchers are in the name of either Shree Nandhini Palace or Shree Nandhini Palace Restaurant. The period of

user stated in the application for registration is as follows:

The said mark was used by the first applicant R. Ravichandran from 09.02.1996 in partnership along with A. Ananda and from 29.11.1997 individually

and from 26.04.2001 in partnership along with the second applicant Mrs.R. Sarala.

35. The document filed in support of the above statement of use is the Partnership deed dated 09.02.1996, Dissolution deed dated 29.11.1997 and the

Partnership deed dated 26.04.2011. On perusal of these three deeds, it is stated that the partnership is run under the name and style of ""Nandhini

Deluxe Restaurant"" in the Partnership deed dated 09.02.1996 and Dissolution deed dated 29.11.1997 and in the Partnership deed dated 26.04.2001 it is

stated that the business is carried on under the name and style of M/s. Nandhini Deluxe Bar and Restaurant. If that be so, then how is the application

filed in the name of M/s. Nandhini Palace. The applicant i.e., the respondent herein has not placed any evidence to prove their relationship between

the two entities.

36 . On a perusal of the respondents bills and vouchers, the names in some are Nandhini Deluxe Bar Restaurant and in some Nandhini Palace

Restaurant or Shree Nandhini Palace. We are unable to understand as to who is the proprietor, as the application has been filed by Nandhini Palace.

If Nandhini Palace is the proprietor what is the relationship between Nandhini Deluxe Bar & Restaurant and Nandhini Palace and how is that the user

is claimed since 1997.

37. When the respondents are not clear as to the proprietorship and the date of user, we are not able to accept their claim. We are also not able to

agree with the findings of the Registrar as to the respondents date of user. When

there is no cogent evidence placed before the Registrar, the

Registrar could not have given a finding as to the respondents user as 1997.

38. In view of the above, no case has been made out by the respondent for allowing the application for registration. Accordingly, OA/54/2009/TM/CH

and OA/70/2009/TM/CH are disposed of in the above terms and OA/69/2009/TM/CH is allowed setting aside the order of the Deputy Registrar with

no order as to costs.