

(2015) 03 IPAB CK 0001

In the Intellectual Property Appellate Board

Case No : 150 of 2007 of TM of CH

M/S PRIME PLAST

APPELLANT

Vs

M/S PRIME TELEEXTRUSIONS LTD

RESPONDENT

Date of Decision : 09-03-2015

Acts Referred:

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

Citation : (2015) 03 IPAB CK 0001

Hon'ble Judges : K.N. Basha, Sanjeev Kumar Chaswal

Advocate : K.K. Sharma, S. Balachandran

Judgement

1. This application is preferred by the applicant seeking for the relief of rectification of the impugned trade mark "PRIME" registered under No.1084386 under class 17 with a prayer to expunge the impugned trade mark from the register of Trade Marks, Chennai.

2. The case of the petitioner is that they are engaged in the business under the name and style as M/s Prime Plast manufacturing and marketing of High Density Polyethylene Equipment Pipes (hereinafter referred as HDPE Pipes) and other plastic pipes right from the year 1992. The trade mark "PRIME" is a reputed and well known trade mark from the year 1992. They have earned name and fame having excellent sale turn over.

3. The applicant also filed an application for registration of the trade mark on 07/11/1996 under application No.722255 in class 17 claiming user since 04/06/1992. As the said trade mark was objected by the Registrar of Trade Marks the said application was withdrawn. The applicant filed fresh application for the registration of the trade mark on 11/11/2003 under application No.1248901 and the respondent herein filed opposition. The same was rejected on 18/02/2009. The respondent has not challenged the order by preferring an

appeal. The applicant has obtained registration certificate in their favour on 10/03/2009.

4. Meanwhile the respondent got the registration of the impugned trade mark under application No.1084386 in class 17 in respect of the identical goods manufactured and marketed by the applicant herein. The said factor necessitated the applicant herein to file the present rectification application under section 9(1) (a), 9 (2) (a), section 11(3) and 18 (1) of the Trade Marks Act, 1999.

5. The first respondent herein filed their counter to the application filed by the petitioner denying the claims of the applicant. It is stated by them that even earlier to the present company their family was running Prime Petrochemicals Private Ltd. and Prime Polymers from the year 1996. The present respondent's company is manufacturing and marketing plastic pipes under the brand name "PRIME" from 16/08/2000. It is stated that the expression plastic pipes is a very broad term which includes (a) PVC (Poly Vinyl Chloride) pipes, (b) PP-R (Poly Propylene Random) pipes, (c) MDPE Pipe (Medium Density Poly ethylene) pipes, (d) PLB HDPE pipes - Pre-Lubricated HDPE telecom ducts, (e) HDPE pipe - High Density Polyethylene, (f) Sprinkler HDPE pipe.

6. The respondent has also given the details of their turn over from the year 2000 to 2005. It is further stated in the counter that the applicant is dealing only in HDPE Pipes as per the application filed by them before the Registrar of Trade Marks and as such they are entitled to use trade mark "Prime" only for HDPE Pipes. The respondent also denied any malafides in adoption of "PRIME". Lastly it is stated that the applicant cannot claim the exclusive right to use the trade mark "PRIME" which is a common word.

7. On the basis of the respective pleas raised by the applicant as well as the respondent, the learned counsel for the applicant and the learned counsel for the respondent have put forward their contentions.

8. Mr. Sharma, the learned counsel for the applicant would vehemently contend that the impugned trade mark of the first respondent herein is liable to be rectified and removed from the register of Trade Mark and put forward the following contentions: (1) The applicant is the prior adopter and user right from the year 1992.

(2) The first respondent herein admittedly proposed the use only from 16/08/2000.

(3) The claim of the applicant that they are the prior adopter and user was substantiated by producing evidence before the Hon"ble High Court of Madras in C.S. No.948 of 2003 and in OA No.988 and 989 of 2003. Hon"ble High Court of Madras has granted temporary injunction as per the order dated 28/03/2006 restraining the first respondent herein to use the impugned trade mark.

(4) The Hon"ble High Court has given a specific findings in the order dated 28/03/2006 that the applicant is the prior user in respect of the goods covered

under class 17 not only in the state of Tamil Nadu but also outside the State. The appeal preferred by the first respondent herein in OSA No.37 of 2007 was also dismissed upholding the views of the learned Single Judge to the effect that the applicant is the prior user of the trade mark "PRIME".

(5) The goods manufactured namely Pipes by the respondent herein is identical to the pipes manufactured by the applicant.

(6) The registration of the trade mark "PRIME" in the name of the applicant was opposed by the first respondent and the opposition was rejected by the Deputy Registrar of Trade Marks, Chennai as per order dated 18/02/2009 and the said order was not challenged by preferring any appeal by the first respondent and also they have not filed any rectification application.

(7) The temporary injunction granted by the learned Single Judge of the Hon'ble High Court of Madras and as confirmed by the Division Bench has not been further challenged before the Hon'ble Supreme Court and the first respondent is not using the impugned trade mark in respect of manufacturing pipes from the year 2006 till date.

9. Mr. S. Balachandran, the learned counsel for the respondent would contend that the applicant has not made out a case for the rectification of the impugned trade mark "PRIME". It is contended that the first respondent is manufacturing not only the HDPE Pipes but also plastic pipes etc. The learned counsel would further submit that the first respondent is the honest permanent user of the trade mark "PRIME". It is further contended that the manufacturing of plastic pipes are different from the HDPE pipes and the respondent can be permitted to continue with manufacturing of plastic pipes in the event of preventing them for manufacturing HDPE pipes. Lastly, it is contended that as the first respondent is a bonafide proprietor of the impugned trade mark and an honest and concurrent user having a substantial turn over and the impugned trade mark need not be expunged from the register.

10. We have given our careful and anxious consideration to the rival contention put forward by either side and also perused the application and the counter filed by the first respondent herein apart from the documents produced by the applicant.

11. The undisputed fact remains that the applicant is the prior adopter and user in respect of the impugned trade mark as the first respondent has clearly stated even in the counter statement that they were using the impugned trade mark "PRIME" only from 16/08/2000. It is pertinent to note that the applicant has produced invoices from 29/04/1993 onwards to establish their claims that they are the prior user and adopter of the impugned trade mark right from the year 1993. They have also produced number of invoices from the year 1993. It is seen that the first respondent filed their application for registration of the impugned trade mark on 04/03/2002 and there also they have claimed that they are using since 16/08/2000. It is also relevant to note that the applicant has preferred

their application for registration for the impugned trade mark "PRIME" under application No.722255 in class 17 claiming user since 04/06/1992 but the said application was withdrawn due to the objection raised by the Registrar of Trade Marks. It is not known as the nature of objection raised by the Registrar at that time. There after the applicant has filed fresh application for the registration of the composite label trade mark having letter "P" and "PRIME" on 11/11/2003. The first respondent herein has filed opposition to the said application on 27/06/2005 and after hearing both the parties, the Deputy Registrar of Trade Marks dismissed the opposition on 18/02/2009. The said order of dismissal of opposition was not challenged by the first respondent herein and consequently the applicant's trade mark was registered on 10/03/2009 and the first respondent herein has not chosen to file any rectification of the trade mark of the applicant herein

12. The yet another relevant factor to be borne in mind is that the applicant filed a civil suit C.S. No.948 of 2003 and filed OA Nos. 988 and 989 of 2003 seeking for interim injunction before the High Court of Madras. The Hon"ble High Court of Madras was pleased to grant relief of interim injunction as per order dated 28/03/2006 restraining the respondents including the first respondent herein from using the impugned trade mark "PRIME" of the applicant herein. The first respondent challenged the said order filing OSA No.37/2007 and the Division Bench of Hon"ble High Court of Madras dismissed the said appeal as per the judgement dated 20/02/2007 upholding the findings of the learned Single Judge as here under :- "2. The learned single Judge has, however, rejected this defence recording that the first respondent is also manufacturing pipes and marketing the same outside the State of Tamil Nadu and the first respondent, being the prior user of the trade mark "PRIME", is entitled for an order of injunction. We are in entire agreement with the view of the learned single Judge."

13. The above said findings of the Division Bench makes it crystal clear that the Hon"ble Madras High Court has taken a consistent view that the applicant herein is the prior user of the impugned trade mark "PRIME". Therefore, the fact remains that the first respondent herein pursuant to the above said judgement of the Hon"ble High Court of Madras is not using the impugned trade mark right from 28/03/2006. Though it is claimed by the first respondent that they are mainly manufacturing plastic pipes, the documents produced by them through one of the invoices reveal that they are also manufacturing HDPE pipes and such being the position it is not possible to distinguish from plastic pipes to HDPE pipes. Any type of pipes manufactured under the name and style as "PRIME" would certainly create chaos and confusion among the consumers. It is also to be stated that though the learned counsel for the first respondent made an attempt to differentiate the plastic pipes and HDPE pipes, he is not able to succeed as there is not much difference between them and both are pipes used for similar purpose. Therefore, manufacturing plastic pipes or HDPE pipes is immaterial for allowing the mark to continue in the register.

14. It is pertinent to note that the impugned trade mark by the first respondent herein was advertised on 18/03/2003 in the trade mark journal. By that time the impugned trade mark was hardly in use by the respondent for less than two years. When the registration of the impugned trade mark was granted and certificate issued on 08/12./2004 the civil suit filed by the applicant was pending before the Hon''ble High Court of Madras. It is also pertinent to note that though the first respondent claimed that the impugned trade mark was used by their predecessor, the first respondent has not claimed that the impugned trade mark was adopted and used by them and it has been transferred to them by way of assignment from their predecessor and as such the first respondent's claim that their predecessors were using impugned trade mark even prior to 2000 is unbelievable and unacceptable. In view of the clear and categorical findings of the Hon''ble High Court of Madras to the effect that both the parties are manufacturing pipes under the impugned trade mark "PRIME", preference should be given to the prior user and adopter. Therefore, the applicant being the prior adopter and user, the registration of the impugned trade mark under the name of the first respondent herein would certainly come under the provisions of section 11(1) of the Trade Marks Act, 1999 (hereinafter referred to as the Act).

15. We are also of the view that the provision under section 11(3) is also applicable to the instant case. Section 11(3) reads hereunder :- "A trade mark shall not be registered if, or to the extent that, its use in India is liable to be prevented -

(a) by virtue of any law in particular the law of passing off protecting an unregistered trade mark used in the course of trade; or

(b) by virtue of law of copyright."

16. The reading of the above said provision makes it clear that the trade mark shall not be registered if its use in India is liable to be prevented by virtue of law of passing off protecting an unregistered trade mark used in the course of trade and as in the instant case the Hon''ble High Court of Madras accorded the relief of interim injunction on the ground of passing off in favour of the applicant herein. Therefore, even under section 11(3) of the Act the impugned trade mark is liable to be expunged from the register of Trade Marks to maintain the purity of the register of the Trade Marks.

17. It is seen that the impugned registered trade mark is not distinctive as the applicant is the prior adopter and user of the trademark and as such the impugned trade mark cannot remain in the register even under section 9(1) of the Act.

18. The first respondent also miserably failed to establish that they were using the impugned trade mark for long and continuous period prior to the applicant. Even from the year 2000 as claimed by them, they have not produced any substantive invoices for the said period and as a matter of fact they were not using the impugned trade mark after granting injunction order in favour of the

applicant herein by the Hon"ble Madras High Court from 28/03/2006. The first respondent herein has not challenged the Division Bench judgment confirming the judgment of the learned Single Judge in OSA No.37 of 2007 as per the order dated 20/02/2007 by filing any SLP before the Hon"ble Supreme Court of India. Therefore, the impugned trade mark is liable to be removed from the register even under section 47 of the Act on the ground of non use.

19. The applicant being the prior adopter and user admittedly is using for a very long time continuously without any intervention. The first respondent who copied the said trade mark cannot claim to be the proprietor of the trade mark "PRIME" and as such section 18(1) of the Act is also attracted in the instant case.

20. We are also of the considered view that the first respondent herein cannot seek the protection under section 12 of the Act claiming for honest concurrent user. As far as the instant case is concerned we have already held that the applicant is the prior adopter and user right from the year 1993 as per the invoices produced by them and at the risk of repetition it is reiterated that the first respondent has claimed usage only from 16/08/2000 but filed documents from 2001 onwards and they have been stopped using pursuant to the order passed by the Hon"ble High Court of Madras from 28/03/2006. The first respondent cannot claim any ignorance about adoption and use of the trade mark "PRIME" by the applicant herein right from the year 1993 and their first application for registration was filed on 07/11/1996 under application No.722255 and the said document is a public document and the goods are identical and the area of operation of business is also the same and the class of consumers is same and therefore the first respondent herein cannot take shelter under the honest concurrent user. Therefore, even section 12 of the Act is not applicable to the instant case.

21. For the above said reasons the application is hereby allowed. Consequently the Registrar of Trade Marks, Guindy, Chennai is hereby directed to expunge the trade mark "PRIME" registered under No.1084316 in class from the register of Trade Marks, Chennai. No order as to costs.