
(1962) 12 P&H CK 0019
In the Punjab And Haryana At Chandigarh
Case No : Civil Original Case No. 37-D of 1961

National Bell Co.	Vs	APPELLANT
Metal Goods Mfg. Co. (Pvt.) Ltd. and Another		RESPONDENT

Date of Decision : 27-12-1962

Acts Referred:

Trade and Merchandise Marks Act, 1958 — Section 107, 11, 112(2), 2(2), 31(2)
Trade and Merchandise Marks Rules, 1959 — Rule 2 , 3, 4

Citation : AIR 1964 P&H 77 : (1963) 2 ILR (P&H) 62

Hon'ble Judges : S.B. Kapoor, J

Bench : Single Bench

Advocate : Anoop Singh and Gurcharan Singh, for the Appellant; K.S. Savaksha and R.C. Chadha, for the Respondent

Judgement

S.B. Kapoor, J.—Civil Original Nos. 37-D and 38-D of (sic) are two applications to this Court u/s 107 of the Trade and Merchandise Marks Act, 1958 (Act No. 43 of 1958) hereinafter to be referred to as the Act, for rectification of two registered trade marks Nos. 161543 and 161544 which, were, registered on the 20th of November, 1953 in clause 12 in respect of bells fo,r cycles. The former mark is 50 (numeral) and the latter "Fifty" (word per se) which were both registered by Respondent No. 1, the Metal Goods Manufacturing Co. (Private) Ltd., Varanasi, with the Registrar of Trade Marks, Delhi (Respondent No. 2).

2. The Petitioner in Civil Original No. 37-D of 1961 is the National Bell Company and in Civil Original No. 38-D of 1961 Messrs. Gupta Industries Corporation, both of Kapurthala in the Punjab. The former, according to the petition, is carrying on business since the year 1957 as manufacturers of cycle bells and has been using various numerals 33, 50, 51 and 140 from time to time on their bells according to the qualities. The latter claims to be carrying on the same business since 1947 and using various numerals such as 20, 50 and 60. Both these petitions are practically identical and have been consolidated, and both will be disposed of in the course of the following order Respondent No. 2 has stated that he does not

propose to submit a statement u/s 112(2) of the Act and accordingly the only contesting Respondent is Respondent No. 1 which will hereinafter be referred to as the Respondent.

3. Both these petitions arise from infringement actions instituted by the Respondent against the respective Petitioners in the Court of the District Judge, Lucknow. On 24-4-61, that Court, on" being approached by the Petitioners u/s III of the Act, stayed the proceedings in their suits, and allowed time to the Petitioners for filing these rectification petitions and they were so filed in this Court within the time as extended by the District Judge, Lucknow.

4. The petitions are under Sections 46 and 56 of the Act and the grounds, upon which the cancellation of the Respondents" trade marks is claimed, are seated in paragraph 4 of the petition and are as follows:

(1) That the numeral "50" and word per se "Fifty" were common to the trade at the time of the registration of the aforesaid marks in favour of the Respondents and were, therefore, not distinctive of the goods of the Respondents.

(2) The Respondents committed fraud upon the Registry in declaring that they were the originators or proprietors of the aforesaid marks and suppressed the real facts in declaring that they were the originators of the trade marks when, in fact, they were not.

(3) That many other traders in the market are using the numeral 50 and the word per se "Fifty" on or in relation to bells for cycles and distinctiveness, if any, which the Respondent claims, has been lost.

(4) That the Respondents did not get the registration of these marks with the bona fide intention of using it as such in relation to their goods and, in fact, there has been no bona fide use of the trade marks in question in relation to the Respondents" goods before the date of the application.

(5) That the Respondents are using different trade marks than the ones registered by them.

5. All these allegations have been controverted by the Respondent and the issue, which arose for trial, was as follows:

Whether the Trade Marks Nos. 161543 and 161544 are liable to be cancelled on the grounds mentioned in para No. 4 of the petition?

6. So far as grounds Nos. 4 and 5 are concerned, they were not seriously pressed by Mr. Anup Singh, learned Counsel for the Petitioners. The Respondents have put on the record the statements (Exhibits Rule 2 to Rule 4) as extracted from their books, of the sales of the cycle bells manufactured by them from 1949-50 -up to 1961-62. The correctness of these statements was not challenged in cross-examination. In 1961-62, the sale of the "50" bells of the Respondents was over 14 lacs of rupees and it exceeded the sale of the previous year by more than rupees one lac. It is true that the Respondents are selling the

bells with other marks but the sales of their bells other than "50" bells are comparatively much less. There is thus no force in grounds Nos. 4 and 5 of the petitions, as stated above.

7. The use of numerals as marks on cycle bells or in relation to the sale of cycle bells was in existence much before the Respondents started their business. According to Badri Pershad Aggarwal (R.W. 6), who is the managing director of the Respondent company, the company was incorporated in 1946 and before that it had been carried on as a proprietorship concern in the same name since 1944. One of its lines of manufacture was cycle bells and it was in 1950 that the Respondents started selling bells which had the word "Fifty" on the lever or trigger of the bell. The Respondents have their house mark "Asia" and prior to 1950 they were selling bells with the mark "Asia 47" "Asia 48" and "Asia 49". It is further amply proved from the oral as well as documentary evidence led on behalf of the Petitioners, and it is in fact admitted by R.W. 6 himself, that bells known as "50" bells were in the market even prior to 1950. For instance, Messrs. Lucas Company of England were selling bells known as "Lucas 50" bells and also "Lucas 30" bells.

Badri Pershad Aggarwal (R.W. 6) admitted that up to the end of 1951 "Lucas 50" bells were being quoted and sold in the market and "Lucas 30" was being quoted in the market in the year, 1953. The Respondents, in the applications made by them for the registration of the trade marks in dispute, had themselves filed with the Registrar of Trade Marks pricelists and cycle market reports according to which there were quotations of the prices of "Lucas 30" "Lucas 50" and "Republic 50" bells. On behalf of the Petitioners, several witnesses, who have been dealing in cycles and accessories for a number of years, were produced. (After discussing the evidence in para 7, the judgment proceeds).

8. Mr. Savaksha, learned Counsel for the Respondents, faced with this overwhelming evidence, maintained that the numerals and in particular "50" were merely catalogue numbers and not actually inscribed by the Lucas Company Ltd., on the bells. He referred to clause (a) of Sub-section (2) of Section 2 of the Act, according to which any reference to the use of a mark shall be construed as a reference to the use of a printed or other visual representation of the mark. Clause (b), however, provides that any reference to the use of a mark in relation to goods shall be construed as a reference to the use of the mark upon, or in any physical or in any other relation whatsoever, to such goods.

Apart from the catalogues and the price lists, there is positive oral evidence as to the numeral "50" having been inscribed on the arms of "Lucas 50" bells. (After discussing the evidence in para 8 the judgment proceeds). In *Louise and Co. Ltd. v. Gainsborough* (1902) 20 RPC 61 it was held that in order to show that a mark was not distinctive of certain goods, it was sufficient to show that for some years before registration of the mark it had been commonly used in that particular trade on trade cards and labels and in catalogues etc. In the instant case, apart from the use in the catalogues and price lists, there is, at least with regard to

Lucas Company bells, positive evidence that the numeral "50" was being used on and on relation to the cycle bells manufactured by them. In the instant case, the registrations of the disputed trade marks had been actually in force for more than seven years before the institution of the petitions.

The statute on the subject is Section 32 of the Act which is as follows:

32. Registration to be conclusive as to validity after seven years Subject to the provisions of Section 35 and Section 46, in all legal proceedings relating to a trade mark registered in Part A of the register (including applications u/s 56), after the expiration of seven years from the date of such registration, be taken to be valid in all respects unless it is proved:

- (a) that the original registration was obtained by fraud; or
- (b) that the trade mark was registered in contravention of the provisions of Section II or offends against the provisions of that Section on the date of commencement of the proceedings; or
- (c) that the trade mark was not, at the commencement of the proceedings, distinctive of the goods of the registered proprietor.

The validity of the registration of the impugned trade marks is questioned on behalf of the Petitioners on each of the three grounds (a), (b) and (c). So far as (a) is concerned, there is hardly any evidence, of fraud having been practiced by the Respondents. All that is pointed out is that the Respondents, who are in the bicycle trade, were getting price lists and catalogues of bicycle-parts including bells in which *price of Lucas 50 was also being quoted and they could not, therefore, have bona fide believed themselves the originators of this mark. The story given by Badri Pershad Aggarwal (R.W. 6) in this connection is that the proprietorship concern was-putting on the market bicycle bells with the marks. "Asia 47", "Asia 48" and "Asia 49" in the years 1947, 1948 and 1949 respectively, and that as a result, of continued research they improved the quality and design of the bells. In 1950, they placed on the market the "Fifty" bells with improved quality and higher price. I do not, however, consider that the designation on the bell had any connection with the year 1950 because, as admitted by the" witness in cross-examination, the manufacture of "Asia 30" and "Asia 40" was not started in then years 1930 or 1940. The more likely explanation is that bells with the numeral "50" were already in the market and the numeral indicated a certain standard of quality.

But even so, it is difficult to infer that the Respondents' intention in obtaining the registration, of the disputed marks was fraudulent. If such was the case, they would not have filed along with their applications for registration copies of price lists containing quotations for "Lucas 50" bells. Mr. Anup Singh in this connection, referred to the case cited as Gynomin Trade Mark, 1961 RPC 408. The crucial circumstance from which a fraudulent intention was inferred in that case was that the party which obtained the registration of the trade mark had been the agent of the proprietor of the mark and thus stood in a fiduciary

capacity to him There are no such allegations in the present case; and I am, therefore, unable to hold that the original registration was fraudulently obtained by the Respondents.

9. Clause (b) of Section 32 of the Act makes a reference to the provisions of Section 11 which-- , is as follows:

II. Prohibition of registration of certain-marks. A mark:

- (a) the use of which would be likely to deceive or cause confusion; or
- (b) the use of which would be contrary to any. law for the time being in force; or
- (c) which comprises or contains scandalous or obscene matter; or
- (d) which comprises or contains any matter-likely to hurt the religious susceptibilities of any-class or Section of the citizens of India; or
- (e) which would otherwise be disentitled to protection in a Court shall not be registered as a trade mark.

Mr. Anup Singh, on behalf of the Petitioners, has relied on Clauses (a) and (e) of Section 11. So far as clause (a) of Section II is concerned, it is clear that for about a year before the applications for registration were made by the Respondents, the imports of Lucas Bells and other foreign makes of cycle bells had been stopped. It is also not-asserted anywhere that Messrs. Lucas Company had obtained the registration of either the word "Fifty" or the numeral "50" in relation to the cycle bells and, in the circumstances I do not think that clause (a) would be attracted. The emphasis by Mr. Anup Singh is on clause (e) of Section II and it is pointed out that under Sub-section (1) of Section 9 of the Act, a trade mark shall not be registered in Part A of the register unless it contains or consists of at least one of the five specified essential particulars. Neither the word nor the numeral "50" falls within clauses (a) to (d) of Sub-section (1) of Section 9 and the only clause, which can plausibly be applied, is as follows:

(e) any other distinctive mark.

It would not, however, be correct to say that a, mark, which is not registrable u/s 9(1)(e) on, account of not being distinctive, is necessarily disentitled to protection, in a Court under clause (e) of Section 11. The leading case in this respect is Imperial Tobacco Co. of Great Britain and Ireland Ltd. v. De Pasquali and Co. (1918) 35 RPC 185 and according to the principle laid down there it was held that where the allegation is that a mark is common to the trade and hence not, distinctive, it may be unregistrable u/s 9 but that would not necessarily mean that it is disentitled to protection under clause (e) of Section 11. In the case cited, Swinfen Eady M.K. observed at page 204 with reference to the word "otherwise" that it would extend to and include a matter which intrinsically from its nature a Court of Justice would not protect. That may be not only, by reason of its being calculated to deceive "but by reason of the nature of the matter itself, as if it were blasphemous, obscene, indecent or seditious.

Mr. Anup Singh on behalf of the Petitioners, maintained that inasmuch as the Respondents had intentionally and, therefore deceitfully copied the "50" mark of the Lucas Company, they were disentitled to protection and in this connection he referred to Brown Shoe Co. Inc.'s Application, In re, 1959 RPC 29. That was an application for rectification of the register by expunging the mark "Natlurizet" in regard to shoes and other articles on the ground that the Petitioner's mark "Naturalizer" was so well known at the date of application for registration that the Respondents were not in truth proprietors of the mark "Natlurizet". The appellate Court in that case ordered the register to be rectified. In the present case, as already shown above, the numeral "50" was even before the Respondents' applications for registration not the exclusive mark of any particular company, and no element of dishonesty can be inferred from the circumstances in which the applications for registration were made. I am not, therefore, satisfied that clause (e) of Section 11 can be invoked "by the Petitioners in this case and ipso facto the objection on the basis of clause (b) of Section 32 would also not be valid.

10. There remains clause (c) of Section 32. The crux of the matter is that the impugned trade marks were not, either at the time of the registration or at any rate at the commencement of the proceedings, distinctive of the goods of the Respondents Sub-section (3) of Section 9 defines, for the purpose of the Act, the expression "distinctive" and it lays down that this expression is relation to the goods in respect of which a trade mark is proposed to be registered, means adapted to distinguish goods with which the proprietor of the trade mark is or may be connected in the course of trade from goods in the case of which no such connection subsists.

The word "distinctive of the goods" in clause (c) of Section 32 is to be interpreted in the same sense. Now, it has already been shown that even; before the applications for registration by the Respondents, the numeral "50" was so extensively used in relation to the cycle bells that it could not be considered distinctive of the cycle bells manufactured by the Respondents. Indeed, so far as numerals are concerned, they have not been treated as being prima facie distinctive of the goods other than textile goods.

In this connection, reference may be made to Part 3 of the Trade and Merchandise Marks Rules, 1959 which makes special provision for registration of numerals for textile goods. There is thus a great deal of force in the contention on behalf of the Petitioners that the mark "50" was publici juris or common to the trade. There is furthermore evidence to show that the numeral "50" as well as the word "Fifty" are being commonly used on cycle bells subsequent to the registration of the impugned marks. (After discussing the evidence in para 10 the judgment proceeds).

11. From all this evidence, it is clear that the numeral "50" cannot be regarded to have been distinctive of the Respondents' goods at the commencement of the proceedings and it is therefore, hit by clause (c) of Section 32 of the Act. So far

as the word "Fifty" per se is concerned, there is no evidence that it was used by other parties in relation to the cycle bells either prior to or after the registration of this mark at the instance of the Respondents. It has to be remembered that more than years have elapsed since the original registration of this trade mark. It may be that under Sub-section (2) of Section 31 of the Act this trade mark may have been capable of challenge before the expiry of the period of seven years from the date of the registration on the ground that it was not a "distinctive mark" under clause (e) of Sub-section (1) of Section 9, but for the reasons already given, that is not enough to justify cancellation of the mark u/s 32 of the Act.

12. The result, therefore, is that both the petitions are partly allowed but only to the extent that the registration of the Respondents' mark No. 161543 be cancelled and that it be expunged from the register kept by Respondent No. 2 and a notice shall be served upon the Registrar in the prescribed manner.

13. In view of the divided success of the parties, I leave them to bear their own costs in this Court.