
(2013) 06 IPAB CK 0001

In the Intellectual Property Appellate Board

Case No : OA/1/2013/TM/MUM

Prem Prakash Electricals

APPELLANT

Vs

Thakur Spare Parts & Anr.

RESPONDENT

Date of Decision : 28-06-2013

Acts Referred:

Trade Marks Act, 1999 — Section 9, 9(2)(a), 9(1)(a), 9(1)(b), 57(4)

Citation : (2013) 56 PTC 341 (IPAB)

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

Bench : Division Bench

Advocate : H.P. Singh

Final Decision : Allowed

Judgement

S. Usha, J

1. Appeal against the order passed on 23.10.2007 by the Assistant Registrar of Trade Marks directing that the registered trademark under No. 970107

to be deleted from the Register in the matter of notice issued under Section 57(4) of the Trade Marks Act, 1999. The brief facts of the case are:--

The appellant herein is a market leader carrying on business of manufacturing, marketing and selling of electrical goods including heaters and heating

elements under the label mark ""Real Kwality"" since the year 1998. By virtue of extensive, continuous and long use the appellants goods bearing the

trademark ""Real Kwality"" had acquired a goodwill and reputation among the public.

2. In order to acquire statutory protection, the appellant had applied for registration of the trademark under No. 970107 in class-11 claiming user since

1998. The said application was advertised in the Trade Marks Journal. The mark was not opposed registration and therefore, proceeded for

registration. The trademark was registered and the certificate of registration dated 31.01.2004 was issued.

3. On 01.01.2002, the 1st respondent had applied for registration of the trademark ""Kwality"" under No. 1071067 in Class-11. The appellant on coming to know of the mala fide intention of the 1st respondent verged on the 1st respondent who assured that they would change the label and also assured that they would also file appropriate application for changing their label before the Trade Marks Registry.

4. On 29.11.2006, the Registrar of Trade Marks issued a notice under Section 57(4) of the Act calling upon the appellant to show-cause as to why the registration under No. 970107 in class-11 should not be cancelled. This notice was issued on the basis of a false claim and complaint made to the Registrar by the 1st respondent. The appellant immediately made a request to the Registrar for a copy of the complaint which was not provided by the Registrar. As the complaint was not provided, the appellant had no opportunity to file any counter to the notice.

5. The final hearing was fixed on 26.09.2007 and the impugned order directing the trademark under No. 970107 in class-11 to be deleted from the Register came to be passed on 23.10.2007.

6. The 2nd respondent i.e., the Registrar of Trade Marks held that if the Registrar on his finding that the trademark ought not to continue on the Register as it is a wrong entry, is duty bound to make an enquiry by issuing notice to the parties. Section 57(4) empowers the Registrar to suo motu initiate action. The Registrar also held that the words Nova Real Kwality can never be registered as a trademark as it is not capable of fulfilling its essential functions. As per Section 9 of the Act, a trademark which is incapable of being used in trade should be rejected as the mark is inherently incapable of distinguishing the goods of one trader from the another.

7. The proposal to disclaim the word 'Kwality' will serve no purpose as the concept of disclaimer is not valid under the 1999 Act.

8. Being aggrieved, the appellant filed the appeal.

9. The counsel for the appellant submitted that the trademark ""Real Kwality"" a label mark was applied for registration on 13.11.2000. The certificate of registration was issued on 31.01.2004. The user claimed was from the year 1998.

10. On 29.11.2006, the notice under Section 57(4) was issued. The appellant had requested for a copy of the complaint, the basis of the notice under

Section 57(4). The Registrar did not provide the appellant with the copy of the complaint and therefore, proceeded to hear and decide the matter

without affording an opportunity for the appellant to explain the case. The counsel then brought to our notice the list of mark ""Kwality"" registered

given in the impugned order.

11. The counsel further submitted that all these marks were registered and remaining in the Register. The appellant's mark was attacked as they had

initiated action against the 1st respondent's mark.

12. The counsel then relied on the judgment reported in Automatic Electric Limited v. R.K. Dhawan [MANU/DE/0461/1999 : 1999 PTC (19) 81] - a

person claiming exclusive right over an expression cannot challenge the same expression as generic.

13. State of Punjab v. Davinder Pal Singh Bhullar [MANU/SC/1476/2011 : 2011 STPL (LE) 45961 SC : 2011(13) Scale 394] - A judgment which is

the result of bias or want of impartiality, is a nullity and the trial ""coram non judice"". Therefore, the consequential order, if any, is liable to be quashed.

14. The notice issued by the Registrar of Trade Marks under Section 57(4) reads as,

An application was made by M/s. Prem Prakash Electricals, Indore (M.P.) on 13th November, 2000 at TMR, Mumbai to register a trade mark 'Real

Kwality' for ""heating and cooling apparatus of all kinds in class 11"". The said registered trade mark was registered by this office in contravention of

the provisions of Section 9(1)(a), 9(1)(b) and Section 9(2)(a) of the Trade Mark Act, 1999. Therefore, the entry relating to the aforesaid Regd. Trade

Mark No. 970107 in class 11 continues to wrongly remain on the Register of the Trade Marks and without sufficient cause.

15. It is not clear as to how and why the Registrar found that the trademark registered was in contravention of the provisions of the Act after nearly

two years since the mark was actually registered. The Registrar ought to have given his reasons for this statement. When the notice is not clear, the

parties are not placed in such a position to satisfy the Registrar. On the contrary, it is found that the Registrar has recorded that,

A Complaint was made to the Ministry by M/s. Shree Thakur Spare Parts, Indore

(who have also applied for registration of a trade mark Kwality under No. 1071067 in class 11) that the Trade Marks Registry has wrongly permitted the registration of ""Nova Real Kwality"" trademark.

16. If that be the case, the Registrar ought to have given the details of the complaint in the show-cause notice issued, to the appellant. The show-cause notice is not clear. The notice issued under Section 57(4) therefore is quashed.

17. The appellants have requested for the copy of the complaint and their grievance is that the copy was not provided and therefore, there was no opportunity of countering the same. We are also of the view that the Registrar ought to have afforded an opportunity to both the parties for a fair decision.

18. The Registrar may if necessary issue notice to both the parties, give them opportunity for a fair decision and decide the matter.

19. The Registrar, a quasi-judicial body shall not be prejudiced at the instance of the Ministry.

20. During the course of the arguments, the appellants when asked, agreed to change the writing style of the word ""Kwality"". The Registrar may therefore pass an order directing the changes, if required. In view of the above reasons, the impugned order is set aside and the appeal is allowed. No costs.