

(2013) 02 MAD CK 0198

In the Madras High Court

Case No : O.A. No's. 426 and 427 of 2011 in C.S. No. 330 of 2011

Rani Food Products

APPELLANT

Vs

Stine Food Products

RESPONDENT

Date of Decision : 13-02-2013

Acts Referred:

Citation : (2013) 56 PTC 548

Hon'ble Judges : Vinod K. Sharma, J

Bench : Single Bench

Advocate : K. Rajasekaran, for the Appellant; G. Ramji, for the Respondent

Judgement

Vinod K. Sharma, J.—O.A. No. 426 of 2011: This application under Order XIV Rule 8 of O.S. Rules r/w Order XXXIX Rules 1 & 2 of the Code of Civil Procedure, has been filed for grant of interim injunction, restraining the respondent/defendant by themselves or their men, servants, agents, franchisees, successors in interest, licensees, assignees, representatives or any of them from in any manner infringing the applicants registered trademark RANI by use of the Trademark RANI or any mark deceptively similar to the applicants registered trademarks or by use of identical or deceptively similar trading style or in any other manner whatsoever, pending disposal of the suit.

O.A. No. 427 of 2011: This application under Order XIV Rule 8 of O.S. Rules r/w Order XXXIX Rules 1 & 2 of the Code of Civil Procedure, has been filed for grant of interim injunction, restraining the respondent/defendant by themselves or their men, servants, agents, franchises, successors and interest, licensees, assignees, representatives or any of them from in any manner passing off the defendants goods under the Trademark RANI or any deceptively similar trademark as and for the goods of the plaintiffs under the registered trademark RANI or in any other manner whatsoever, pending disposal of the suit.

It is pleaded case of the plaintiff/applicant, that plaintiff/applicant is a partnership firm, which has filed suit against M/s. Stine Food Products for

infringing their registered trademark RANI. The plaintiff/applicant is the owner of the registered trademark RANI and is in business of manufacturing and marketing masala powders like Chilly Powder, Coriander Powder, Turmeric Powder, Sambar Powder, Meat Masala, Condiment Powder, various types of curry powders, coffee powder, (Rice) Puttu Podi, Appam Podi, etc., since 1970. The goods are manufactured and sold by the plaintiff/applicant under the trademark RANI.

2. It is submitted, that by virtue of good quality, promotional efforts, usage of high quality inputs and catchy packaging, the goods of the plaintiff/applicant over the years under the trademark RANI have solely come to be identified with the plaintiff/applicant. The plaintiff/applicant has spent heavy amount to promote and mark their mark RANI unique besides putting in enormous efforts and painstakingly working towards upgrading the brand. This has resulted in popularity and reputation of a high order to the plaintiff. The plaintiffs RANI brand of masala items has become synonymous with the plaintiff/applicant and the public and the trade associates identified the trademark with that of RANI and nothing else.

3. The plaintiff/applicant claims to be the registered proprietor of the trademark RANI as under:

The plaintiff/applicant also claims to be the registered trademark RANI under No. 537795 Class 30 while the registered trademark RANI under No. 696855 Class 32 and 598270 Class 29 and are registered and owned by the family firm SANTHI FOODS PRODUCTS.

4. It is the case of the plaintiff/applicant that the trademark and copyright of the plaintiff have been popularized by various types of advertisements in print media and this shows, that the trademark of the plaintiff has received immense reputation and goodwill. The sales turnover of the plaintiff/applicant commencing from 1979-80 reads as under:

5. It is further case of the plaintiff/applicant, that the plaintiff has spent a substantial amount towards advertisement amounting to Rs. 68,32,946.15 (Rupees Sixty Eight Lakhs Thirty Two Thousand Nine Hundred Forty Six and Paise Fifteen only), therefore, the plaintiff/applicant is not only able to retain the existing customers, but also able to attract new customers. The trade of masala, curry powder and other food items dealt with by the plaintiff/applicant is a highly competitive one and bought by customers by relying on the RANI mark. The plaintiff/applicant therefore claims to enjoy exclusive rights over the expression RANI and do not wish to silently witness anyone using such similar, deceptive, fraudulent misleading expression for artwork.

6. That it has come to their knowledge that the respondent/defendant is manufacturing and marketing coriander power, black pepper powder, chilly powder, puttu (Rice) powder, idiappam, (powder) rava etc under the plaintiffs trademark RANI under the identical colour scheme and lettering style for similar

goods as that of the plaintiff/applicant. This causes confusion among members of trade and public and the defendant has attempted to make illegitimate profits at the expenses of the plaintiffs reputation and goodwill.

7. That respondent/defendant is operating surreptitiously and the plaintiff/applicant could not get trap bills of the product of the defendant in the market until 15.01.2011, when the plaintiff/applicant could procure their bill. The case set up by the plaintiff/applicant is, that the respondent/defendant, being aware of the user and reputation of the plaintiffs renowned trademark, has adopted the deceptively similar trademark RANI with similar artistic work with deliberate and dishonest intention of passing off the respondents trademark, as plaintiffs trademark, which is well established resulting in consumers thinking that the goods manufactured by the defendant originate from the plaintiff. The use of deceptively similar trademark packing results in deceiving the customers by believing their products to be that of plaintiff/applicant. It is therefore claimed, that the act of respondent is malafide and with the view to trade upon the immense reputation and goodwill of the plaintiff/applicant.

8. It is the case of plaintiff/applicant, that the use of the offending trademark and the deceptively similar artwork by the defendant is a violation of plaintiffs trademark entitlements. The act of respondent/defendant is not only a civil tort, but also a serious offence punishable under Trade Marks Act and Indian Penal Act. Legal notice was issued to the respondent/defendant on 12.01.2010, which was duly received, but the respondent neglected to send reply and continued to infringe the trademark of the plaintiff/applicant. The trap purchase was made by the plaintiff/applicant on 15.01.2011.

9. On the pleadings referred to above, it is prayed, that the plaintiff/applicant has prima facie case and that the balance of convenience is also in favour of the plaintiff/applicant. That the plaintiff/applicant would suffer irreparable loss, if the respondent/defendant is not restrained from using the trademark deceptively similar to be that of plaintiff/applicant.

10. On notice, counter has been filed, wherein the stand of the respondent is that, the respondent is the licensed user of one M/s. JMJ Modern Rice Mill, Arpookara West P.O. Kottayam, Kerala, which is the owner of the registered trademark RANI under No. 704736 in Class 30 with respect to rice. It is thus pleaded, that the suit is not properly filed, therefore, is liable to be dismissed.

11. It is the case of the respondent/defendant, that it is the licensed user of the trademark RANI from the JMJ Modern Rice Mills under the registered user agreement dated 17.02.2010. It is the stand of the defendant/respondent, that the trademark RANI is used by the respondents principal since the year 1995 onwards and that the principal of the respondent has used the trademark from 1995 openly, honestly and continuously. The trademark RANI has been used for RICE and also other cognate goods.

12. It is submitted, that the trademark of the respondent is not only RANI, but

RANI BUDS, which shows, that they have been using the trademark "RANI BUDS" for new range of products. This was being used by the principal of respondent since 1995. The respondent has also challenged the jurisdiction of this Court to entertain and try the applications, on the ground, that the applicant did not have any cause of action at Chennai.

13. It is further submitted, that the suit has been filed on the averments, that the goods are sold within the jurisdiction of this Court and on the basis of trademark registration at Chennai. That for filing suit based on registration of the trademark, it is necessary for the plaintiff/applicant to obtain leave of this Court, as this registration is only a part of cause of action.

14. It is the stand of the respondent, that Section 134 of the Trade Marks Act, 1999 is not applicable in cases where a suit is filed on the basis of registration of trademark at Chennai.

15. The respondent/defendant denied that it has any business in Chennai. The respondent is carrying on business for more than 15 years, therefore, cannot be said to be carrying on business in a dubious manner.

16. That the plaintiff/applicant is well aware of the respondents operation and has filed the suit to cause prejudice and to harass the respondent. That this Court has no jurisdiction, nor there is any prima facie case in favour of the applicant/plaintiff and that the balance of convenience is in favour of the respondent/defendant. The respondent/defendant has also denied each and every allegation made by the plaintiff/applicant.

17. On merit, it is denied, that the plaintiff/applicant is using the trademark RANI since 1970. It is submitted, that the applicant is the sole plaintiff and none of the so-called family firms are made parties, therefore, the applications are bad for non-joinder of parties. It is also denied, that the plaintiff/applicant has incurred expenses towards advertisement etc. The respondent has also denied, that the applicant is the registered owner of the trademark. It is stated, that the ownership of the trademark RANI is as under:

In support of this submission, the respondent has referred to the website of the Trademarks Registry.

18. It is submitted, that the applicant/plaintiff is not the registered proprietor of the trademark RANI as stated in the affidavit. That the trademark under 337994 is subject to a condition and the trademark under No. 519740 is with regard to goods and pickles, which are not manufactured by the respondent and the trademark 519742 is in the name of Mr. V.R. Krishnan for spice powders and curry powders, whereas trademark Nos. 537795 and 696855 are for the products that the respondent does not deal with. Therefore, infringement claim is not maintainable. The application No. 598270 is shown to have been withdrawn, that too not in the name of plaintiff/applicant.

19. It is the stand of respondent, that claim of exclusive right over the word

RANI is barred u/s 17 of the Trademarks Act, 1999, therefore, the suit for infringement of trademark cannot lie at all against the respondent, as the applicant/plaintiff is not the owner of the registered trademarks and that the suit and the applications are bad for non-joinder of necessary parties.

20. It is farther stand of respondent, that the suit is also bad for mis-joinder of parties, as the respondent is only the licensed user of the trademark RANI from its principal JMJ Modern Rice Mills. It is denied, that the applicant/plaintiff has got copyright. The suit is only for infringement of trademark and passing off, therefore allegations regarding infringement of copyright cannot be gone into. It is also denied, that the trademark RANI is associated with the plaintiff/applicant and that the sales figures do not prove the reputation and goodwill and does not give right to the user to usurp the trademark RANI exclusively.

21. That the trademark RANI does not exclusively belong to the applicant/plaintiff and that the respondent is using the trademark RANI BUDS with a device for its spice powders, curry powder etc., and that the trademark is different from the manner of depiction of the applicants products. The respondent also claims to be the registered proprietor of trademark RANI in Class 30 in respect of rice.

22. It is further submitted, that after making a mark in the field, the respondent has diversified its products range in other food related items and that the respondent and its principal have been using the trademark RANI since 1995 and now the respondent is using RANI BUDS for its products with distinctive get up so as to differentiate the products from others in the market. It is claimed, that the products of respondent have been well received in the market. It is denied, that the respondent is using an identical colour scheme and lettering style.

23. That the products of respondent are well reputed in the market since 1995. That the respondent has an agreement in their favour with the registered owner of the trademark RANI. It is denied that any prima facie case is made out for grant of injunction in favour of plaintiff/applicant. It is stated that the trademark of the respondent/defendant is phonetically and visually different from each other and furthermore, feature RANI is a trademark that is used by several manufacturers in the market.

24. It is also the stand of the respondent, that there has been no confusion or deception in the market and none is likely to be deceived in view of the number of years the products are available in the market. That the trademark is subject to statutory restrictions and as such, the applicants rights are restricted by the Trademarks Registry. The stand of the respondent is that Section 17 of the Trademarks Act, 1999 is a bar for the applicant/plaintiff to claim exclusive rights over the word RANI.

25. It is submitted, that action of passing off does not fall within the jurisdiction of this Court. That the respondent is only the licensed user of the trademark, therefore, was not liable to respond to the notice of the plaintiff/applicant and that any order of injunction will severely prejudice the respondent/defendant.

26. It is further submitted, that the plaintiff/applicant has no prima facie case, nor balance of convenience is also not in favour of applicant/plaintiff and no irreparable loss would be caused to the plaintiff/applicant, as the defendant/respondent has been using the trademark RANI for Rice and other products since 1995.

27. It is claimed, that the balance of convenience is in favour of respondent/defendant, thus, it is prayed that the applications be dismissed.

28. Learned counsel for the applicant/plaintiff vehemently contended, that the plaintiff/applicant is the registered owner of the trademark RANI and in support of this contention, referred to the application made by Mr. V.R. Krishnan trading as Rani Mills, Fort Lane, Badagara, Calicut District, Kerala State, showing the date of user since 15.01.1970. The plaintiff/applicant has also referred to the registration of trademark for spices powders and curry powders, showing that registration.

29. The plaintiff/applicant also referred to the registration of trademark for spice powders and curry powders, showing that registration is under word "RANI" with Chilly Powder, under which the word Chilly Powder is written in Malayalam language.

30. Learned counsel for the plaintiff/applicant further referred to the invoices of the plaintiff/applicant since 02.12.1989 as also the order of registration of trademark. The plaintiff/applicant placed reliance on the registration of trademark "RANI" for coffee blended with chicory. Reliance was also placed on the registration of trademark for spices, showing the registration in the name of V.R. Krishnan, V.R. Sadasivan and V.R. Vivek trading as Ravi Food Products. By referring to all these registered trademarks, it was vehemently contended, that the respondent is not entitled to infringe the trademark.

31. In support of this contention, learned counsel for the applicant/plaintiff relied on the case of Cluett Peabody & Co. Inc. v. McIntyre Hogg Marsh & Co. Ltd., (1958) R.P.C. 335 Ch.D., holding therein that the registration of Trade name "Arrow Brand" would cover use of the word "Arrow" and its use would amount to infringement of trademark. It was vehemently contended, that merely by adding the word "BUDS" to "RANI", will not lead to a conclusion, that the trademark is not infringed.

32. Learned counsel for the plaintiff/applicant also referred to the packing of the plaintiff/applicant and that of the defendant/respondent, which are identical. Learned counsel pointed out, that packing of the respondent with regard to the Chilly Powder and other Masalas, is not only phonetically same, but colour combination is also deceptively similar, which entitles the plaintiff/applicant for relief of injunction, during pendency of the suit.

33. Learned counsel for the respondent/defendant on the other hand vehemently contended, that the suit as framed is not maintainable. Learned counsel for the

respondent referred to the registration of trademark "RANI RICE" in favour of JMJ Modern Rice Mill, to contend, that the respondent/defendant is a permitted user under agreement entered into with the trademark owner JMJ Modern Rice Mill.

34. Learned counsel for the respondent also referred to the application filed by the principal of respondent/defendant for registering the trademark "RANI BUDS" under Class-30. The purpose of referring to this was that on 23.12.2010, the plaintiff/applicant had filed opposition to the application. In the application, it was clearly stated, that the trademark "RANI BUDS" is being used by the principal since 01.09.1995, but inspite of the knowledge, the plaintiff/applicant failed to disclose this fact in the application, therefore, is guilty of concealment of facts, thus, not entitled to the discretionary relief of injunction.

35. It was also contended by the learned counsel for the respondent, that the respondent/defendant is not doing any business within the jurisdiction of this Court, though they are in business since 1995, therefore, it cannot be said, that there is balance of convenience in favour of the plaintiff/applicant. Learned counsel for the respondent/defendant has submitted, that in absence of the principal, i.e. holder of registered trademark, it is not open to the plaintiff/applicant to maintain these applications only against the defendant/respondent.

36. Learned counsel for the respondent also vehemently contended, that the plaintiff/applicant is not entitled to injunction as the trademark "RANI" is not registered in the name of plaintiff/applicant, therefore, there is a violation of Section 49 of the Trade Marks Act, 1999. Therefore, the suit is not maintainable. It was also contended, that u/s 52, it is only the registered user, who can file proceedings against infringement. The contention of the learned counsel for the respondent was that the suit is barred u/s 17 of the Trade Marks Act, as the registered owner of the trademark has exclusive right to the use of the trademark taken as a whole, therefore, plaintiff/applicant is not entitled to claim exclusive right over the word "RANI" as projected in the plant. That no prima facie case can be said to be made out in favour of the plaintiff/applicant, specially when the defendant/respondent entered into an agreement with holder of trademark RANI RICE and further the application for registration of "RANI BUDS" is pending. That the defendant/respondent is using the trademark since 1995, therefore, it will not be appropriate to grant injunction as no business is being carried out by the respondent within the jurisdiction of this Court, which can result in any loss much less irreparable loss.

37. On consideration, I find that no ground is made out for grant of interim injunction, as it is proved on record, that "RANI" is also the trademark of the principal of respondent, who are in business since 1995. It is proved on record, that the respondent/defendant has moved an application for registration of the trademark "RANI BUDS" in which the plaintiff/applicant has filed its objection, but inspite of the knowledge, the plaintiff/applicant has not disclosed the fact in the suit or in the application, therefore, it cannot be said, that the plaintiff/applicant has come to the Court with clean hand.

38. Learned counsel for the respondent was right in contending, that in view of Section 17 of the Trade Marks Act, 1999, the plaintiff/applicant can claim right over trademark as a whole and not the exclusive right over the word "RANI", which is a common word, which means Queen.

39. The respondent is using the trademark "RANI BUDS" and not "RANI". Though the word is phonetically similar and there is resemblance in packing material also, but at the same time, this Court lose sight of the fact, that the respondent is in business since 1995, and their business is not within the jurisdiction of this Court. The plaintiff/applicant has sued the respondent in this Court, because of registration of the trademark at Chennai. The marketing area of both the plaintiff/applicant and respondent/defendant are different, therefore, it cannot be said, that any irreparable loss would be caused to the plaintiff/applicant, if the injunction is not granted, as this Court at the time of disposal of the main suit, can take note of it and the plaintiff/applicant can be compensated by damages, in case the plaintiff/applicant proves its case. However, no prima facie case is made out in favour of the plaintiff/applicant. Nor the balance of convenience can be said to be in favour of plaintiff/applicant, and it will not be appropriate to grant injunction against the respondent, as they are in business since 1995 to the knowledge of the plaintiff/applicant.

40. No merits. Dismissed. No costs.