
(2004) 09 IPAB CK 0010

In the Intellectual Property Appellate Board

Case No : Transferred Appeal No. 107/2003/TM/DEL (CM (M) No. 136/1995)

Sandoz Limited

APPELLANT

Vs

Hico Products And Ors.

RESPONDENT

Date of Decision : 08-09-2004

Acts Referred:

Trade And Merchandise Marks Act, 1958 — Section 11(a), 11(e), 12(1), 18(1)
Trade Marks Act, 1999 — Section 100

Citation : (2004) 29 PTC 488 (IPAB)

Hon'ble Judges : S. Jagadeesan, J;Raghubir Singh, J

Bench : Division Bench

Advocate : Sanjay Jain

Judgement

S. Jagadeesan, J

1. The appellant has preferred this appeal against the order of the Deputy Registrar of Trade Marks, New Delhi dated 7th July, 1992.

2. The appellant herein M/s. Sandoz Ltd. filed application No. 408773 dated 1st August, 1983 for registering their trade mark 'DERMAGEN' proposed

to be used in respect of chemical products for use in the leather industry including in class 1 of the Trade and Merchandise Marks Act, 1958

(hereinafter referred to as the Act). The said application was advertised in the Trade Marks Journal No. 917 dated 16th August, 1987. The first

respondent herein M/s. Hico Products Ltd. filed their opposition on the following grounds:-

i) The first respondent have been using for their products trade marks such as 'Dermasoft', 'Dermasolve', 'Dermapol', 'Dermoxyd', 'Dermacide',

'Dermaquat' and 'Silcoderm' since 1980.

ii) First respondent's trade mark 'Dermasoft' is registered under No. 368594 from

15th November, 1980 in respect of chemical products used in

leather industry included in class 1 of the said Act, The other trade marks are pending in the Trade Marks Registry.

iii) The impugned trade mark applied for by the appellant is in respect of same goods,

iv) The impugned mark applied for is deceptively similar to that of the first respondent and the appellants are not the proprietors of the mark applied for.

v) The registration of the impugned mark would be contrary to Sections 11(a), 11(e), 12(1) and 18(1) of the Act.

3. The appellant filed their counter statement refuting all the material averments contained in the notice of opposition stating that the appellant bona

fide adopted the mark applied for and that the prefix ""DERMA / DERM"" are common to the trade and that the suffix ""GEN"" is distinctive of the

appellant's goods. They claimed to be the inventors and bona fide adopters as well as proprietors of the impugned trade mark 'DERMAGEN'. They

also stated that the impugned trade mark is neither visually nor phonetically similar to the trade mark of the first respondent and as such there is no

question of causing any confusion or deception or passing-off. They also denied the statement that registration of the impugned trade mark would

contravene the provisions of Sections 11(a), 11(e), 12(1) and 18(1) of the Act. Both the parties filed their evidence and after hearing the respective

counsel on either side, the Deputy Registrar under the impugned order allowed Opposition No. DEL 4859 of the first respondent herein and refused

registration of the appellant's application No. 408773 in class 1. Aggrieved by the same the appellant preferred an appeal CM(M) No. 136 of 1995 on

the file of High Court of Delhi and the same stood transferred to this Appellate Board by virtue of Section 100 of Trade Marks Act, 1999.

4. We have heard the arguments of Shri Sanjay Jain on behalf of the appellant. On behalf of the first respondent Shri M.K. Miglani filed appearance

on 16th July, 2004. He represented before us that the letter sent to his client returned unserved with an endorsement that the first respondent is not in

the given address and consequently he is unable to contact his client and he may be discharged from the proceedings and he is no longer appearing for

the first respondent. The notice sent to the first respondent through the Registry

of the Appellate Board also returned unserved with an endorsement 'left'. Hence there is no representation on behalf of the first respondent.

5. Learned counsel for the appellant contended that though in the application for registration it was mentioned that the appellant's trade mark is

proposed to be used, the appellant filed an application in TM-16 to amend the statement and to substitute the claim of the appellant that they are using

the impugned trade mark since 1975. The Deputy Registrar did not accept the request made in TM-16 and proceeded on the basis that the mark is

proposed to be used. Further, the Deputy Registrar held that the evidence adduced by the appellant by way of affidavit is inadequate to satisfy the

long usage of the trade mark by the appellant. The Deputy Registrar having found that the trade mark of the appellant and the first respondent are not

phonetically and visually similar, he ought to have held that there will not be any confusion by the registration of the impugned mark. He also

contended that the finding of the Deputy Registrar that the registration of the impugned trade mark would be contrary to Section 11(a) and 11(e) of

the Act cannot be sustained. The Deputy Registrar also held so on a total misconception of the provisions. Further the Deputy Registrar has totally

failed to consider the sales statistics of the appellant to assess the usage of the impugned trade mark. Finally he also pleaded that a perusal of the

impugned order of the Deputy Registrar would expose his confusion in discussing the issues and atleast on this ground the matter has to go back to the

Deputy Registrar for reconsideration.

6. We have carefully considered the above submissions of the learned counsel for the appellant. We also perused the impugned order of the Deputy

Registrar. The impugned mark of the appellant is 'DERMAGEN'. Though the first respondent is using several marks with the prefix 'Derma'" or

'Derm', the only registered mark is 'Dermasoft'. Since the other trade marks used by the first respondent are pending registration, we are not

concerned with the same. The Deputy Registrar had found that both the impugned mark and the first respondent's mark are not phonetically and

visually similar. In order to consider this issue we do not want to refer to well laid principles by various High Courts as well as the Supreme Court.

When it is pleaded that the marks are phonetically and visually similar, thereby it would cause confusion in the trade, both the marks have to be placed

side by side and compared. Here both the marks being word marks, it is for us to consider whether both the marks are phonetically and visually similar. Even if it is visually similar and there is some phonetic dissimilarity, then it is to be considered whether such phonetic dissimilarity would entitle the mark for registration on the ground of distinctiveness. Coming to the mark in question the appellant's mark is 'DERMAGEN' and the first respondent's mark is 'DERMASOFT'. Though the prefix 'DERMA' is common, the suffix word 'GEN' in the impugned mark of the appellant and the suffix word 'SOFT' in the respondent's trade mark are totally different when the entire name is pronounced. The suffix word takes a lead in finding the distinctiveness. The suffix words 'SOFT' and 'GEN' can be neither visually same nor phonetically identical. There is a clear distinctiveness in the impugned mark by virtue of the suffix word in both the trade marks, since the pronunciation is totally different. Hence, we are of the view that both the marks are not phonetically as well as visually similar. When the trade marks are distinct by themselves, there cannot be any confusion also in the trade. The Deputy Registrar also found that there is no similarity between the two marks either phonetically or visually. We are in agreement with the same. When the trade marks are distinct by themselves, there cannot be any confusion in the trade and consequently Section 12(1) of the said Act is not attracted.

7. So far as the use of the impugned trade mark is concerned the appellant filed an application in TM-16 claiming use of the impugned trade mark since 1975. The Deputy Registrar has rejected the same on the ground that the application was filed belatedly, that is, after nearly eight years and further the appellants have not produced any substantial documentary evidence to establish their user. When the appellant has filed affidavit signed by the Vice President of the appellant company, it should be taken as a piece of evidence. Alongwith the affidavit the appellant also annexed exhibits 'A' series consisting a few invoices relating to the period 1975 to 1989. First respondent did not dispute those invoices. Though the Deputy Registrar had referred to these documents, still he found that there is not even a single iota of evidence to establish the claim of usage by the appellant. In our opinion the Deputy Registrar has committed a grave error in finding that there is no iota of evidence to establish the usage by the appellant.

8. So far as form TM-16 is concerned, it was filed by the appellant on 4th October, 1991 seeking the correction of the proposed user into a user since 1975. The Deputy Registrar has found that the appellant did not adduce any evidence to substantiate their claim and hence there is no need to correct the claim of the appellant. As we stated earlier the appellant has filed the annexure of invoices for the usage of the trade mark 'DERMAGEN' in India. Though the appellants filed the sales statistics, as rightly pointed out by the Deputy Registrar, those statistics refer to the sale in various foreign countries. Of course, there is no specific mention about the sales statistics within India. When the invoices were produced by the appellant and those invoices were not disputed by the first respondent, that would establish the usage of the impugned trade mark in foreign countries and also sales in India. In such circumstances we are unable to agree with the findings of the Deputy Registrar that the appellant had not produced any iota of evidence to establish the usage of the impugned mark. The evidence adduced by the appellant was not properly considered by the Deputy Registrar. Hence, we find that the appellant had established their usage of the impugned trade mark, atleast since 1978 in India. Apart from that both the marks are not identical and has its own distinctive features, the impugned trade mark is entitled for registration. Accordingly we set aside the impugned order of the Deputy Registrar and disallow the Opposition No. DEL 4859 of the first respondent. The appeal is allowed. However, there will be no order as to costs. The Deputy Registrar is directed to proceed with the registration of appellant's trade mark application No. 408773 in class 1 of the said Act,