

(2007) 12 IPAB CK 0001

In the Intellectual Property Appellate Board

Case No : ORA/55/07/TM/CH

Sundaram Clayton Limited And Tvs Motor Company Limited	APPELLANT
Vs	
Nagarathna Textiles	RESPONDENT

Date of Decision : 12-12-2007

Acts Referred:

Trade And Merchandise Marks Act, 1958 — Section 12, 47

Citation : (2007) 12 IPAB CK 0001

Hon'ble Judges : Z.S. Negi, J;S. Usha, Technical Member

Bench : Division Bench

Advocate : M.K. Rao, Rajesh Ramanathan

Judgement

S. Usha, Technical Member

1. The applicants have filed this application for removal of the trade mark TVS 50 registered under No. 681347 in respect of lungies, dhotis & towels

in Class 24 under the Trade Marks Act, 1999 (hereinafter referred to as the Act,) from the Register of Trade Marks.

2. It is stated that the applicants are carrying on business of manufacturing and selling goods such as air assist and full air actuation systems for

automotive and non-automotive application and elements thereof and also manufacture and sale of two wheeler motor vehicles. They are stated to be

the companies belonging to a well known and reputed TVS group of companies. The letters TVS stands for the initials of the founder's name Shri

T.V. Sundaram Iyengar.

3. The applicants are the registered proprietors of the trade mark TVS 50 under No. 372863 B in class 12 since 27/02/1981 in respect of vehicles,

apparatus for locomotion, by land and water.

4. The applicants herein had sought rectification of the impugned trade mark on the grounds that the impugned mark was registered without sufficient cause and was wrongly remaining on the Register. The applicant's mark having gained reputation has become well known mark and as such the impugned mark which is identical to that of the applicants, would definitely cause confusion and deception among the public. The trade mark is incapable of distinguishing their goods. The impugned trade mark has been adopted by the respondent dishonestly and with mala fide intention. The respondents are not the proprietors of the trade mark TVS 50. The registration of the impugned trade mark has been obtained by fraud. The impugned trade mark is liable to be removed from the Register on the grounds of non-user under Section 47 of the Act.

5. The respondent herein filed their counter statement denying the various allegations made in the application. The respondent stated that they had been using the trade mark TVS 50 since 01/01/1986 and had the trade mark registered as early as 25/07/05 and the same has been renewed and is still in existence. The grounds of rectification are false, frivolous, vexatious and not sustainable on law or facts. The respondent has been using the trade mark TVS 50 along with the device of vehicles for their textile goods since the year 1986. By long and continuous use, the public identify the said trade mark with the respondent's goods. The respondent's sales turnover runs to several lakhs of rupees. By long use, without any interruption, the respondent's the trade mark has become distinctive of their goods. The applicants have filed this application only to harass the respondents, on seeing the wide growth in their business.

6. The respondents had further stated that their trade mark was registered under Class 24, whereas the applicants mark was under Class 12 and as such the trade channels were entirely different, class of goods and consumers were also entirely different. The applicants have failed to establish the trade connection between the two trade marks and have also not proved that there is any possibility of confusion and deception being caused.

7. The application for rectification has been filed after a long delay and as such the applicants have acquiesced the respondent's use of the impugned trade mark. The applicants had issued a legal notice in the year 2000 for which the respondent had sent a reply. The applicants did not take any

further steps and had allowed the respondent to grow its business under the said trade mark. The applicants had issued the 2nd legal notice in the year

2004 for which again the respondent had sent a reply. The applicants had not taken any action against the respondent after the said notice as far as

this registration is concerned and had filed the instant application only in the year 2007. The applicants having delayed the matter now are estopped in

taking action against the respondents.

8. The respondents further stated that they had been using the impugned trade mark along with the device since 1986 without any interruption and are

entitled to be protected under Section 12 of the Act as ""Honest Concurrent User"". The respondent has stated that even if their adoption is dishonest,

the applicants cannot pray for removal of the trade mark as there has been a long delay and acquiescence on the applicants in taking action against

the respondents.

9. The respondent stated that the applicants have not filed any proof to show that their mark is a well known mark. The applicants have also not

substantiated their allegation that the trade mark on the Register has caused any confusion or deception. By long user, the respondent is the proprietor

of the trade mark TVS 50. The impugned trade mark has acquired distinctiveness by user since 1986.

The documents filed will prove that the trade mark has been in use and issue as to non user does not arise. The applicants are not aggrieved persons

as they are not affected in any manner by the mark remaining on the Register. The application, therefore, be dismissed allowing the impugned mark to

remain on the Register.

10. We have heard Mr. M.K. Rao, Counsel for the applicant and Mr. Rajesh Ramanathan, Counsel for the respondent at Chennai on 05/11/07 and

certain clarifications were sought to be made and the Appellate Board suo moto re-opened the matter and posted it on 20.11.07 for hearing. The

counsel had clarified the Appellate Board's queries and orders were reserved.

11. The learned Counsel for the applicants mainly contended that the applicants mark TVS 50 was a well-known mark and was popularly known

among the public. The word TVS was coined from the company's name namely TVS group of companies which was the initial of the founder Mr. TV

Sundaram Iyengar. The applicants also submitted that the numeral 50 was to

denote the cubic capacity of the vehicle. The trade mark TVS 50 was the applicants house hold mark.

12. The learned Counsel submitted that only from the newspaper advertisement in the year 2000, the applicants came to know that the respondent had adopted an identical trade mark as that of the applicant's and had immediately issued a cease and desist notice to respondent to refrain from using the impugned trade mark. The learned Counsel for the applicants forcefully submitted that the respondent has not only copied the words TVS 50 but also the vehicle which was totally dishonest act on part of the respondent. The counsel also submitted that the respondent had not given any explanation for the adoption of the impugned trade mark and as such the adoption is dishonest and fraud has been played by the respondent before the Assistant Registrar of the Trade Marks in getting the trade mark registered.

13. The learned Counsel referred to various judgments to support his contention that even if the goods were different, a well-known mark should be protected.

14. The learned Counsel for respondent vehemently denied the submission made by the applicants and submitted that the applicants have allowed the respondent to expand their business and that there has been a delay on the part of the applicants in taking action against the respondent. The respondent brought to our notice the trade mark registration certificate filed in the typed set of documents and submitted that they had adopted the Trade Mark TVS 50 as early as 1986 and had applied for registration as of 1995 itself. The respondent referred to the contents of the legal notice issued in the year 2004 by the applicants to the respondent and submitted that the applicants are trying to confuse this Appellate Board by stating that it came to their notice only in the year 2004 about the respondent's trade mark whereas in the year 2000 itself they were aware of the respondents' trade mark and had issued a legal notice and had also initiated the rectification proceedings. The respondent also forcefully denied the submission of the applicants that they had stopped using the trade mark after the issuance of the legal notice in the year 2000 and pointed out that in reply to the legal notice they had stated that they will not cease to use the trade mark. The applicants have not filed any documentary evidence to prove that the respondent have stopped using the trade mark. The respondent further

submitted that the applicants have not proved any deception or confusion. The counsel for respondent pointed to the sales turnover mentioned in the counter statement. By long and continuous use, the respondent trade mark has acquired reputation and goodwill among the public. The applications have not produced any documentary evidence to prove that their trade mark is a well-known mark.

15. The respondent's counsel also submitted that they had filed invoices for the periods from 1986 continuously and submitted that the applicants have falsely stated that the respondent had stopped using the trade mark after issuance of the legal notice.

(i) The respondent's counsel relied on the Judgment reported in 2007(34)PTC136 (IPAB) Bal Krishan Jindal v. Mohinder Singh and Anr. to support

his argument that failure to discharge burden of proof of deception and confusion, application for rectification be rejected.

(ii) Rectification application to be rejected on the ground that the mark was on the Register for more than nine years on the date of filing of application

for rectification reported in 2007(34)PTC 621 (IPAB) Kabushiki Kaisha Toshiba v. Tosiba Appliances & Co. and Anr. was relied for the above

argument.

(iii) Judgment in 2000 PTC 561(DB) Delhi Hindustan Pencils Private Limited v. Universal Trading Company and Anr. was relied to say that when the

trade mark was on the register for 25 years, the removal of the trade mark would cause serious loss to the applicant for registration.

(iv) In support of the argument that when there was honest concurrent use with no evidence of deception or confusion even if the mark was

deceptively similar the mark to remain on the Register, the respondent relied on PTC (Suppl.)(1)567(Cal.) J & W Hardie Ltd. v. Joseph E. Seagram

& Sons Inc. and Anr.

(v) 2004(29) PTC 468 (IPAB) Bata India Limited v. Deputy Registrar Trade Marks and Ors. was relied on to support his argument that even when

the goods were different and no proof of confusion or deception shown then the mark to continue on the Register.

16. The respondent concluded his arguments by submitting that the mark had been on the register for several years and also that the respondent have

been using the mark for 21 years and that the trade mark has got to be

protected.

17. The counsel for the applicants submitted in reply to the respondent's arguments that the judgments relied on by the respondent were not relevant.

18. The matter was heard along with TRA/171/04/TM/CH and OA/11/06/TM/CH with the consent of both the counsel that a common argument be

made. Though common arguments were made or heard, we are of the view that separate orders be passed as the transferred application is under the

1958 Act and this original application is under the 1999 Act and the Original Appeal is to be decided on the findings of the Registrar. We have gone

through the entire pleadings and documents and considered the arguments of both the counsel.

19. We shall decide the issue as to whether the applicant is an aggrieved person. Any person can file a notice of opposition while an application for

rectification to expunge a mark from the register of Trade Marks can be made only by an aggrieved person. Judiciary has liberally viewed the term

aggrieved person. The object of rectification is purifying the Register which is public purpose. The applicants rights are determined keeping in mind the

interest of general public. For expunging the entry wrongly made on the Register, the locus standi would be ascertained liberally since it would not be

against the interest of the person carrying on the same trade, but also in the interest of the public to have such wrongful entry removed. Aggrieved

persons are those who are in some way or other substantially interested in having the mark removed from the Register or persons who would be

substantially damaged if the mark remained on the Register. Any person who will suffer any loss or injury if other persons trade mark is on the

Register is said to be a person aggrieved.

20. In the instant case, based on the above observation, we find that the applicant is an aggrieved person. A person cannot be said to be a person

aggrieved in case the goods are not same or at least of the same description. Here too, it is seen that the goods are different, but on perusal of

respondent's advertisements, we find that the respondent have not only adopted the TVS 50 trade mark but also the device of a vehicle in which the

applicants are trading. The applicants are, therefore, affected and are thus aggrieved persons. Apart from that, the respondent have also declined to

stop using the trade mark in spite of the legal notice issued to them.

21. The main grounds of rectification was that the rival marks being identical would cause confusion among the public as to proprietorship, the mark was registered without sufficient cause and was wrongly remaining on the Register, registration was obtained by committing fraud, impugned mark, was not capable of being distinguished, adoption dishonest and on the grounds of non user of the impugned mark by the respondents. The applicants though have pleaded the above have not substantiated the contentions by cogent evidence. We, therefore, reject these contentions.

22. The respondent's main contention was that there has been a long delay in taking action against the respondent by the applicant. By delay, the applicants have allowed the respondent to grow their business. In fact, we find that the applicants have taken action against the respondent in the year 2000 itself on coming to know of the respondent's mark and had issued a legal notice and also initiated Rectification Proceedings. In the case on hand, we find that when this impugned mark under No. 681347 was advertised, the applicants had issued legal notice and had initiated rectification proceedings. We, therefore, are of the opinion that there has been no delay or laches on the part of the applicants and the contention of the respondent is thus rejected.

23. The respondent forcefully argued that they had been using the trade mark since 1986 and that the mark which was registered as early as 1995 and the mark having remained on the Register for several years should be protected. The respondent in their counter statement stated that their use of the mark being continuous and uninterrupted, are honest concurrent users but no evidence filed to support the same. The respondent has not given any explanation whatsoever for the adoption of the mark, whereas the applicants have given an explanation for their adoption. It gives more doubt as to why the numeral 50 has been adopted for textiles and the device of the vehicle with the trade mark TVS 50. On perusal of the respondent's trade mark TVS 50 along with the device of the vehicle, it is clear that the respondent is trying to trade on the goodwill of the applicants. The respondent's adoption of the trade mark TVS 50 along with the device of the vehicle is, therefore, dishonest and cannot be allowed to continue on the Register. The mark has got to be removed from the Register of Trade Marks on this ground alone.

24. The Board has been of the view in several matters that when a mark is on the Register for several years should not be removed by causing loss or

hardship to the applicants of the mark. But in this instant case, we are of the opinion that the same view cannot be adopted because the dishonest

adoption of mark cannot be allowed to remain on the Register. The reason being that no valid reason given for adopting a identical famous mark.

25. Here, in the instant case, we are to make an observation as to the attitude of the applicants who have not filed any documents to substantiate their

case except for bald pleadings made in the application. The respondent has not succeeded on the sole ground that no explanation has been given for

adoption. We also find from the vouchers that the respondent has been using the trade mark NT which is derived from the words ""Nagarathinam

Textiles"" and later had adopted T V. On perusal of the invoices it is seen that only TVS was their trade mark earlier and not TVS 50.

26. We, therefore, allow the application for rectification of the registered trade mark No. 681347 by removal of the trade mark from the Register of

Trade Marks. We direct the Registrar of Trade Mark to remove the mark from the Register. No order as to costs.