

(2010) 07 IPAB CK 0011

In the Intellectual Property Appellate Board

Case No : M.P. Nos. 126, 129/2009 In OA/68/2004/TM/DEL

Tirupati Tobacco Pvt. Ltd.

APPELLANT

Vs

Supermax Electronics Private Limited

RESPONDENT

Date of Decision : 16-07-2010

Acts Referred:

Trade Marks Act, 1999 — Section 9, 18, 18(1), 91
Trade And Merchandise Marks Act, 1958 — Section 9, 11(a), 12(1), 12(3), 18, 28
Trade And Merchandise Marks Rules, 1959 — Rule 24(1)
Intellectual Property Appellate Board (Procedure) Rules, 2003 — Rule 24

Citation : (2010) 07 IPAB CK 0011

Hon'ble Judges : Z.S. Negi, J; Syed Obaidur Rahaman, Technical Member

Bench : Division Bench

Final Decision : Dismissed

Judgement

Z.S. Negi, J

1. This is an appeal under Section 91 of the Trade Marks Act, 1999 (hereinafter referred to as the Act) preferred against the order dated 31.3.2004,

passed by the Joint Registrar of Trade Marks, Mumbai in the matter of opposition No. BOM-52765 to application No. 558887B, whereby he dismissed

the opposition and allowed the application to proceed for registration.

2. The case of the Appellant-a company incorporated under the Companies Act, 1956-is that it is engaged in the business of manufacturing and

marketing of chewing tobacco khaini and other allied and cognate goods under the name and style of M/s. Tirupati Tobacco Pvt. Limited. The

Appellant claims to be the proprietor of the trade mark SHAMBHU label, which it is using in respect of Khaini-being tobacco included in class 34.

The trade mark SHAMBHU label was adopted on 10.7.1990 by the predecessor of the Appellant, Mr. Rajesh Kumar Garg, proprietor of M/s. Sujan

Fragrances, and had continuously used the said mark up to 19.2. 1998 and on 19.2.1998 the said mark was assigned by way of deed of assignment

dated 19.2.1998 to the Appellant-M/s. Tirupati Tobacco Pvt. Ltd. and the Appellant is stated to be continuously using the said trade mark after 19.2.

1998. The business carried on by the predecessor and thereafter by the Appellant is a very extensive one and the goods bearing the trade mark

SHAMBHU label have been practically distributed in major parts of the country. The Appellant's trade mark is stated to have already become

distinctive and associated with its goods due to long, continuous, extensive and exclusive user thereof and the Appellant's goods are highly demanded

in the markets on account of the standard quality. The Appellant's mark is stated to have been widely advertised through different media such as

advertisement in leading newspapers, trade magazines, distribution of trade literatures, trade novelties, etc. The Appellant claims to have already spent

substantial sum of money on the publicity of the aforesaid mark and in consequence thereof the said mark enjoys solid and enduring reputation in the markets.

3. The Respondent, a company incorporated under the Companies Act, 1956, engaged in the business of manufacturing and/or marketing, inter alia,

safety matches, conceived the composite label mark consisting of word SHABU and device of Head within a circle, in or about August 1991. On

8.8.1991, the Respondent applied to the Registrar of Trade Marks for a search of the said trade mark under Rule 24(1) of the Trade and Merchandise

Marks Rules, 1959 and after receipt of search report dated 26.8.1991 from the Registrar of Trade Marks to the effect that the mark was available up

to 31.3.1991, the Respondent applied for registration of the said trade mark as proposed to be used in respect of safety matches under application No.

558887B dated 20.9.1991. Upon advertisement of the said application in the Trade Marks Journal No. 1178, dated 1.7.1998 at page No. 841, the

Appellant filed notice of opposition on the grounds, inter alia, that the registration of the mark is barred by Sections 9, 11(a), 12(1) and 18 of the Trade and Merchandise Marks Act, 1958 and the Respondent is not entitled to its registration under Section 12(3). The Appellant claiming to be the

proprietor of the trade mark submitted that it is continuously using the said trade mark in respect of chewing tobacco, etc. Thereafter, the Respondent

filed the counter-statement denying the material averments made in the notice of opposition. The Appellant filed evidence in support of opposition but

the Respondent did not file any evidence in support of its application. After hearing both the parties, the Joint Registrar of Trade Marks, Mumbai by

the impugned order dated 31.3.2004 dismissed the opposition and allowed the application to proceed for registration.

4. Aggrieved by the aforesaid impugned order, the Appellant preferred the present appeal on the grounds, inter alia, that the impugned mark lacked

distinctiveness and the Respondent had specially failed to discharge its onus under Section 9 of the Act; that the Respondent had not filed any

evidence to sustain its claimed user and acquisition of distinctiveness; that the Registrar erred in holding the impugned mark to be a coined word as no

reason in support of such finding were furnished or assigned by him and hence the finding is arbitrary and without any application of mind; that on the

one hand the Registrar ought to have appreciated that it was not the Respondent's case that the mark applied for being an invented mark or extremely

fanciful or arbitrary, on the other hand the Registrar ought to have noticed that the mark SHABU is a common personal name or derivative of it, such

as SHAJU, SHIBU, etc.; that the Registrar erred in holding that the rival goods to be different and that the competing marks to be dissimilar for which

no reasons have been furnished; that it is a common knowledge that matches and khaini are goods of allied/cognate/same description and these are

sold through common trade channels and consumers are broadly the same; that the Registrar erred in attaching undue importance to the Respondent's

evidence and erroneously appreciating the same especially when the Appellant's mark was admittedly prior mark, entered on the register and no

cogent evidence has been placed on record to rebut it; that the Registrar erred on facts as he did not appraise in proper perspective the cogent and

valid documentary evidence placed on record to prove user of the mark by the Appellant from the year 1990 and that the Registrar exercised its

discretion on irrelevant and extraneous considerations and thus abused the discretion vested in it as it left out and failed to give effect to relevant

considerations while exercising the same. The Appellant, in view of the facts and circumstances mentioned in the appeal, has prayed that the

impugned order be set aside, dismiss the application for registration, summon the record of the opposition to the application, from the Registry of Trade

Marks, etc.

5. The Respondent did not file its reply to the appeal. In the year 2009, when this appeal was pending, the Appellant through its director Mr. Bhushan

Garg filed a miscellaneous petition being M.P. No. 126/2009 seeking amendment of cause title by substituting M/s. Shambhu Khaini Pvt. Ltd., Delhi in

place of the original Appellant-M/s. Tirupati Tobacco Pvt. Ltd., Delhi-on the ground that the trade mark SHAMBHU/SHAMBHU LABEL has been

assigned to M/s. Shambhu Khaini Pvt. Ltd. by M/s. Tirupati Tobacco Pvt. Ltd. by a deed of assignment dated 10.11.2008 and as such the proprietary

rights and interest in the trade mark vests with M/s. Shambhu Khaini Pvt. Ltd., Delhi. Another miscellaneous petition being M.P. No. 129/2009 has

been filed by the Appellant seeking stay of the effect of operation of registered trade mark SHABU. However, the Respondent did not file reply to

the miscellaneous petition for amendment of cause title and the miscellaneous petition for stay of effect of operation of the impugned registered trade

mark.

6. The appeal and miscellaneous petitions came up for hearing before us on 23.11.2009 when Shri Saurabh Kapoor, advocate appeared on behalf of

the Appellant and none represented the Respondent. Learned Counsel for the Appellant insisted that the matter be heard without further adjournment

as the Respondent has not shown any interest by entering appearance to contest the matter and has neither filed any reply to the appeal and the

miscellaneous petitions nor sought for adjournment of the hearing fixed for today. Accordingly, we have heard the matters in the absence of the

Respondent to decide the matter on the basis of facts and material available on record.

7. Shri Saurabh Kapoor, learned Counsel for the Appellant submitted that at the time of filing the present appeal in July, 2004, the Appellant-M/s.

Tirupati Tobacco Pvt. Ltd.-was carrying on business under the trade mark SHAMBHU/SHAMBHU LABEL. The Appellant adopted the said trade

mark through its predecessors on 10.7.1990 and have been using the same since then until the trade mark was assigned by a deed of assignment dated

27.1.2005 to Mr. Vishal Garg, Sole proprietor of M/s. Sri Balaji & Co. The Appellant's application dated 27.1.2005 on Form TM-23 for recordal of

name of the assignee has been allowed. Mr. Vishal Garg, Sole proprietor of M/s.

Sri Balaji & Co., has assigned all the proprietary rights and title in the aforesaid trade mark in favour of M/s. Tirupati Tobacco Pvt. Ltd. by a deed of assignment dated 5.4.2006 and application dated 16.12.2006 for recordal on Form TM-24 have been filed by the Appellant. Again M/s. Tirupati Tobacco Pvt. Ltd., through its directors Mr. Suresh Kumar Jain and Mr. Rajesh Kumar Jain, assigned all the proprietary rights and title in the said trade mark in favour of M/s. Shambhu Khaini Pvt. Ltd. by a deed of assignment dated 10.11.2008 and application for necessary recordal of change in the proprietorship have already been filed before the Registrar of Trade Marks. Consequent upon the change in proprietorship, the present miscellaneous petition for amendment of cause title to substitute the proper Appellant has been filed. He submitted that it is needless to urge that it is necessary to allow the miscellaneous petition for amendment of cause title so as to enable the subsequent proprietor of the trade mark Shambhu/Shambhu Label to pursue the appeal and safeguard its proprietary rights.

Regarding miscellaneous petition for stay of effect of registration of the impugned mark, learned Counsel, while furnishing a computer printout in respect of the status of TMR Application No. 558887B (subject-matter of the instant appeal) taken from the Trade Marks Office web site on 4th July, 2009, submitted that such search shows that the Respondent's trade mark SHABU stands registered by the Registrar of Trade Marks. He submitted that such registration is bad in law as well as contrary to the provisions of the Act as the order passed in the impugned application is under appeal.

Learned Counsel urged that in such circumstances, stay of effect of such registration till the disposal of the present appeal has now become all the more necessary and balance of convenience is in favour of the Appellant.

8. Miscellaneous petition seeking amendment of cause title shows that the trade mark SHAMBHU LABEL was registered in the name of Mr. Rajesh Kumar Garg and the computer printout (hard copy) also shows that the said trade mark stood in his name even on 4.7.2009 when the printout was taken. Averment is made in the instant application that the Appellant, apart from common law rights, also holds statutory rights in the said trade mark without explaining as to how the statutory right was acquired by the Appellant when the said trade mark still stands in the name of Mr. Rajesh Kumar Garg. It is also averred that the said mark was assigned to Mr. Vishal Garg , Sole

proprietor of M/s. Sri Balaji & Co. by a deed of assignment dated 27.1.2005 and application dated 27.1.2005 filed with the Registrar of Trade Marks for recordal of change was allowed. However, no legal proceeding certificate in proof of allowing such recordal of change has been filed. On the other hand it is averred in Form TM-5 that the predecessor (Mr. Rajesh Kumar Garg, proprietor M/s. Sugaan Fragrances) of the opponent company (Appellant herein) adopted the mark in 1990 and used the same till it was assigned to the opponent company vide deed of assignment dated 19.2.1998. No proof of assignment or recordal of change, if allowed by the Registrar, has been filed and as such the requirement of Rule 24 of the Intellectual Property Appellate Board (Procedure) Rules, 2003 has not been complied with. Rule 24 of the said Rules provide that on the death of a party or by merger, assignment, acquisition or transmission if a new party becomes entitled for continuation of the proceedings, the proceeding would be continued subject to filing a request with evidence in support thereof. (Emphasis supplied). There is no explanation as to why the Appellant has not sought amendment of cause title when the recordal of application on Form TM-23, dated 27.1.2005 was allowed. It has not been explained as to how such recordal was allowed when the earlier alleged assignment dated 19.2.1998 is pending. Besides this, when the appeal is pending against the order of the Joint Registrar of Trade Marks wherein (in the impugned order dated 31.3.2004) the Joint Registrar has, while considering the opponents objection under Section 18(1) of the Act, observed that it is not understood how the rights from Mr. Rajesh Kumar Garg were transferred to the present opponents M/s. Tirupati Tobacco Pvt. Ltd. On the face of such observation pending consideration in appeal, how the recordal of assignment was allowed. There is no whisper about this in the miscellaneous petition on hand. In view of the above, we are unable to allow the miscellaneous petition for amendment of cause title. Since the main appeal is being disposed of by this order, we do not consider it necessary to discuss the merits or otherwise of the miscellaneous petition for stay of effect of the impugned registration.

9. Learned Counsel for the Appellant contended that the impugned mark of the Respondent lacked distinctiveness and the Respondent has failed to discharge the onus upon it to prove that the mark is not devoid of any distinctive

character, that is to say, not capable of distinguishing its goods from the goods of any other trader and as such the same is capable to be registered as a trade mark. He submitted that the Respondent has not filed any evidence; leave aside the cogent evidence, to sustain the claimed user and acquisition of distinctiveness. The Joint Registrar of Trade Marks has arbitrarily, without application of mind and without assigning any reason has given his finding in its impugned order that the objection raised under Section 9 of the Act is rejected because the word SHABU is a coined one, having no direct reference to the character and quality of its goods and is not a geographical name in its ordinary significance. Even assuming for the sake of argument (whilst denied) the word SHABU is a coined one does not automatically make it distinctive and similarly just because the impugned mark has no direct reference to the character and quality of the goods or is not geographical name does not ipso facto become coined one, leave aside distinctiveness. On the one hand even it was not the case of the Respondent that the impugned mark is an invented one or extremely fanciful or arbitrary, on the other hand the Joint Registrar ought to have noticed that the impugned mark is a common personal name or derivative of it such as SHAJU, SHIBU, etc. Relying on the judgment in Century Traders v. Roshan Lal Duggar & Co. and others, AIR 1978 Delhi 250, learned Counsel submitted that priority in adoption and use of trade mark is superior to priority in registration and in the present case, the Appellant is prior in adoption and first in the market having its goods assumed vendible character and launched in market prior to the Respondent. It was further contended that the Respondent has not filed any evidence to sustain its claimed user and acquisition of distinctiveness. From the copy of advertisement of the application in the Trade Marks Journal No. 1178 dated July 1, 1998, it is evident that the mark applied for by the Respondent was proposed to be used. In the case of applications for registration of trade mark, including opposed applications, the rights of the party or parties are to be determined on the date of the application for registration and as such in the instant case there is no question of adducing any documentary evidence by the Respondent by way of user arise. In paragraph 5 of the Form TM-6 it is averred that after filing the impugned application, the Respondent commenced using the said trade mark and it has been openly using the said mark for

more than seven year now. It shows that the Respondent had shown its bona fide and definite intention to use the mark in relation to goods in respect

of which registration was sought. The impugned mark is a composite label mark consisting of word SHABU and device of Head within a circle.

There is no evidence that SHABU is a common personal name or derivative of it. The submission that SHABU is a derivative of SHAJU, SHIBU.

etc is nothing but fallacious premise. Even assuming for the sake of argument that it is derivative of SHAJU, SHIBU, etc, it certainly cannot be

derivative of SHAMBHU. It is averred in sub-para (f) of para 7 that the trade mark applied for under the impugned application is inherently capable

of distinguishing the goods in respect of which it is seeking registration thereof. The impugned composite mark is capable of distinguishing the goods of

the Respondent when its goods become vendible and launched in the market. It is no body's case that the mark falls within the absolute grounds for

refusal of registration specified under Section 9 of the Act. We agree with the findings of the Joint Registrar of to the extent that that the word sought

to be registered is having no direct reference to the character and quality of goods of the Respondent and it is not a geographical name or personal

name in its ordinary signification. We find it difficult to sustain the ground of appeal taken by the Appellant under Section 9 of the Act. We also find it

difficult to sustain the claim of Appellant that it is the prior adopter and user of the mark SHAMBHU for the reasons specified in paragraph 14 below

and as such the above cited judgment will have no bearing to the case on hand.

10. Learned Counsel contended that the Joint Registrar of Trade Marks erred in holding that the rival goods to be different and that the competing

marks to be dissimilar without furnishing any reasons there for. He attempted to impress upon us that the impugned mark is in all essential respects

identical with or deceptively similar to the Appellant's trade mark and the goods are also of allied/cognate/same description having common trade

channel and consumers and if the use of such mark is allowed there may be deception to public and injury to the Appellant's trade and business.

Further, by reason of the use and reputation of the Appellant's trade mark, the use of Respondent's impugned trade mark is likely to deceive or cause

confusion. The registration of the impugned trade mark is barred by Sections 11(a) and 12(1) of the Trade and Merchandise Marks Act, 1958. The

Respondent is also not entitled to registration of impugned mark under Section 12(3) as the Respondent has adopted the mark dishonestly and

fraudulently. Learned Counsel relying on the decision in G.M. Modular Pvt. Ltd. v. TM Marketing (India) and Ors. 2007 (35) PTC 406 (Del.)

submitted that the test whether one trade mark is deceptively similar to another is based on the likelihood of confusion or deception arising in the minds

of the consumers. In that case the Court while considering whether trade/label 'GM' with trade mark/label 'TM' were prone to be confused for each

other observed as under:

Coming to the crux of the matter as to whether the trademark/label of the Plaintiff and that of the Defendant is deceptively similar or not, it would be

pertinent to note that in a recent decision of the Supreme Court in the case of Ramdev Food Products Ltd v. Arvindhbai Rambhai Patel and Ors.:

2006 (8) SCC 726, the Supreme Court has observed that the test for determining deceptive similarity in an infringement action would be the same as in

the case of a passing off action. The Court observed that although the Defendants might not be using the actual trademark of the Plaintiff, the get up

of the Defendant's goods may be so much like the Plaintiff's that a clear case of passing off could be proved. The Supreme Court observed that in a

case for infringement where the Defendant's trademark is identical with the Plaintiff's mark, the Court will not enquire whether the infringement is

likely to deceive or cause confusion. However, in the case of deceptive similarity, the test would be as to the likelihood of confusion or deception

arising from similarity of marks and the test is the same, both in infringement and passing off actions. A reference to various decisions cited by the

learned Counsel for the Plaintiffs with regard to deceptively similar trademarks would also be fruitful. In N. Ranga Rao & Sons v. Anil Garg and Ors.:

2006 (32) PTC 15 (Del), the trademarks 'DIA' and 'LIA' were held to be deceptively similar. In M/s. Pidilite Industries Pvt. Ltd v. Mittees

Corporation and Anr.: 1989 PTC 151, the trademarks 'TREVICOL' was held to be deceptively similar to the trademark 'FEVICOL'. In Asha Soap

Factory v. Dhanthak & Co. and Anr.: 1985 ALR.176 the trademarks 'BB' and '88' were held to be deceptively similar. In M/s. Hitachi Ltd v. Ajay Kr.

Agarwal and Ors.: 1996 PTC (16) (DB), the trademark 'Hitashi' was held to be deceptively similar to the trademark 'Hitachi. Other. decisions of

deceptively similar trademarks are as under:

(i) TISCO and FISCO: 1992 (1) ALR 417 (The Tata Iron & Steel Co. Ltd., v. Mahavir Steels and Ors).

(ii) LAKME and LIKE-ME: 1996 PTC (16) 567 (Lakme Ltd., v. Subhash Trading);

(iii) NIREX and MIREX: 1984 PTC 97 (NireX Industries (P) Ltd., v. Man Chand Foot Wear Industries);

(iv) M2 TONE and MV -TONE: 2004 (2) PTC 458 (Del) (Charak Pharma Private Limited v. Prashi Sharma Private Limited);

(v) G.E.C. and A.E.C.: AIR 1974 P&H 14 (The General, Electric Co., v. Pyara Singh) The test for determining whether one trademark is deceptively

similar to another is based on the likelihood of confusion or deception arising in the minds of the consumers. Visually comparing the trade/label 'GM'

with the trade mark/ label ""TM"" one finds that they are prone to be confused for each other. The background, a colour (red) is the same. The letters

GM"" and ""TM"" are similar. The manner and style in which ""GM"" and ""TM"" are indicated are prone to be confused for one another.

Looking at Annexures-A and D-A-I and comparing the two, there is no doubt in my mind that the two are deceptively similar. As regards Annexure B

and Annexure D-B-I, if the elements of the trademarks ""GM"" and ""TM"" as indicated in Annexure-A and D-A-I (respectively) are removed, there

would be no deceptive similarity between them (Annexure B and Annexure D-B-I). If the essential features as submitted by the learned Counsel for

the Defendants were ""G Magic"" and ""Touch Me"", then the Defendants ought to have no objection to the deletion or removal of the trade mark/label

TM"" because even as per their submissions, this is not an essential feature.

11. Learned Counsel while stressing that the Respondent's mark is in all essential respects identical with or deceptively similar to the Appellant's trade

mark relied on paragraphs 9 and 10 of the decision in K.R. Chinna Krishna Chettiar v. Sri Ambal and Co. and Anr., AIR 1970 SC 146 which reads as

under:

9. The vital question in issue is whether, if the applicant's mark is used in a normal and fair manner in connection with the snuff and if similarly fair and

normal user is assumed of the existing registered mark will there be such a likelihood of deception that the mark ought not to be allowed to be

registered ? (see In the matter of Broadhead's Application for registration of

trade mark). It is for the Court to decide the question on the comparison of the competing marks as a whole and their distinctive and essential features. We have no doubt in our mind that if the proposed mark is used in a normal and fair manner the mark would come to be known by its distinguishing feature ""Andal"". There is a striking similarity and affinity of sound between the word ""Andal"" and Ambal"". Giving due weight to the judgment of the Registrar and bearing in mind the conclusions of the learned Single Judge and the Division Bench, we are satisfied that there is a real danger of confusion between the two marks.

10. There is no evidence of actual confusion, but might be due to the fact that the Appellant's trade is not of long standing. There is no visual resemblance between the two marks, but ocular comparison is not always the decisive test. The resemblance between the two marks must be considered with reference to the ear as well as the eye. There is a close affinity of sound between Ambal and Andal.

Learned Counsel relying on the decision in M/s. Hitachi Ltd. v. Ajay Kr. Agarwal and Ors. 1996 PTC (16) (DB) submitted that likelihood of confusion or deception in the present matter cannot be ruled out. He particularly referred to paragraph 14 of the judgment, which is as under:

14. The question whether there is a similarity between the two trade marks has to be approached from the point of view of an average man with imperfect memory. Even though the two trade marks, one written in English and other written in Hindi, may not be visually similar because of the difference in scripts but undoubtedly there is a marked phonetic similarity. That similarity is not far to seek. The word ""HITACHI"" and ""HITAISHI"" are pronounced almost the same way and an average or ordinary purchaser will not be able to know the difference between the two when he goes to the market to buy the said product. This is likely to cause deception and confusion in his mind. It makes little difference that ""HITACHI"" a word from a foreign languages may seem to be meaningless to most of the people while the meaning of the word ""HITAISHI"" be known to only a few in this vast and diverse country of many languages. Even though the meaning of the two words may be different and they are written in different scripts, there is no doubt that both the words have a striking phonetic similarity. What has to be seen is the phonetic impact of the words to a common and

ordinary man, for whom both the words bear a close resemblance to the ears. It would be difficult for him to distinguish between the finer nuances

of the sounds produced by the two words while articulating 'them. To the purchasers and traders these words would sound alike and they would also

pronounce them in the same way. Applying the test of the ear we are of the view that there is real danger of deception and confusion being caused by

the two marks in view of the similarity and affinity of sound between the words "'HITACHI"' AND "'HITAISHI' In Schering Corporation, Fulford

India Limited v. Perk Pharmaceutical Services 1997 PTC 304 BOM, it was observed thus: "'The fact that the scheduled drugs are available on

doctor's prescription is a relevant circumstance but is not necessarily a conclusive one. It is necessary for the Court to bear in mind that even in

respect of the scheduled drugs, there is likelihood of deception and confusion. As the Respondent's mark 'GAMMAMYCIN and the Appellants'

registered mark 'GARAMYCIN are deceptively similar, there is every likelihood that the chemist who reads the doctor's prescription may

misunderstand the drug prescribed. It also cannot be overlooked that the products manufactured are not merely injections but are also ear drops and

eye ointments. It is not a secret that ear drops and eye ointments are available across the counter. On the facts and circumstances of the case, the

learned single judge was clearly in error in not granting the interim relief. We are in respectful agreement with the observations made by the Division

Bench.

Learned Counsel placing reliance upon the decision in Borosil Glass Works Ltd. v.O.P. Batra 1995 PTC (16) submitted that apart from absolute

identity close resemblance of two competing marks, the test of trade connection between different goods be applied. While deciding that case the

Learned Single Judge relied on the following observations made by the respective Courts:

In Corn Products Refining co. V. Shangrila food Products AIR 1960 S.C. 142 it was observed that absolute identity of the two competing marks or

their close resemblance was one of the tests for determining the question of likelihood of deception or confusion. The trade connection with different

goods was another such test. It was observed that there was no reason why the test of trade connection between different goods should not apply

where the competing marks closely resembled each other in view of the similarity of the two trade marks.

In *Tata Iron & Steel Co. Ltd. v. Mahavir Steels and Ors.* 47 (1992) DLT 412 it was observed that even a literate purchaser can be taken in by the

offending trade mark and can be led to believe that he is buying the product of the Plaintiff when actually he would be purchasing the product of the

Defendants. There is also no denying that large number of people in our country are illiterate who can be the victims of imitation. Fake easily passes

as real.

To buttress his argument that the matches of the Respondent and khaini of the Appellant are of allied/cognate/same description and these goods are

sold through the common trade channel and even the consumers who use these goods are broadly the same and in such cases the test is about the

field of activity, learned Counsel relied on the decision in *M/s Daffodils Perfumes & Chemicals Indus v. M/s Daffodil Chemical (P) Ltd.* 1996 PTC

(16).DEL In this case the Court held that "" The under lying principle of the law of passing off is to protect reputation and goodwill of the Plaintiff in his

business which also amounts to property of the Plaintiff. Honest business policy is no one shall be permitted to or attempt at taking advantage of

another's goodwill and reputation. Where the Plaintiff and Defendant are trading in different articles or goods and still the Plaintiff complains of

passing off by the Defendant, what is the test to be applied? It has to be seen whether the field of activity is common. Judging by the over-riding

consideration of justice, equity and good conscience one has to seek an answer to the question whether the two sets of goods are so commonly dealt

with by the same traders and so commonly consumed by the same class of customers that a customer of the Plaintiff's article while posed with the

Defendants articles would be led away to believe that the Defendant's goods were of the Plaintiff. More cognate or allied the goods, higher the

possibility of deception or confusion and likelihood of passing off.

On the other hand, the Respondent in sub-para (g) of para 7 of FormTM-6 has averred that not only the rival marks are different from one another but

also the goods covered by the respective marks are also of different description. Similarly, in sub-para (l) of that para it is averred that the registration

of the trade mark applied for under the impugned application would not be

contrary to any of the statutory provisions quoted therein (the provisions quoted are Sections 9,11(a), 12(1) and 18 of Trade and Merchandise Marks Act. 1958).

12. In the instant case the Appellant's mark is SHAMBHU label and the Respondent's mark is composite label mark consisting of word SHABU and device of Head within a circle. In these two marks, the first three words 'SHA' are in sequence and common and the rest 'NBHU' and 'BU' are not sequentially common. While pronouncing SHAMBHU, stress is given on MBHU and thus both marks are pronounced differently and they give quite different sound to the ear. Even if slurred, the two competing marks would not sound alike. Therefore, the two competing marks are phonetically not similar or have close affinity. However, the settled principle for comparing two trade marks in determining similarity between them is not to dissect them but to compare as a whole. By applying the settled principle, both the marks are visually and structurally different. Besides, there is an additional feature of a Head within the circle in the composite label mark of the Respondent. Even by looking at the two marks, the first impression a person gets is that the two competing marks are not same but are two different marks. We have no doubt in our mind that if the composite label mark of the Respondent for matches is used in a normal and fair manner an unwary purchaser of average intelligence with imperfect recollection will not wonder if the same is coming from the Appellant. We are of the opinion that the two competing marks are not identical or deceptively similar and by the use of Respondent's mark there is no likelihood of causing deception or confusion in the mind of purchasing public. We, therefore, agree with the conclusion arrived at by the Joint Registrar of Trade Marks that objection raised under Section 11(a) cannot be sustained. There can be no dispute that the product/goods of the Respondent and Appellant are sold on the same counter under the same roof and the buying public is broadly same but we are of the view that even an illiterate or semi-literate consumer or purchaser will not be taken by the Respondent's impugned trade mark and cannot be led to believe that he is buying the product of Appellant when he is actually buying the product of the Respondent as the composition of both the products are different; the nature and description are different and they are used for different purposes. Chewing tobacco addicts purchase

Appellant's Khaini for chewing purpose and smoking addicts purchase matches for lighting cigarettes or bidis and yet others will purchase matches for

general domestic use and they know what they need and what they are purchasing and for what purpose. The packing and shape of product/goods

are different. A shopkeeper will certainly not give khaini to a purchaser of matches as the purchaser will order for SHABU brand matches and such a

purchaser will certainly not come back buying khaini pouch in place of matches. The Appellant cannot be benefited from the Judgments in G.M.

Modular Pvt. Ltd.'s case (supra) the Court found Letters 'GM' and 'TM' are similar are prone to be confused for one another and similarly in K.R.

Chinna Krishna Chettiar's case (supra) the Court found striking similarity and affinity of sound between the word 'Andal' and 'Ambal' and products

were snuff and therefore there was real danger of confusion between the two marks. Likewise in M/s. Hitach Ltd.'s case (supra), the Court observed

that there was real danger of deception and confusion being caused by the two marks in view of the similarity and affinity of sound between

'HITACH' and "'HITAISHI'. From the other cases cited above by the learned Counsel for the Appellant, they will be of no help to the Appellant as

the facts in all those other cases are also distinguishable from the facts of the case on hand.

13. We have already noted that the impugned trade mark of the Respondent and goods in respect of which registration has been sought for is different

from the trade mark of the Appellant and its goods. Therefore, Sub-section (1) of Section 12, which provides that save provided in under Sub-section

(3), no trade mark shall be registered in respect of any goods or description of goods which is identical with or deceptively similar to a trade mark

which is already registered in the name of different proprietor in respect of the same goods or description of goods, is not applicable in the case on

hand. The Joint Registrar of Trade Marks has, after specifying the conditions required to be satisfied under that Sub-section, concluded that none of

conditions is satisfied in the present case ; the two marks are neither identical nor deceptively similar visually or contextually and goods are neither

same nor of the same description. We agree with the conclusion arrived at by the Joint Registrar of Trade Marks. Since Sub-section (1) of Section 12

of the Trade and Merchandise Marks Act, 1958 is not applicable, the Respondent has not claimed the entitlement of concurrent registration of its mark

under Sub-section (3) of Section 12 of that Act.

14. We will now come to the next issue that the Joint Registrar has erred on facts as he did not appraise in right perspective the cogent/valid

documentary evidence placed on record to prove user of the mark by the Appellant since the year 1990. It is interesting to note the contents of sub-

para K of para 5 of the 'Grounds for relief with legal provisions' which reads as: ""Because the Ld. Registrar erred in attaching undue importance to

the opponents evidence and erroneously appreciating the same. It is beyond doubt that the opponents said mark had been granted registration. The

mark was admittedly the prior mark, on the Register and no cogent evidence has been placed on record to rebut it. Further the mark of the opponent

whether originating from the opponent or not their in use in the market and in the light thereof the mark applied for had likelihood to cause deception

and confusion"" (emphasise supplied). It is patently clear that the issue mentioned above and the grounds for relief extracted above are contradictory to

each other and as such not sustainable. However, the evidence (pertaining to proceedings before the Registrar) filed along with the appeal consists of

some random bills/invoices (dated 11.6.1992 to 21.6.1997), etc. of Bansi Tobacco Co. There is no whisper as to how this company was concerned

with the label mark SHAMBHU and how the bills are relevant to prove the user by the registered proprietor thereof for the time being. In Form TM-5

it is stated that Mr. Rajesh Kumar Garg, proprietor of M/s. Sukan Fragrances (the predecessor of the Appellant) had adopted the label mark

SHAMBHU on 10.7.1990 and continuously used the same up to 19.2.1998 where after the said trade mark was assigned to the opponents company

(Appellant) vide deed of assignment dated 19.2.1998 and thereafter the opponents company (Appellant) has been continuously using the said mark.

According to the material on record, Mr. Rajesh Kumar Garg-the registered proprietor-is the proprietor of Sukan Fragrances and not the proprietor of

Bansi Tobacco Co. If that be the position, the Bansi Tobacco Co. has no locus standi to use the said trade mark and as such the trade mark was not

used by the registered proprietor himself as is envisaged by Sub-section (1) of Section 18 of the Trade and Merchandise Marks Act, 1958/ Trade

Marks Act, 1999. Nothing has been stated as to what is the business connection of Mr. Rajesh Kumar Garg with Bansi Tobacco Co. There is no

evidence on record to suggest that the registered proprietor had given permission/authority to Bansi Tobacco Co. to use the mark. As has already been noted above that there is no evidence on record to prove that Mr. Rajesh Kumar Garg has assigned the mark to the Appellant and the mark as on 4.7.2009 stood in the name of Mr. Rajesh Kumar Garg. There is no legal proceeding certificate placed on record. The claimed continuous user from 10.7.1990 by the Appellant is not proved as even the first bill (of Bansi Tobacco Co.) placed on record is Bill No. 001 dated 11.6.1992 as the said bill does not support the Appellant's claim of prior adopter (since the year 1990) and user of the mark SHAMBHU. There are only two invoices dated 27.4.1999 and 28.7.1999 to show user by the Appellant itself. In the absence of any explanation, inference can reasonably be drawn that Mr. Rajesh Kumar Garg was himself not using the mark but was trafficking in the trade mark. This inference drawn by us get fortified by the underlined portion of extracted averment made in sub-para K of para 5 of the appeal. The claim of Appellant that its trade mark has been continuously and extensively used and enjoys solid and enduring reputation and the Appellant has spent substantial amount on publicity and in consequence thereof the trade mark enjoys solid and enduring reputation is not supported by any documentary evidence. In view of the above, the evidence placed on record by the Appellant is of doubtful nature and cannot be accepted as proof of Appellant's claim of prior adopter, continuous, exclusive and extensive user and that the label mark enjoys solid and enduring reputation.

15. Next we come to the ground of appeal that the trade mark applied for is not in accord with Section 18 of the Act. Though Section 18 of the Act has been mentioned in the grounds of appeal but neither reason therefore has been specified in the appeal nor any argument relating thereto put forth during the course of hearing. We have gone through the impugned order passed by the Joint Registrar of Trade Marks and find that he, after detailed discussion on the objection under Section 18(1) of the Act, has arrived at the appropriate conclusion that the Respondent has adopted the trade mark honestly and bonafidely and there is no valid ground of objection proved by the opponent/Appellant. In the absence of pleading or any argument put forth, we are not venturing to discuss the objection that the mark applied for is not in accord with Section 18 of the Act.

16. Learned Counsel for the Appellant relying on para 21 of the judgment in M/s. Hitachi Ltd.'s case (supra) attempted to submit that it is well settled

that under Section 28 of the Trade and Merchandise Marks Act, 1958 the registration of a trade mark confers on the proprietor thereof exclusive right

to use the same in relation to the goods in respect of which he has secured registration. Any body can say many things in his argument, but that would

be useless unless there is a pleading first. This plea has not been raised in the appeal, therefore, we do not accept such a plea raised at the time of

hearing the appeal, that too in the absence of the opposite party.

17. Now coming to the objections raised in the appeal on the grounds that the Registrar has exercised its discretion on irrelevant and extraneous

consideration and thus abused the discretion vested in him as he left out and failed to give effect to the relevant considerations while exercising the

same, we are of the opinion that the objection is too general in nature as no particulars of irrelevant and extraneous considerations that were taken into

account have been specified in the pleadings. It has not been shown that the Registrar has not exercised his discretion judicially or he has exercised

the discretion on unreasonable ground or exercised in a capricious or arbitrary manner. No specific instance wherein the Registrar has exercised the

discretion unjudicially has been brought to our notice, we therefore reject this objection raised by the Appellant in the appeal.

18. In view of the above, the appeal must fail. Accordingly, the appeal is dismissed. We have already, in paragraph 8 above, observed our inability to

allow the miscellaneous petition No. 126/2009, accordingly, the same stands dismissed. Since the appeal is dismissed, the miscellaneous petition No.

129/2009 does not survive. The parties are left to bear their own costs.