

INTELLECTUAL PROPERTY APPELLATE BOARD

Guna Complex Annexe-I, 2nd Floor, 443, Anna Salai, Teynampet,
Chennai-600018

OA/24-26/05/TM/CH

THURSDAY, THIS THE 28TH DAY OF JANUARY, 2010

Hon'ble Ms.S.Usha

...Vice-Chairman

Hon'ble Shri Syed Obaidur Rahaman

...Technical Member

M/s Sharabu Nath & Brothers,
47, Biplabi Ankul Chandra Street,
CALCUTTA 700 072.

...Appellant

(By Advocates S/ Shri B.Sen and T.K.Jana)

Vs.

1. The Asst.Registrar of Trade Marks,
O/O The Trade Marks Registry,
Rajaji Bhavan, D Wing, 2nd Floor,
Besant Nagar,
CHENNAI 600 090.

2. The Registrar of Trade Marks,
O/O The Trade Marks Registry,
Rajaji Bhavan, D Wing, 2nd Floor,
Besant Nagar,
CHENNAI 600 090

3. Lal Chand Jain Trading as
M/san Marketing Co.,
11-30-9, Shashiya Street,
Rajendra Complex,
VIJAYAWADA 520 001

...Respondents

(By Advocate None)

ORDER

m 30/2010

Hon'ble Ms.S.Usha, Vice- Chairman:

The instant appeals arises out of the order passed by the Assistant Registrar of Trade marks dismissing the opposition and allowing the application to proceed for registration with conditions as to area and goods.

2. The third respondent herein filed three applications for registration of the trade mark TOOFAN (label) in respect of classes 7, 9 and 11 under application Nos.657637,657636 and 657635 respectively. Under class 7 the goods were "Mixing and grinding machine for kitchen use and juice extracting machines, sewing machines and motors of all kinds included in class 7" claiming user since the year 1990. Under class 9 the goods were "Line testers, electronic regulators, electrical bulbs, buzzers, transformers, switches, cut out plugs, plugs and pins, sockets, connectors, connection and electric contact devices, electronic switch holders, starters, irons, users, cables, extension card box boxes, adopters, lighting fixtures, PVC conduit pipes, kit kat of all goods being including in class 9" claiming user since the year 1990. Under class 11 the goods were "Fillings including ballasts included in class 11" fluorescent tubes, installation of lighting, heating including electric lamps and bulbs, tube light fittings, electric holders and ceiling roses, flash lights, electric emergency lights, electric gas lighters, fans and regulators, exhaust fans, electric geysers, heaters, ovens, irons, electric indicators and light lamps, parts and fittings included in class 11" and the user claimed is since the year 1990.

3. The applications were advertised in the Trade Marks Journal No.1244 dated 01.04.2001. The appellant herein filed the notice of opposition stating the facts of the case and submitting that the grant of registration would be in contravention of the provisions of the Act.

4. The third respondent filed their counter-statement denying the allegations and averments made in the notice of opposition. The impugned order was passed on the following grounds:-

- a) The mark applied for registration had acquired distinctiveness by use and hence qualified for registration under section 9 of the Act.
- b) The goods are of different description and there is no possibility of confusion and deception and hence the objection under section 11(a) is rejected.
- c) The factual circumstances that the class and goods are totally different, the registration is not prohibited for registration of the applicant's trade mark by the opponent invoking the prohibition contained under section 12(1) of the Act.
- d) Since section 11(a) is rejected section 11(e) is also rejected.
- e) The applicants are using the trade mark from the date of application for registration, thus the applicants are the proprietors of the trade mark and hence the mark is registrable under section 18(1) of the Act.

5. The three oppositions were dismissed and the application for registration was allowed to proceed for registration subject to the condition that the goods for sale in states other than the State of West Bengal, Bihar, Orissa and Assam by filing a request on Form TM-16 along with the prescribed fee.

6. Aggrieved by the said orders, the appellant filed the appeal. The appellants are carrying on business of manufacturing and marketing of fans for past several years. The fans are distributed and sold extensively throughout the State of West Bengal, Bihar, Orissa, Assam, Andhra Pradesh and other States.

7. The trade mark 'TOOFAN' is written in a stylish manner which is being used by the appellant since the year 1987. The appellant has also applied for registration of the trade mark in respect of fan under No. 534953 in class 11 which is pending registration. The mark has been and is being used continuously used since its adoption. The sales turnover of the appellant's firm runs to several lakhs of rupees. The fans bearing the said trade mark has been extensively published and advertised through various medias. By extensive use and quality sale, the trade mark has acquired immense reputation and goodwill in the market and the public associate the said trade mark only with the appellant and none else.

8. The third respondent was appointed as the appellant's distributor for the Eastern coastal region in Andhra Pradesh till 1997. initially the goods were procured in the name of M/s Rajendra Electricals Corporation a concern owned by the third respondent. Since February, 1995, it was diverted to the third respondent. The third respondent was continuously procuring supply until September, 1997 and after September, 1997 practically stopped procuring supplies and after December, 1997 totally stopped procuring goods from the appellant. The appellants on making enquiries came to know that the third respondent was selling fans bearing the impugned trade mark 'TOOFAN' and the artistic logo. The appellant immediately filed a suit for passing off before the Hon'ble High Court of Calcutta and an order of injunction was passed on 17.09.1998.

9. Subsequently, in the year 2001, the third respondent's applications for registration were advertised in the Trade Marks Journal and the application was opposed and hence this appeal. The memorandum of grounds of appeal are:

- a) the learned registrar erred in allowing the applications for registration and dismissing the opposition;
- b) the learned registrar misdirected himself in his appraisal and appreciation of facts resulting in total miscarriage of justice;
- c) the learned registrar overlooked the provisions of the Act;
- d) the registrar failed to appreciate that the appellant is the prior and bonafide adapter and user of the trade mark;
- e) the registrar erred in not considering the fact that the third respondent is guilty of breach of fiduciary relationship that existed between it and the appellant and use by the third respondent is wrongful;
- f) the registrar failed to appreciate the fact that when the adoption itself is not honest, no amount of user can cure such adoption;
- g) the registrar failed to consider the fact that the copy of the appellant's mark along with device would result in infringement of copyright;
- h) the registrar did not enquire the basis of adoption by the third respondent;
- i) the registrar failed to appreciate that the impugned trade mark is identical with or similar to an earlier trade mark of the appellant would enable the third respondent to take unfair advantage and detrimental to the distinctive character or repute of the earlier trade mark;
- j) the registrar failed to consider the fact that use of the mark by the third respondent would amount to passing off the goods of the appellant;
- k) the registrar completely ignored the provisions of sections 9,11(a)(e) and 18(1) of the Act;

- l) the registrar erred in holding that the impugned trade mark is distinctive;
- m) the registrar erred in holding that the trade mark is not likely to create confusion and deception;
- n) the registrar erred in holding that the rival goods are different;
- o) when the exhibits produced by the appellant ex-facie prove the prior user of the mark, the registrar erred in holding that there is no pleading on record as to why the impugned trade mark is not distinctive;
- p) even though the mark was advertised before acceptance, the registrar erred in considering the evidence filed at the pre-advertisement stage which was not given to the appellant;
- q) the registrar erred in holding that the appellant cannot claim likelihood of confusion or deception by the use of the mark by the third respondent beyond the States of West Bengal, Bihar, Orissa and Assam;
- r) the registrar erred in holding that the appellant has no intention to do business in the goods of third respondent;
- s) the registrar erred in holding that the goods are different;
- t) the registrar erred in holding that the appellant did not file any documentary evidence in support of his case;
- u) the registrar erred in not providing reasons for holding the impugned mark as distinctive which is contrary to the *prima facie* finding of the Hon'ble High Court of Calcutta;
- v) the registrar wholly ignored the documents which were produced by the appellant to show use of the mark by the appellant in several states of South India;

w) the impugned order is otherwise bad in law and facts and suffers from bias and contrary to the principles of fair play ;

10. The third respondent filed their counter-statement generally denying all the averments made in the appeal. The third respondent has admitted that the appellant and the respondent had business relationship till 1997. Mr. Shanti Lal Jain and Mr. Lal chand Jain carried on the business under the name of M/s Rajendra Electrical Corporation since 28.11.1975-until 1994. After 1994 Mr.Shanti Lal Jain continued the business under the name of Sri Rajendra Electrical Corporation and Mr.Lal Chand Jain operated the business under the name M/s Aman Marketing Company. The trade mark 'TOOFAN' was adopted by the third respondent as of the year 1975. The appellant's claim of user is only from the year 1987 whereas the third respondent has been using the mark since 1975. The Assistant Registrar has passed a balanced order and the third respondent agreed to abide by that even though it curtails their territorial rights.

11. We have heard learned counsel Shri B.Sen and Shri T.K.Jana for the appellant on 21.12.2009 and none represented for the third respondent. In fact, the matter was called in the forenoon at about 11.30. and passed over for the third respondent's appearance. When the matter was called at 12.00 noon, again there was no representation. The matter was once again called at 2.00 P.M. and as there was no representation on behalf of the third respondent, the matter was heard ex-parte.

12. Learned counsel for the appellant submitted that the appellants had been carrying on business of manufacturing ceiling fans under the trade mark 'TOOFAN' since 1987 and brought to our notice the challan dated

15.08.07 in proof of the user since 1987. The third respondent had in fact admitted in their affidavit of evidence in support of application that they adopted and used the trade mark 'TOOFAN' since the year 1990 as well as in their application for registration they claimed user since 1990 and also in their counter-statement before the Registrar in the opposition proceedings. The third respondent has not produced any documents prior to 1990 or from the year 1975. It is a false statement given by the third respondent to say that they had been using the mark since 1975.

13. Learned counsel for the appellant relied on a few judgments in support of his contention. Learned counsel further submitted that relevant documents were produced and the same were not considered by the Registrar. The third respondent was the appellant's dealer and the counsel drew our attention to the Bill dated 01.08.1994 at page 281 of the typed set of appeal papers in proof the same. The order of injunction granted by the Hon'ble High Court of Calcutta restraining the third respondent from passing-off his goods bearing the trade mark 'TOOFAN' was also confirmed.

14. The fact that the third respondent came into existence only in the year 1994 and the same has been admitted by them in their counter-statement at page 1 filed before this Board. It is very clear that the claim that the third respondent is using the trade mark TOOFAN since 1990 is false.

15. The counsel, therefore, prayed that the appellant's adoption and use being prior should be protected and the application for registration be refused.

16. We have heard and considered the arguments of learned counsel for the appellant. The application for registration was allowed on the finding that the mark had acquired distinctiveness, the rival goods are of different description and the applicants by long use are the proprietors of the trade mark.

17. The main issue for consideration is whether the mark has acquired distinctiveness by use. We find contradictory statements made by the third respondent. In the impugned application for registration, the third respondent has claimed user since the year 1990, whereas in the counter-statement filed before the Board to the appeal, the third respondent has stated earlier that it was a partnership firm since 1975 and in the year 1994 the third respondent became a sole proprietary firm. In such case, we understand, if at all the third respondent started using the mark it could have been only from the year 1994 and not even 1990. On perusal of the documents, invoice filed before the registrar in the opposition proceedings, we find that the first invoice itself is of the year 1991 and not earlier to that. In fact the appellant's user is of the year 1987 prior to that of the third respondent. In such cases, the rights of the prior user is to be protected.

18. The rival marks are identical and the possibility of confusion is very much certain. Here, in the instant case, the marks are identical, the goods are of different description where the similarity is covered by the earlier trade mark, their registration of the impugned trade mark can be allowed. The third respondent has been restrained by the Hon'ble High Court of Calcutta in a passing off action and hence registration is prohibited under section 11(3) of the Act. We, therefore, think that the registration of the impugned trade mark cannot be granted as it is

contravention of the provisions of section 11 of the Act which is a relative ground for refusal of registration.

19. The impugned trade mark also does not qualify for registration under section 18 of the Act. The Registrar has observed that the applicant, i.e. the third respondent has been using the trade mark from the date of application, i.e. from 1990 as claimed in the application for registration whereas the date of application is of the year 1995. We have already observed that the third respondent though claims to have stated the date of user as 1990 in the application for registration, have started the business in the year 1994 as per their own averment in the counter-statement. When that is the case, the appellant being prior user of the year 1987, the third respondent cannot be said to be the proprietor of the trade mark and hence the appellant's objection is, therefore, upheld.

20. We would like to comment on the attitude of the learned counsel for the third respondent. The matter was heard on 21.12.2009 setting the third respondent *ex parte* and orders were reserved. On 23.12.2009, i.e. after two days of the hearing, the Registry of this Board received a fax message from the counsel for the third respondent with the following note dated 22.12.2009:-

"Undersigned (Mr.Hemant Daswani) was scheduled to come to Chennai to attend the hearing along with senior advocate Mr.Raghavelu. On way to airport suddenly undersigned started vomiting and he had to rush to the doctor for medical check-up and case of food poisoning was suspected.

In view of above undersigned could not attend hearing yesterday at Chennai and senior advocate Mr.Raghavelu also

could not attend the hearing as he did not have proper documents and instructions.

Our past precedent shows that we are very vigilant on attending hearing and this has happened due to un-avoidable circumstances. In view of the above, we should be given opportunity to present our case at a date convenient to the Tribunal."

We thought it fit to consider the request of the third respondent as it was due to ill health of the counsel, though the second part of the request namely Mr.Raghavelu also could not attend the hearing as he did not have proper documents and instructions could not considered. But till this day we have not received any communication from the counsel we think that they have considered it as a matter of right that a date will be given without adhering to the necessary procedures. In such circumstances, the orders are being pronounced.

21. Having answered all the issues in favour of the appellant, we think it a fit case to allow the appeal and set aside the order of the Registrar. Accordingly the appeals are allowed and the application Nos.657637, 657636 and 657635 are refused registration. There shall be no order as to costs.

Sd/-
(Syed Obaidur Rahaman)
Technical Member

Sd/-
(S.Usha)
Vice -Chairman

Vvrk

