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National News

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RKD News

- CONGRATULATIONS TO OUR NEWEST BATCH OF PATENT AGENTS!

Sirf Aaj Tak (Only Till Today)

The IP arena saw a victory of right over wrong, with the ones in the right getting the damages asked for. India is not known as a jurisdiction where huge damages are awarded often. However, Justice S. Murlidhar of the Delhi High Court recently delivered a decision in a trademark and copyright infringement case which will hopefully change the prevailing trends and make it worthwhile for Intellectual Property Right owners to enforce their rights through litigation. The Plaintiffs in this case, in addition to obtaining a permanent injunction against the Defendants, were awarded a sum of one million Rupees as damages as was prayed.

The Plaintiffs, Living Media Limited & TV Today Network Limited, filed the aforementioned suit against Mr. M. Hussain and others seeking permanent injunction restraining the Defendants from infringing the trademark of the Plaintiffs ('AAJ TAK') by using the trademark 'SPEED AAJTAK', infringing the copyright of the Plaintiffs in the artistic representation of the words 'AAJ TAK' and directing the transfer of the domain name/website (www. speedaajtak. com) in favour of the Plaintiffs.

The Plaintiffs are the proprietors of the well known trademark/logo 'AAJ TAK'. AAJ TAK is one of the top rated news channels of India and the Plaintiffs have been using the trademark continuously and uninterruptedly since 1995. The Court was satisfied that the Defendant's online news service under the mark 'SPEED AAJTAK' was intended to cause confusion and deception in the minds of consumers. Furthermore, not only consumers, but also sponsors of advertisements placed on the website of the Plaintiffs' website (www.aajtak.com) were at risk of falling prey to the deception of the Defendants since they would be induced into placing advertisements on the website of the Defendants as well believing that they were dealing with the Plaintiffs.

The Court determined that in addition to the relief of permanent injunction, the Plaintiffs were also entitled to a decree for punitive damages against the Defendants. The Hon'ble High Court held "In the present case it is seen that the Defendants have been blatantly infringing the registered trademark and the copyright of the Plaintiffs' mark 'AAJ TAK' and commercially exploiting the goodwill and reputation attached to such mark. The Defendants are also involved in a fraud by issuing press membership cards with the trademark and logo 'AAJ TAK' of the Plaintiffs and thereby cheating the general public and authorities into thinking that the

holder of such a pass is in fact a journalist associated with the Plaintiffs. Therefore apart from the need to stop such infringement on the ground that it causes irreparable damage to the Plaintiffs' reputation, it is also essential to do so in public interest and to deter such a brazen infringement of the Plaintiffs' trademark."

Renewal And Abandonment

The Bombay High Court recently decided a case where it put a check on the operation of the Trade Mark Registry outside the provision of law. The case was instituted by CIPLA Ltd. (the "Petitioner") against the Registrar of Trade Marks (the "Respondent"). In this case, the Petitioner filed a writ of certiorari to set aside the order of the Respondent.

The mark 'CIPLA' was registered with effect from 1945 and the registration had been renewed from time to time. The trade mark was last renewed in 1995 for a period of 7 years till 2002. Thereafter, due to inadvertence, the registration was not renewed. Sometime in the first quarter of 2012, the Petitioner came to know that its mark had been removed from the Register due to non-renewal. However, the Petitioner had not received any notice in 'Form-O-3' from the Respondent notifying it to renew its registration as is prescribed under the Trade Marks Act and Rules.

It was contended by the Petitioner that it was mandatory for the Respondent to issue the notice in 'Form-O3' prior to removing the Petitioner's trademark from the Register of Trade Marks and the Respondent's failure to do so renders the removal of the mark from the Register illegal. The Respondent submitted that a public notice had been issued by the Respondent calling upon parties who had not paid the renewal fees and who had not received the Form O-3, to pay the renewal fees and have their trade mark renewed. The Respondent stated that the trade marks of only those who did not comply with the public notice were removed. The Hon'ble Court held that such a public notice does not constitute compliance with the requirements of the Trade Marks Act and the Rules which require the Registrar to send the notice to the 'Registered Proprietor'. The removal of the trade mark from the Register for non-renewal has not been made automatic and the Registrar is bound to send the Notice in Form-O3 to the Registered Proprietor prior to such removal. Accordingly, the Respondent was directed to restore and renew the trade mark within 2 weeks of the Petitioner paying the requisite charges and complying with the formalities.

Tastii V. Tastee

The Delhi High Court recently decided an appeal against an order of a Single Judge dismissing the application for interim injunction filed by Eatman Foods India Pvt. Ltd against Savorit Ltd. Eatman Foods had claimed that their registered trademark (label) "Taste Masala" was being infringed by Savorit's use of the trademark "Tastii". By its decision in the appeal, the Delhi High Court held that the registration of a label as a trade mark does not entitle a person to the exclusive use of the word contained in the label.

In this case the Appellant had adopted the trade mark "Taste Masala" in respect of spices and had applied for and obtained registration in respect of the label in the year 2005. The Respondent was using the word TASTII in respect of savories. The Appellant claimed that the Respondent was trying to confuse the public by adopting and using a mark that has phonetical & structural similarities to the trade mark of the Appellant. The Appellant however also admitted that they had adopted their mark from the English word Tasty.

The Respondent contended that the products of the parties were different and that the marks of both parties had been derived from the common English word "Tasty". The Respondents also pointed out that the Appellant's trademark registration is only in respect of a label and thus they cannot seek infringement of the word TASTEE only.

The Single Judge before whom the suit and the applications for interim injunction were initially instituted had found that the suit was not maintainable as –

1. Product manufactured and marketed by the parties are different.
2. What has been registered by the parties is only the "label". The names "TASTEE" and "TASTII" are part of the labels.
3. The labels are not similar

Dissatisfied with the decision of the Single Judge rejecting the grant of injunction, Eatman appealed before the Division Bench of the Delhi High Court. The Division Bench of the Delhi High Court however, found that the order of the Single Judge was sound and well reasoned and did not think it prudent to interfere with the same. Accordingly, the appeal was dismissed.

G'five Vs X'five

In what one hopes is a continuing trend, the Delhi High Court recently granted a sum of half a million Rupees as damages in a suit filed by Wuxe Zhang & another against Subhash Agarwal & another for infringement of trade mark. In this case, the Defendant, SUBHASH AGARWAL, had been the distributor of the Plaintiffs' goods (mobile phones) and had been selling the Plaintiffs' goods under the Plaintiffs' trademark G'FIVE since 14th August 2009. The Plaintiffs had begun using this mark since 1st September 2008. The Defendants adopted the trademark X'FIVE which was considered to be deceptively similar to the Plaintiffs' mark and filed an application for registration of the same. This was considered as an act on the part of the Defendants to ride on the good will of the Plaintiffs by adopting a deceptively similar mark.

The Delhi High Court had initially granted an ex-parte ad interim injunction against the Defendant in this case and later granted a permanent injunction restraining the Defendant from using the trademark X' Five or any confusingly similar mark to the trademark G'Five. The Hon'ble Court also granted half a million Rupees in monetary compensation and damages in favour of the Plaintiff.

As regards the quantum of damages, the Hon'ble Court observed that the Plaintiff has sought damages in the sum of two million rupees but had led no evidence on the aspect of damages. "However, considering the fact that the Defendants have infringed the Plaintiffs' mark and have passed off their products with a deceptively similar mark with that of the Plaintiff, and have chosen not to appear after filing their written statements, the Court is inclined to award damages, as the Defendant cannot be permitted to enjoy the benefit of evasion of Court proceedings. The rationale for award of damages in such like cases is that-while Defendants who appear in court may be burdened with damages, those Defendants who chose to stay away

from the Court, should not escape such damages being awarded by the Court, as their actions have injured the Plaintiff and have subjected the Plaintiff to avoidable expenses, litigation and harassment. Every endeavour should be made, for a larger public purpose, to discourage such parties from indulging in acts of deception and infringement.”

Heads You Lose, Tails You Lose

The Intellectual Property Appellate Board on 31st July, 2013 passed an order which is the first of its kind. Both the parties succeeded and failed at the same time. Surprised? In cross petitions between HAB Pharmaceuticals & Research Limited (HAB) and VEE EXCEL DRUGS & Pharmaceuticals Pvt. Ltd (Vee Excel), the IPAB passed orders for removal of both the impugned registered marks VEGAH & VEGA ASIA from the Register of Trademarks, albeit for different reasons.

This dispute started when two apparently deceptively similar/confusing marks namely VEGAH and VEGA ASIA were granted registration in the same class i.e. class 5 for similar products. In the year 2005, HAB filed a rectification application for removal of the trademark VEGA ASIA and thereafter in the year 2009, Vee Excel filed an application to expunge the trademark VEGAH TABLETS registered in the name of HAB. The proprietors of the marks claimed bonafide adoption of their respective marks. The IPAB in relation to the mark “VEGAH TABLET” commented that its proprietor failed to produce any documentary evidence to corroborate the prior use of the said trademark since 2001 as claimed in the trademark application. The IPAB held “On perusal of the documents it is seen that the trade mark VEGA is alone used and not VEGAH, the impugned trade mark. There is no dispute as regards the date of user as of the year 2001 by HAB for the trademark VEGA. However, here, we are concerned with the trademark VEGAH TABLETS impugned herein for which there is no user proved. For this reason, we are of the view that the trademark VEGAH TABLET shall not continue on the Register.”

The IPAB in relation to the mark “VEGA ASIA” opined that it is deceptively similar to the mark VEGA that has prior adoption and use. The IPAB stated that the mark VEGA ASIA & VEGA owing to their similarity may cause confusion and deception in the minds of public and held “The trade mark VEGA ASIA as on the date of application i.e. on 08/02/2002 was proposed to be used. The drug license is dated 12/09/2002. The registered proprietor could have manufactured and sold the product only after the drug license was granted that is after 12/09/2002. Vee Excel have admitted user since the year 2002 whereas HAB has been using the mark VEGA since 2001. It’s also an admitted case of Vee Excel that both the marks are deceptively similar and is likely to cause confusion and deception. In such a case, the prior user has the better right. The mark, which is in subsequent use, shall not remain on the register.”

Prime Cable Industries V. Ravin Cables Limited

In an application for removal of three trademarks bearing registration numbers 813036, 1250483 & 1250484, Prime Cable Industries (“PCI”) succeeded in convincing the Intellectual Property Appellate Board to pass a combined order dated 7th August, 2013 for removal of three trademarks similar to that of the PCI’s trademark ‘PRIMECAB’ bearing application number 779092, which is pending registration.

PCI relied on numerous grounds for cancellation of the impugned marks, such as bonafide, continuous and extensive use of the trade mark 'PRIMECAB' since April, 1997, providing supporting documentary evidence such as registration certificate from the Central Sales Tax Department dated 30.07.1997 and ISI mark certificate from the Bureau of Indian Standards dated 30.10.2000. PCI also contended that all the three impugned applications by Ravin Cables Limited (RCL) were in bad faith and hence are mala fide. It was also pointed out by PCI that the first application of RCL claimed user from January, 1997 while the subsequent applications filed in 2003 have claimed an ante-dated user from December 1995 displaying that the alleged user is false and concocted.

Another suspicion raising point was that the Registrar had without registering PCI's application for the same mark for identical goods, which was filed, much earlier to RCL's application, granted registration to RCL's mark, making the impugned registration against the principles of the natural justice, equity and good conscience. PCI's contention was that the whole act is unjust and mala fide and to undo the same, the impugned marks ought to be removed from the Register.

RCL in response denied that the grant of the impugned registration is contrary to the provisions of the Act. RCL's main contention was that the impugned mark got registration after RCL filed the evidence of use, by way of an affidavit before the Registrar at the pre-advertisement stage. RCL also contended that PCI has not made out a prima-facie case for removal of the impugned registration and that the onus of proof is on PCI for rectification, i.e., to prove that the mark was wrongly registered or is wrongly remaining on the register.

The IPAB, after finding merit in the arguments of PCI, held that PCI has a prior application that is now under opposition by RCL. The IPAB, criticizing the working of the Trademark Registry, further observed "We are truly astonished how the registry 'manages' to keep a prior application of the same mark for the same goods pending, while entertaining, processing advertising in the TM Journal and finally registering the impugned registration when the application under no. 779092 filed on 20th November, 1997 is under opposition by the respondent. Until the fate of that application is finally determined, it is unethical and illegal to register subsequent applications of identical marks for identical goods. The registry should not indulge in horse trading with the winner past the post taking the jackpot.

We do not wish to go into the merits of the rectification petition. In our view, the law should be applied without fear or favour. The conduct of the registry in the instant case exhibits perceived lawlessness and whimsical functioning. We have also come across cases where prior applications are wrongly abandoned to favour subsequent applications. The impugned mark cannot remain on the register even for a single minute."

It is abundantly clear from the recent decisions of IPAB that the proprietors of a trademark must be aware of the laws governing the trademark and the laid-back attitude of the officials of the Trade Mark Registry shall not be tolerated. The laws must be applied to in essence and at every opportunity that is before, during and after grant of trademark registration.

Coral Mechanical Seal Case

The High Court of Delhi in its order dated 26th July, 2013 has relied on the fact that a trademark infringement is not limited to the mark itself but also concerns itself with the similarity in the packaging of the impugned products. This principle was upheld in the order of ex-parte ad interim injunction passed on 1st June 2012, granted against the Defendant- Mr. Sunil Sagar. The facts of the case are set out briefly below:

The Plaintiff, Coral Seal & Ceramics ("CSC") is engaged in the business of manufacturing and trading of automobile parts and mechanical seals under the trademark Coral Mechanical Seal. CSC, to protect its IP, had applied for registration of the mark with the Registrar of Trademarks and this was objected to by Mr Sunil Sagar. CSC had been using the mark in question since 2005 continuously, regularly, extensively and uninterruptedly and had spent large amounts of money on sales promotion and advertisement through various forms of media. CSC stated that the purchasers of 'Coral Mechanical Seal' are generally semi-literate persons or traders dealing with automobile parts and mechanical seals who recognize the goods with its distinctive mark, shape design, getup and layout of the product.

The High Court considered the case and gave its prima facie view on the following issues:

1. Whether the Plaintiff is the owner and proprietor of the trademark 'Coral Mechanical Seal'?

Looking at the prima facie case, it can be concluded that the Plaintiff is indeed the first owner of the mark.

2. Whether the Defendant is passing off its goods as those of the Plaintiff?

Yes, as the products of the Defendant and the Plaintiff have similar looking packages for the same product.

3. Whether the Defendant's packaging is identical to the Plaintiff's packaging, thereby amounting to infringement of the Plaintiff's copyright?

Yes, there being a high degree of deceptive resemblance between the products and their mark, device label, brand name, design, shape, scheme, layout, get-up and arrangement of features, any purchaser of ordinary prudence is bound to get confused as to the source of origin of the goods.

4. Whether the Defendant is the prior user of the impugned trademark 'Coral Mechanical Seal'?

The invoice produced by the Defendant dated November 2005 was not considered, the purchasing party being a firm incorporated in 2009.

The Hon'ble Court upheld the ad interim injunction passed by the Court on 1st June, 2012 granting immediate relief to the suffering party being the Plaintiff.

Congratulations to Our Newest Batch of Patent Agents!

RKD is proud to announce that 10 of its employees who sat for the Indian Patent Agent Exam in May, 2013 have cleared the same and shall be registered patent agents. There were 2908 candidates who had applied to sit for the exam. However, only 1829 candidates actually appeared for the same out of which only 457 candidates passed the exam. That means only 25% passed the patent agent exam, RKD candidates contributing 2% to that figure.