



* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

% ***Judgment Reserved on: 25th May, 2023***
Judgment Delivered on: 20th September, 2023

+ C.O. (COMM.IPD-TM) 35/2022

MARIE STOPE INTERNATIONAL Petitioner
 Through: Mr.Hemant Singh, Ms.Mamta Rani
 Jha, Ms.Soumya Khandelwal and
 Ms.Pragya Jain, Advocates.
 versus

PARIVAR SEVA SANTHA AND ANR Respondents
 Through: Mr.Mayank Kumar, Mr.Neel Mason,
 Mr.Ankit Rastogi, Mr.Ashish Mohan,
 Ms.Chamanpreet Kaur and
 Ms.SagrikaTanwar, Advocates for
 R-1.

+ C.O. (COMM.IPD-TM) 349/2022

MARIE STOPE INTERNATIONAL Petitioner
 Through: Mr.Hemant Singh, Ms.Mamta Rani
 Jha, Ms.Soumya Khandelwal and
 Ms.Pragya Jain, Advocates.
 versus

PARIVAR SEVA SANSTHA & ANR Respondents
 Through: Mr.Mayank Kumar, Mr.Neel Mason,
 Mr.Ankit Rastogi, Mr. Ashish Mohan,
 Ms.Chamanpreet Kaur and
 Ms.SagrikaTanwar, Advocates for
 R-1.

+ C.O. (COMM.IPD-TM) 724/2022

MARIE STOPE INTERNATIONAL Petitioner

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Through: Mr.Hemant Singh, Ms.Mamta Rani Jha, Ms.Soumya Khandelwal and Ms.Pragya Jain, Advocates.

versus

PARIVAR SEVA SANSTHA AND ANR Respondents

Through: Mr.Mayank Kumar, Mr.Neel Mason, Mr.Ankit Rastogi, Mr.Ashish Mohan, Ms.Chamanpreet Kaur and Ms.Sagrika Tanwar, Advocates for R-1.

CORAM:
HON'BLE MR. JUSTICE AMIT BANSAL

JUDGMENT

1. By way of this common judgment I shall decide the rectification petitions captioned above.
2. C.O.(COMM.IPD-TM) 35/2022 has been filed under Sections 57 and 125 of the Trade Marks Act, 1999 (hereinafter referred to as 'the Act')



seeking cancellation/removal of the trademark registered in class 10, bearing registration no.483376B dated 28th December, 1987 in the name of 'Parivar Seva Sanstha and Marie Stopes' from the Register of Trade Marks.

3. C.O.(COMM.IPD-TM) 349/2022 has been filed under Sections 57 and 125 of the Act seeking cancellation/removal of the trademark

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registered in class 16, bearing registration no. 483375 dated 28th December, 1987 in the name of 'Parivar Seva Sanstha and Marie Stopes' from the Register of Trade Marks.

4. C.O.(COMM.IPD-TM) 724/2022 has been filed under Sections 57 and 125 of the Act seeking cancellation/removal of the trademark



registered in class 9, bearing registration no. 483378 dated 28th December, 1987 in the name of 'Parivar Seva Sanstha and Marie Stopes' from the Register of Trade Marks.

BRIEF FACTS

5. Brief facts leading to filing of the present petitions are as under:

5.1. The petitioner, Marie Stopes International (hereinafter referred to as 'MSI') is a company registered under the laws of United Kingdom and constitutes a part of legacy of Ms. Marie Stopes, who was a doctor and a pioneer in the field of population control and reproductive health related services in the UK.

5.2. MSI has been using the trademark 'MARIE STOPES' and a logo comprising device of a door (hereinafter 'the door device') since its inception in 1976 in UK (hereinafter collectively referred to as 'Marie Stopes trademarks').

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5.3. MSI is the registered proprietor of the trademarks,



(‘Marie Stopes International’),



(‘MARIE STOPES INTERNATIONAL’



along with ‘the door device’) under Class 10 and (‘the door device’) under Class 16 since 27th December, 2002 in India.

5.4. MSI licensed the use of Marie Stopes trademarks to PSS vide Agreement dated 2nd March, 1978 (hereinafter referred to as ‘1978 Agreement’).

5.5. In March 2003, it came to MSI’s notice that the respondent no.1, Parivar Seva Sanstha (hereinafter referred to as ‘PSS’) had applied for registration of the impugned trademarks in its own name with the Registrar of Trade Marks.

5.6. MSI terminated the 1978 Agreement vide a letter dated 13th March, 2003, and called upon PSS to desist from using the aforesaid trademarks.

5.7. Since, PSS continued using the aforesaid trademarks, the present rectification petitions were filed.

PROCEEDINGS IN THE PETITIONS

6. The present petitions were originally filed before the erstwhile Intellectual Property Appellate Board (IPAB) in 2008. However, due to the enactment of the Tribunals Reforms Act, 2021, the petitions were transferred

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to this Court in 2022. Subsequently, they were directed to be listed with CS(COMM) 479/2018, which was filed by PSS against MSI alleging passing off and CS(COMM) 298/2018 filed by MSI seeking permanent injunction on the ground of infringement and passing off.

7. Since all three petitions raise similar issues, they are being decided by way of a common judgment.

SUBMISSIONS ON BEHALF OF MSI

8. Submissions on behalf of MSI are as under :

8.1. MSI is the prior user of the trademark 'Marie Stopes International' and 'the door device' since 1976.

8.2. The impugned trademark registrations were in respect of trademarks that were the subject matter of the 1978 Agreement and PSS was only a permitted user and hence, the impugned trademarks could not have been registered by PSS in its own name.

8.3. In any event, after the termination of the 1978 Agreement by MSI *vide* termination letter dated 13th March, 2003, the aforesaid registrations are liable to be cancelled under Section 11(3)(a) of the Trade Marks Act as the use of the impugned trademarks by PSS is an act of misrepresentation and misappropriation of goodwill and reputation that vests in the MSI's trademark amounting to passing off PSS's goods and services as that of the MSI.

8.4. The registrations have been granted on account of misrepresentation and concealment of facts by PSS. The use of the impugned trademarks by PSS is *malafide* and dishonest and therefore, the registrations are liable to be

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cancelled in terms of Section 11 (10) of the Act.

8.5. The impugned trademarks are similar/identical to MSI's trademarks i.e., 'Marie Stopes International' and 'the door device', which are distinctive of the services and business of the petitioner worldwide and therefore, are likely to cause confusion and deception amongst the public. Hence, the registration of the impugned trademarks are in violation of Sections 9(2)(a) of the Act and may be rectified.

8.6. The impugned trademarks are in the name of a non-existing entity and do not confer any right in favour of PSS and the aforesaid registrations are liable to be cancelled under Section 57 of the Act.

SUBMISSIONS ON BEHALF OF PSS

9. Submissions on behalf of PSS are as under :

9.1. The present petitions are barred under the provision of Section 124 of the Act as the present petitions have been filed by MSI without seeking leave of this Court in the aforesaid civil suits. Since no issue in the connected suits was framed with regard to invalidity of PSS's trademarks, the rectification petitions are not maintainable.

9.2. MSI is not the prior user or the proprietor of the Marie Stopes trademarks.

9.3. PSS disputes the existence of the alleged 1978 Agreement and hence, MSI has no *locus standi* to institute the present rectification petitions and the same may be dismissed.

9.4. The petitions are barred by reasons of acquiescence, delay and laches. MSI has acquiesced to the use of the impugned trademarks by PSS by being

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aware of such use and registration for more than three decades. In any event, PSS has continued to use the impugned trademarks for more than five years since the termination of the alleged 1978 Agreement by MSI on 13th March, 2003 and therefore, the petitions are liable to be dismissed under Sections 33 of the Act.

10. I have heard the counsel for the parties and perused the records of the petitions.

ANALYSIS

11. At the outset, it is relevant to mention here that two connected suits, being CS(COMM) 479/2018 and CS(COMM) 278/2018 were heard together with the present rectification petitions and vide judgment of even date, the suit filed on behalf of the respondent no.1, PSS has been dismissed and the suit filed on behalf of the petitioner, MSI has been decreed for the relief of permanent injunction on the ground of passing off.

12. It is vehemently contended on behalf of the PSS that the present rectification petitions are not maintainable because no application under Section 124 of the Trade Marks Act, 1999 was filed and no issues were framed in respect thereof in the connected suits, being CS(COMM) 479/2018 and CS(COMM) 298/2018.

13. *Per Contra*, MSI contends that to the extent the suits have been filed on the basis of passing off, provisions of Section 124 of the Act will not be attracted.

14. For ease of reference, Section 124 of the Act is reproduced below:

“124. Stay of proceedings where the validity of registration of the trade mark is questioned, etc.—(1) Where in any suit for infringement of a trade mark—

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(a) the defendant pleads that registration of the plaintiff's trade mark is invalid; or

(b) the defendant raises a defence under clause (e) of sub-section (2) of section 30 and the plaintiff pleads the invalidity of registration of the defendant's trade mark, the court trying the suit (hereinafter referred to as the court), shall,—

(i) if any proceedings for rectification of the register in relation to the plaintiff's or defendant's trade mark are pending before the Registrar or the Appellate Board, stay the suit pending the final disposal of such proceedings;

(ii) if no such proceedings are pending and the court is satisfied that the plea regarding the invalidity of the registration of the plaintiff's or defendant's trade mark is prima facie tenable, raise an issue regarding the same and adjourn the case for a period of three months from the date of the framing of the issue in order to enable the party concerned to apply to the Appellate Board for rectification of the register.”

15. A perusal of the aforesaid provision would show that Section 124 of the Act would only apply where a suit has been filed for infringement. CS (COMM) 298/2018 was filed on behalf of MSI for both infringement as well as passing off. While deciding issue no.4 in the aforesaid suit, I have already held that no infringement action can lie against PSS in terms of Section 28(3) of the Act. However, in so far as the relief of passing off is concerned, the aforesaid suit has been decreed in favour of MSI. Furthermore, PSS has neither pleaded that the registration granted to MSI's trademarks are invalid, nor raised any defence under Section 30(2)(e) of the Act.

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16. The suit filed on behalf of the PSS, CS(COMM) 479/2018 is premised only on passing off. PSS has not pleaded any infringement of trademarks nor claimed any relief in respect thereof. Clearly, Section 124 of the Act would have no application in so far as a suit for passing off is concerned.

17. In any event, in terms of Rule 26 of the Delhi High Court Intellectual Properties Rights Division Rules, 2021, the rectification proceedings are to be consolidated with civil suits and decided together. Rule 26 of Delhi High Court Intellectual Properties Rights Division Rule, 2021 is set out below:

“26. Consolidation of matters or cases or proceedings or disputes Where there are multiple proceedings relating to the same or related IPR, irrespective of whether the said proceedings are between the same parties or not, the IPD shall have the power and the discretion, wherever appropriate, to direct consolidation of proceedings, hearings, and also to direct consolidated recording of evidence/common trial and consolidated adjudication. If the Court is of the opinion that any matter pending before a Commercial Court is to be consolidated with a matter pending before the IPD it may exercise powers of transfer under Section 24, Code of Civil Procedure, 1908 for transfer and consolidation of such matter to itself.”

18. In light of the discussion above, I do not find merit in the ground raised by PSS under Section 124 of the Act.

19. Next, PSS disputes the existence of the 1978 Agreement.

20. In the judgment passed in the civil suits, I have held that the 1978 Agreement was duly executed between MSI and the then promoters of PSS and the same was binding on PSS. In this regard the relevant findings from the judgment are set out below:

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“39. The combined evidence of Dr. Tim Black and Mr. V. K. Govil, the pleadings in the suit as well as the response dated 10th April, 2003 to the legal notice 13th March, 2003 leaves no doubt in my mind that the 1978 Agreement was duly executed between MSI and the then promoters of PSS.

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63. In view of the discussion above, I have no hesitation in holding that the Agreement dated 2nd March, 1978 was duly executed between MSI and the promoters of PSS, the same was acted upon and was binding on PSS.”

21. At this stage, reference may be made to the relevant clauses from the 1978 Agreement, which are extracted below:

*“1. Pursuant to the said Agreement and in consideration of the Promoters forming the said New Society in the Union Territory of Delhi in India for carrying out and executing said objects and purposes subject to the provisions of Clause 2 below, **PSI hereby grant permission and licence for the use of the said Marks as are specified in the Schedule given hereunder by the said New society in the name of the New Society and/or in relation to the clinics run and maintained by the said New Society.***

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3. The Promoters and/or the said New Society subject to the provisions of Clause 2 above shall not pay any money for the licence hereby granted by PSI during the continuance of this Agreement and thereafter the following terms shall be applicable.

a) If the said New society shall do or cause to be done directly or indirectly whether as principal or agent any acts deeds or things and/or to omit to do anything which may injure

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*or imperil or be against the interest of PSI and/or the said Marks, of which events PSI shall be sole judge and the decision of PSI in this behalf to be final and binding on the liberty to terminate and cancel this Agreement forthwith by writing a letter to the said New Society. **On termination of this Agreement the said New Society shall absolutely stop using the said Marks and also take immediately effective steps to change its name and to remove the name 'Marie Stopes' from the name of the said New Society.***

b) If the said New Society shall fail and/or neglect to carry out the directions in sub Clause (a) above, PSI shall be at liberty to specifically enforce its rights under this Agreement through court of law.

c) Notwithstanding anything herein before contained it shall be lawful for PSI to terminate this Agreement without assigning any reason therefore by giving 3 months notice in writing and immediately on receipt of the notice the said New Society shall take effective steps for deletion of the word 'Marie Stopes' from the name of the said New Society. After the expiry of the notice period the said New Society shall not use in any manner whatsoever the word 'Marie Stopes' and/or the said Marks and shall not represent or indicate in any way connection with PSI."

22. In terms of the aforesaid Agreement, PSS was licensed to use the Marie Stopes trademarks. Therefore, there was no independent right in favour of PSS to use the said trademarks. PSS was permitted to use the Marie Stopes trademarks only in terms of the 1978 Agreement between the parties.

23. In the judgment passed in the aforesaid civil suits, this Court has already held that MSI is the prior user and proprietor of the Marie Stopes

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trademarks. The relevant findings from the judgment have been extracted below:

“ 80. Therefore, in my opinion, MSI has placed sufficient material on record to establish its prior use and goodwill and reputation of the Marie Stopes trade marks in UK.

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84. In my considered view, all the aforesaid factors relied by PSS would not change the fundamental premise that all the registrations obtained by PSS of the Marie Stopes trademarks and copyrights as well as all the aforesaid actions were on account of PSS being a licensee of MSI in terms of the 1978 Agreement. PSS and MSI never dealt with each other on a principal-to-principal basis. Therefore, the entire usage, goodwill and reputation arising out of the said use of the aforesaid marks by PSS in India would enure to the proprietor of the marks, i.e., MSI and not PSS.”

24. PSS continued to use the Marie Stopes trademarks in terms of the 1978 Agreement between the parties. Once the permissive user was terminated by MSI *vide* termination notice dated 13th March, PSS had no right to use the Marie Stopes trademarks and such use would amount to passing off. The relevant finding from the judgment passed in the suits has been reproduced below:

“96. It is to be noted that both MSI and PSS both are using the word mark ‘Marie Stopes’. PSS uses the mark ‘Marie Stopes’, whereas MSI uses the mark ‘Marie Stopes International’. Both, MSI and PSS are also using ‘the door device’. An added factor for confusion would be the inherent nature of the services. Both MSI and PSS are NGOs, which are engaged in the activities relating to reproductive health services. The continuing use of Marie Stopes trademarks by PSS after the termination of the 1978 Agreement would amount to misrepresentation about the continuing association/collaboration between PSS and MSI

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with an intent to ride on the goodwill and reputation of the marks of MSI, which would amount to passing off. It would also be detrimental to public interest as the public at large are likely to associate PSS's activities with those of MSI. Applying the principles of passing off as set out in the aforesaid precedent to the facts of the present case coupled with the observations made above, MSI has established a case of passing off as the user by the PSS after termination of the 1978 Agreement amounts to passing off and therefore, MSI is entitled to a decree for permanent injunction against PSS."

25. At this juncture, a reference may be made to Section 11(3)(a) of the Act, which is set out below:

"11. Relative grounds for refusal of registration.

....

(3) A trade mark shall not be registered if, or to the extent that, its use in India is liable to be prevented—

(a) by virtue of any law in particular the law of passing off protecting an unregistered trade mark used in the course of trade; or"

26. In view of the aforesaid, the grant of registration of the impugned trademarks is in violation of the principles of Section 11(3)(a) of the Act and hence, is liable to be cancelled in terms of Section 57 of the Act.

27. Registration of the Marie Stopes trademarks in the name of 'PSS and Marie Stopes', by PSS under classes 16, 10 and 9 have been obtained by misrepresentation and suppression of material facts regarding the license issued to PSS as per the 1978 Agreement. Further, no authorisation was sought from MSI, who was the sole and exclusive proprietor of the aforesaid trademarks. In the absence of the aforesaid Agreement, there is nothing to show as to how the impugned trademarks have been adopted by PSS. The

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aforesaid act of PSS shows that the registrations of the impugned trademarks were obtained in a *malafide* manner. A person cannot take advantage of his own wrong. Therefore, the registrations have been granted on account of misrepresentation and concealment of facts by PSS and the grant of registration of the impugned trademarks is against the principles of Section 11(10) of the Act.

28. The next issue which is to be addressed is whether there is any acquiescence on the part of MSI, which disentitles it to challenge the validity of the impugned trademarks registered in favour of PSS.

29. It is contended on behalf of PSS that MSI has acquiesced to the use of the impugned trademarks by PSS by being aware of such use and registration for more than three decades. In any event, PSS has continued to use the impugned trademarks for more than five years since the termination of the alleged 1978 Agreement by MSI on 13th March, 2003 and therefore, the petitions are liable to be dismissed under Section 33 of the Act.

30. I have already observed above that the use of Marie Stopes trademarks by PSS was on account of being a permitted user under the 1978 Agreement. Therefore, there is no question of any acquiescence by MSI.

31. Now, a reference may be made to the provision of Section 33 of the Act, which is reproduced below:

“33. Effect of acquiescence.—(1) Where the proprietor of an earlier trade mark has acquiesced for a continuous period of five years in the use of a registered trade mark, being aware of that use, he shall no longer be entitled on the basis of that earlier trade mark—

(a) to apply for a declaration that the registration of the later trade mark is invalid, or

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(b) to oppose the use of the later trade mark in relation to the goods or services in relation to which it has been so used, unless the registration of the later trade mark was not applied in good faith.

(2) Where sub-section (1) applies, the proprietor of the later trade mark is not entitled to oppose the use of the earlier trade mark, or as the case may be, the exploitation of the earlier right, notwithstanding that the earlier trade mark may no longer be invoked against his later trade mark.”

32. Section 33(1) of the Act provides that acquiescence with regard to use of a registered trademark must be for a continuous period of five years. However, an exception is provided in the event the trademark registration has not been applied in good faith.

33. I have already held above that the registration were obtained by PSS on account of misrepresentation and concealment of the 1978 Agreement and hence, not in good faith. Therefore, in view of the exception provided in Section 33(1) of the Act, even if PSS used the Marie Stopes trademarks for a continuous period of five years after termination of the 1978 Agreement, the defence of acquiescence under the provision of Section 33 of the Act would not be available to PSS.

34. All the impugned trademark registrations are in the name of ‘PARIVAR SEVA SANSTHA AND MARIE STOPES’. However, there is no such society registered in this name with the Registrar of Society. This fact has been admitted by Ms. Sudha Tewari, PW-1 in her cross-examination. The relevant extract has been reproduced below:

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“Q51. I put it to you that there is no Society registered in India in the name of “Parivar Seva Sanstha and Marie Stopes” under the Societies Registration Act?”

Ans. There is no Society in the name of “Parivar Seva Sanstha and Marie Stopes”. This error has crept into by the Trademark Authorities but our address details etc. have been given in the name of only Parivar Seva Sanstha.”

35. In view of the above, it is clear that the aforesaid registrations of the impugned trademarks are in the name of a non-existing entity and are wrongly remaining on the Register. Therefore, the aforesaid registrations are liable to be cancelled under Section 57 of the Trade Marks Act.

36. In view of the discussion above, it is clear that the impugned trademarks have been adopted by PSS dishonestly to trade upon the established goodwill and reputation of MSI and to project itself to be associated with MSI. The nature of the impugned trademarks is such that it will deceive the public and create confusion with regard to the source of the goods and services provided under the impugned trademarks.

37. Accordingly, the present petitions are allowed and the impugned trademarks registered under trademark application (i) no.483376B in class 10, (ii) no.483375 in class 16 and (iii) no.483378 in class 9 in the name of ‘PARIVAR SEVA SANSTHA AND MARIE STOPES’ are ordered to be removed from the Register of Trade Marks.

38. The Registry is directed to supply a copy of the present judgment to the Trademark Registry, at e-mail - llc-ipo@gov.in for compliance.

AMIT BANSAL, J.

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