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CMA(TM) No.8 of 2023

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 04.04.2024

CORAM :

THE HONOURABLE DR.JUSTICE ANITA SUMANTH

CMA(TM) No.8 of 2023

Jai Rajendra Impex Private Limited
Plot #60, CIE, Gandhinagar,
IDA, Hyderabad, Telangana – 500 037
Represented by its Managing Director,
Dilip Kumar Jain
Constituted Attorney / Authorized Signatory .. Appellant

VS

Deputy Registrar of Trade Marks
Trade Marks Registry,
Intellectual Property Building,
GST Road, Guindy,
Chennai – 600 032 .. Respondent

Prayer : Civil Miscellaneous Appeal filed under Section 91 of Trade Marks Act, 1991 to (i) set aside the impugned order dated June 22,2023, (ii) Direct the Trade Mark Registry to process the registration application under number 5214416 and advertise the trade mark in the Trade Marks Journal and (iii) pass any other order as this Hon'ble Court may deem fit and proper.

For Appellant : Mr.Hemant Daswani

For Respondents : Mr.A.R.Sakthivel
Senior Panel Counsel



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JUDGMENT

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The appellant is a private limited company under the name and style of '*Jai Rajendera Impex Private Limited*'.

2. The challenge in this appeal is to an order of rejection of its application for trade mark. The appellant had submitted an application on 18.11.2021 seeking registration under the Trade Marks Act, 1999 (in short 'Act') of the mark 'BONUS' for products under Class 7 being '*Electric Liquidizers, Food Mixers, Food Processors, Electric Juicers, Electric Mixers and Electric Grinders for house hold use*' claiming prior use from 2013.

3. This very appellant had sought and had been granted registration for the same mark 'BONUS' with respect to goods in Class 9 being '*Fuse Choke, choke pattis, line testers, electronic regulators, electrical accessories and installations, electric fittings for fluorescent lamps, electric bells, buzzers, transformers, switches cut-out plugs and pins, socket connections, electrical contact devices, electric switch adopters, lightings fixtures, holders starters, wires cables, extension cord boxes, electrical adopters, PVC conduit pipes for electrical use*'.

The user detail as set out under certificate placed at page 35 of the typed-



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set reveals that the mark has been in use from 01.10.1992, though with respect to Class 9 of goods.

4. In the subject application, the appellant had indicated date of use with effect from 22.06.2013. In support of use from the year 2013, the appellant has produced before the authority, invoices of various dates commencing from 22.06.2013 onwards till date of filing of application.

5. An Examination Report was issued on 03.01.2022 conveying the objection of the authority under Section 11(1) of the Act to the effect that the proposed mark was phonetically identical to an existing mark. Though under that examination report, no specifics have been cited in respect of the conflicting, pre-existing marks, in the personal hearing conducted post notice dated 07.12.2022, the appellant was informed that the conflicting mark was 'BONUSS'.

6. In the reply to the examination report, the appellant put forth the plea of 'honest and concurrent use' under Section 12 of the Act. Upon a consideration of the objection as well as response thereto, the respondent passed the impugned order confirming the proposal to reject the application on the ground of pre-existing user with conflicting user 'BONUSS MIXER' dealing with goods in the same class as dealt with by



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the appellant. The details of the conflicting user are as follows:-

APPL NO	CLASS	CONFLICTING MARK	JOURNAL NO	PROPRIETOR NAME	PROPRIETOR ADDRESS	STATUS	TM IMAGE
GOODS SERVICES							
1333532	7	BONUSS MIXER	1332	LADURAM : M.MULEVA	J/8 D.S.ROAD GANDHI NAGAR, OPP. MARUTI SERVICE CENTRE, WORLI, MUMBAI - 400 018	Registered	
APPLICATION DATE 20/01/2005 14:54:00							

7. There is no dispute on the position that the marks 'BONUS' and 'BONUSS' are phonetically identical and would lead to confusion as envisaged under Section 11(1) of the Act. However, Mr.Hemant Daswani, appearing for the appellant would point out that the appellant is entitled to protection under Section 12 insofar as it has been in business since 2013 and is an honest and concurrent user of the mark.

8. He relies on the judgment of the Hon'ble Supreme Court in the case of *London Rubber Co. Ltd v Durex Products Incorporated and another*¹, particularly paragraphs 10 and 12 thereof.

¹ AIR 1963 SC 1882



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9. Per contra, Mr.A.R.Sakthivel, who appears for the respondent would object to reliance on Section 12 on the ground that the conduct of the appellant is, according to him, neither honest nor amounting to concurrent use of the mark.

10. As regards the aspect of honesty, learned counsel would point out that it was incumbent upon the appellant to have embarked on a search of conflicting marks prior to filing the application. Had such a search be made in terms of the applicable Rules, the fact that there was a conflicting mark would have come to the notice of the appellant, thus obviating the necessity for conflict. In the present case, it is an admitted position that no such search was conducted.

11. On the second limb of Section 12 relating to concurrent use, he points out that the mark 'BONUSS' had been in use since 2005 onwards for goods in the same class. Thus, the mark had established a name and reputation for a period of eight years when the appellant entered the market in 2013. The question of concurrent use therefore, according to him, does not arise.



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12. For its part, Respondent relies on the decisions in (i) *Dr.Reddys Laboratories Ltd v Reddy Pharmaceuticals Limited*² and (ii) *Kores (India) Limited v M/s. Khoday Eshwarsa & Son and another*³.

13. I have heard both learned counsel and perused the material records carefully.

14. The thrust of the argument revolves around the veracity or otherwise of the claim u/s 12 of the Act. It is well settled that a mark which comes within the scope of section 12(3) is not disentitled to protection in a Court by reason of its being similar to another trade mark, whether registered or unregistered.

15. It is also well settled that section 12(3) of the Act permits the registration of identical or similar trade marks in respect of same or same description of goods and it is an exception to the general prohibition of registration of similar marks contained in sections 11(a) and 12(1). The decision in the case of *London Rubber Co. Ltd.*⁴ is an authority for the said proposition.

16. The sequence of dates and events in this matter assume importance for the reason that the appellant has filed not just the present

² CDJ 2004 DHC 816

³ 1984 SCC OnLine Bom 65

⁴ Foot Note (*supra* 1)



application but has approached the respondent authority on earlier occasions, seeking grant of the same mark as is the subject matter of this litigation.

17. The first such instance was on 19.11.2001. That application has been filed by a Director in the Appellant Company. Registration of the mark 'BONUS' was sought claiming prior use from 01.04.1999 in respect of goods in Class 11 being *'fittings including ballasts, fluorescent tubes, installation of lighting, heating including electric lams and bulbs, tube light fittings, electric holders and ceiling roses, flash lights, electric emergency light, electric gas lighters, fans of all types, exhaust fans, irons, electric geysers, heaters, ovens, electric indicators and light lamps, parts and fittings all being goods included in class 11'*.

18. The second instance is by way of application dated 20.04.2021 for goods in Class 9 claiming use from 01.10.1992. That application has been filed by the present appellant. It is only in the third instance, seeking registration for the goods in Class 7, that an objection has been raised by the authority.

19. Evidently, there is a pattern to the applications filed by the



appellant. It is entirely conceivable that an entity may seek to use a single mark in respect of a group of enterprises run under one management. In this case, the word 'BONUS' is on being used by the appellant in regard to its different business. I find the *modus operandi* acceptable, as one followed normally in trade and commerce.

20. I now advert to the application of Section 12 to this matter. Section 11 of the Act sets out the relative grounds for refusal of registration and states that *'Save as provided under Section 12, a trade mark shall not be registered if (a) its identity with an earlier trade mark and similarity of goods or services covered by the trade mark; or (b) its similarity to an earlier trade mark and the identity of similarity of the goods or services covered by the trade mark, would result in a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark'*.

21. Section 12 provides that in instances of honest and concurrent use and/or in other special circumstances which, in the opinion of the Registrar, are relevant, more than one proprietor may be permitted to use a trade mark despite such mark being identical or similar in respect of the same or similar goods or services, subject to relevant



considerations. Thus, an exception attracting the benefit of Section 12, has been carved out from the rigour of Section 11.

22. In my view, the bonafides/honesty of the appellant in adopting the subject mark is not open to question as it has been conceived of, and, in fact, put into use by the appellant even as early as on 01.10.1992 though in respect of a different class of goods. As held by the Bombay High Court in the case of *Kores (India) Limited*⁵, *'the honesty of a user is commercial honesty and the circumstances which led to the adoption of the trade mark in the first instance are of considerable importance to consider whether the use of the mark is honest or otherwise. If the user from its inception was tainted then it would be difficult to purify it subsequently'*.

23. The practice of a group of entities under one umbrella using a single mark/trade name is not unknown to trade. As the group expands from a single line to business to multiple lines of businesses, the company may prefer to use the same brand/tradename/trademark to indicate commonality in management as well as establish its diversity.

24. No material has brought on record by the respondent to

⁵ Foot Note (*supra* 3)



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indicate lack of bonafides in such use. The question of embarking upon a prior search is not really material in this case as the use of the mark BONUS by the appellant in its business in fact, predates the use of the mark rival BONUSS.

25. As far as the requirement of 'concurrent use', the specific argument is that the appellant is a later entrant to the market and thus there is no 'concurrence' qua period of usage. This argument does not merit consideration as, in my view the term 'concurrent' implies usage over some period of overlap and not necessarily that the two marks ought to have entered the market simultaneously.

26. I hasten to add that the above observation is in the context of the present facts and circumstances where the appellant has entered the market in October 1992 though in respect of goods in a different class. The conflicting mark is in use for goods in class 7 since 2005 and the entry of the Appellant into this sphere of business is in 2013, eight years later. In my view, this fact would not stand militate against the claim of concurrent use since both parties have been in concurrent use of the same mark between 2013 till date, the appellant having admittedly been in use of the mark BONUS even prior thereto.



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27. For the aforesaid reasons, CMA(TM) No. 8 of 2023 is allowed the claim of honest and concurrent use is accepted and the impugned order is set aside. No costs.

04.04.2024

Index:Yes

Neutral Citation:Yes

ssm

To

The Deputy Registrar of Trade Marks
Trade Marks Registry,
Intellectual Property Building,
GST Road, Guindy,
Chennai – 600 032



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DR. ANITA SUMANTH,J.

ssm

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