

IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated: 11.12.2017

CORAM

THE HONOURABLE DR. JUSTICE ANITA SUMANTH

C.S.No.50 of 2017

and O.A.Nos.71 to 73 of 2017

Texmo Industries,
rep. by its Constituted Attorney
M.Palaniappan

... Plaintiff

Versus

1. Taxmo Aqua Engineering India Private Limited,
Near Tube Bell,
Bhairoganj, Bhagat Singh Ward,
Seoni 480 661
Madhya Pradesh

2. Mukesh Kushwaha,
Near Tube Bell,
Bhairoganj, Bhagat Singh Ward,
Seoni 480 661
Madhya Pradesh

3. Savitri Kushwaha,
Near Tube Bell,
Bhairoganj, Bhagat Singh Ward,
Seoni 480 661
Madhya Pradesh

4. Mukesh Kushwaha
trading as Maa Jagdamba Electric and Pump House,
G.N. Road, Opposite Tilak School,
Bhargava Complex,
Chindwara Chowk, Seoni, 480 661
Madhya Pradesh

5. Mukesh Kushwala
trading as Mahendra Agro Sales House,
G.N. Road, Opposite Tilak School,
Bhargava Complex,
Chindwara Chowk, Seoni, 480 661
Madhya Pradesh

... Respondents

Plaint filed under Order VII Rule 1 CPC read with Order IV Rule 1 of the Original Side Rules of the Madras High Court, and Sections 11, 27, 29, 134, 135 of the Trade Marks Act, 1999 and under Section 55 and 62 Copyright Act, 1957 for permanent injunction restraining the defendants, their partners, their employees, officers, servants, agents and all others acting for and on their behalf from making, selling, distributing, advertising, exporting, offering for sale, and in any other manner, directly or indirectly, dealing in any product or services in the name of Taxmo Aqua Engineering India any other similar mark amounting to an infringement of the plaintiff's registered trademarks Nos.315049 and 315050, both in Class 07; a permanent injunction restraining the defendants, their partners, their officers, employees, servants and agents, from manufacturing, selling, offering for sale, advertising and directly or indirectly dealing in any product or service under the trade mark Taxmo Aqua Engineering India Private Limited, Taxmo, TaxmoAqua, Texmopump or any other similar marks amounting to passing off of the products and services of the defendants as and for that of the Plaintiff's mark TEXMO; a permanent injunction restraining the defendants, their partners, their employees, officers, servants, agents and all others acting for and on their behalf from making, selling, distributing, advertising, exporting, offering for sale, and in any other manner, directly or indirectly, dealing in any product or services using Taxmo, Taxmo Awua Taxmo or any other similar mark amounting to an infringement of the Plaintiff's copyright in Texmo and TEXMO; to declare the Plaintiff's trademark TEXMO as a

well-known Trade Mark; to grant order of delivery up of any brochures/printed material and/or any material which infringes Plaintiffs' copyright and registered trademarks TEXMO; to direct the defendants for rendition of accounts in respect of their alleged activities especially sale and promotion of products bearing the mark TAXMO and TEXMOPUMPS for their goods and business and costs.

For Plaintiff :Mr.M.S.Bharath

Mr.K.Premchandar

For Respondents: Mr.JP.Karunakaran

J U D G E M E N T

This suit is filed by Texmo Industries (in short, 'Texmo') seeking ad interim reliefs and directions against the respondents as well as a declaration that the plaintiff's trademark is a well-known mark. The parties were referred to mediation before the Tamil Nadu Mediation and Conciliation Centre and have arrived at a settlement of all issues inter se, reduced to writing vide settlement agreement dated 26.4.2017. What remains to be decided is the declaration sought of the mark 'TEXMO' as a well-known mark in terms of section 2(1)(zg) of the Trade Marks Act 1999 (in short, 'Act').

2. The plaintiff carries on the business of manufacturing, marketing and sale of motors, pumps, electrical and electronic goods.

3. Mr.M.S.Bharath, learned counsel appearing for the plaintiff makes detailed submissions relating to the sweep of the plaintiffs' business and the extent of coverage that the products carrying the

TEXMO brand have in India. There is no opposition expressed by Mr.JP.Karunakaran, learned counsel appearing for the respondents to the declaration sought by the plaintiff as a well-known mark.

4. The concept of a well known mark was mooted first in the '*Paris Convention for the Protection of Industrial Property*' that is over a century old. Article 6bis deals with the protection to be accorded to a well-known mark and reads thus:

Article 6bis

Marks: Well-Known Marks

(1) *The countries of the Union undertake, ex officio if their legislation so permits, or at the request of an interested party, to refuse or to cancel the registration, and to prohibit the use, of a trademark which constitutes a reproduction, an imitation, or a translation, liable to create confusion, of a mark considered by the competent authority of the country of registration or use to be well known in that country as being already the mark of a person entitled to the benefits of this Convention and used for identical or similar goods. These provisions shall also apply when the essential part of the mark constitutes a reproduction of any such well-known mark or an imitation liable to create confusion therewith.*

(2) *A period of at least five years from the date of registration shall be allowed for requesting the cancellation of such a mark. The countries of the Union may provide for a period within which the prohibition of use must be requested.*

(3) *No time limit shall be fixed for requesting the cancellation or the prohibition of the use of marks registered or used in bad faith.*

5. What was originally known as the 'Famous' mark came to be codified in the Paris Convention, using interestingly the French phrase 'Notoirement connue' – literally meaning 'notoriously known mark', translated using a more acceptable English phrase to 'well-known' mark.

India became a signatory to the Paris Convention on 07.12.1998.

Internationally, the provision found place in two more Conventions, the 1995 TRIPS Agreement, that extended the recognition to services as well, and the Joint Recommendation concerning '*Provisions on the Protection of well known marks*' adopted by the World Intellectual Property Organisation (WIPO) in September 1999. India incorporated the provisions relating to a well-known mark in the Trade Marks Act of 1999. By virtue of such recognition, the mark enjoys protection from dilution or infringement by similar marks even if used in relation to dissimilar products and services and even if the marks are unregistered.

6. The provisions of Section 2(1)(zg) of the Act read thus:

(zg) "well-known trade mark" in relation to any goods or service, means a mark which has become so to the substantial segment of the public which uses such goods or receives such services that the use of such mark in relation to other goods or services would be likely to be taken as indicating a connection in the course of trade or rendering of services between those goods or services and a person using the mark in relation to the first mentioned goods or services.

7. 11(6) and (7) of the Act set out various parameters that are to be taken into consideration by the Registrar of Trade Marks in declaring a trademark as a well-known mark. The relevant provisions are extracted hereunder:

'11. Relative grounds for refusal of registration.—

.....

(6) The Registrar shall, while determining whether a trade mark is a well-known trade mark, take into account any fact which he considers relevant for determining a trade mark as a well-known trade mark including—

(i) the knowledge or recognition of that trade mark in the relevant section of the public including knowledge in India obtained as a result of promotion of the trade mark;

(ii) the duration, extent and geographical area of any use of that trade mark;

(iii) the duration, extent and geographical area of any promotion of the trade mark, including advertising or publicity and presentation, at fairs or exhibition of the goods or services to which the trade mark applies;

(iv) the duration and geographical area of any registration of or any application for registration of that trade mark under this Act to the extent they reflect the use or recognition of the trade mark;

(v) the record of successful enforcement of the rights in that trade mark; in particular, the extent to which the trade mark has been recognised as a well-known trade mark by any court or Registrar under that record.

(7) The Registrar shall, while determining as to whether a trade mark is known or recognised in a relevant section of the public for the purposes of sub-section (6), take into account—

(i) the number of actual or potential consumers of the goods or services;

(ii) the number of persons involved in the channels of distribution of the goods or services;

(iii) the business circles dealing with the goods or services, to which that trade mark applies.'

8. The parameters set out above are to be examined and applied in the context of the present mark. The parameters revolve around the recognition of the trademark in the relevant section of the public, promotional activities and efforts undertaken to popularise the mark, the actual or potential consumers of goods or services carrying the mark, the network of distribution channels and the number of businesses dealing

with such goods and services, in short, the reach and exposure that the mark has among the relevant section of the public.

9. At the outset it is relevant to note that the claim of the Plaintiff as a well-known mark is not disputed or contested by the respondents. That apart, a perusal of the plaint and accompanying documents serve to establish that the company has a dealers network pan India comprising 1088 exclusive dealers providing sales and services in respect of the goods and services carrying the ' TEXMO ' mark. The presence of the brand and its footprint in the relevant section of the public thus stands established. The duration and extent of use of the mark is established by the fact that the mark has been in use since 1956 and invoices have been placed on record to evidence sale of the TEXMO products since then, that is, for over 60 years.

10. There is wide publicity enjoyed by the brand throughout the Country and the sales turnover and expenditure incurred on sales promotion as of the year 2012 is of an amount of Rs.594 crores and Rs.33 Crores respectively. The plaintiff holds 12 trademark registrations.

11. Section 11(6)(v) requires the entity seeking declaration to record the successful enforcement rights with respect to the subject trademark and the plaintiff herein has filed ten suits between 2016 and 2017 obtaining orders of injunction against third parties for misuse of the mark 'Texmo'.

12. The Delhi High Court in the case of *Tata Sons Ltd. V. Manoj Dodia and Ors.* 2011 ((46) PTC 244 (Del)), has considered the above parameters in the context of the mark 'TATA' and upon satisfaction of compliance thereof, grants the declaration as sought. The following tests have been culled by the Bench from the relevant statutory provisions:

'....In determining whether a trademark is a well known mark or not, the Court needs to consider a number of factors including (i) the extent of knowledge of the mark to, and its recognition by the relevant public; (ii) the duration of the use of the mark; (iii) the extent of the products and services in relation to which the mark is being used; (iv) the method, frequency, extent and duration of advertising and promotion of the mark; (v) the geographical extent of the trading area in which the mark is used; (vi) the state of registration of the mark; (vii) the volume of business of the goods or services sold under that mark; (viii) the nature and extent of the use of same or similar mark have been successfully enforced, particularly before the Courts of law and trademark registry and (x) actual or potential number of persons consuming goods or availing services being sold under that brand...'

13. The decision has been applied by a co-ordinate Bench of the Delhi High Court in the case of *World Wrestling Entertainment Inc vs Reshma Collection and Ors* ((2017) PTC 550).

14. In view of the discussion above and in the light of the factual particulars filed, I am of the view that the plaintiff satisfies the requirements and tests of a well-known mark and is entitled to be categorised as such in terms of Section 2(1)(zg) of the Act and declare it so.

15. The Suit is decreed in terms of the mediation agreement dated 26.04.2017, which is made a part and parcel of this order as well as this order declaring the plaintiff's trade mark as a well-known mark.

Consequently, connected applications are closed. Parties are left to bear their own costs.

11.12.2017

msr/sl

Index:Yes/No

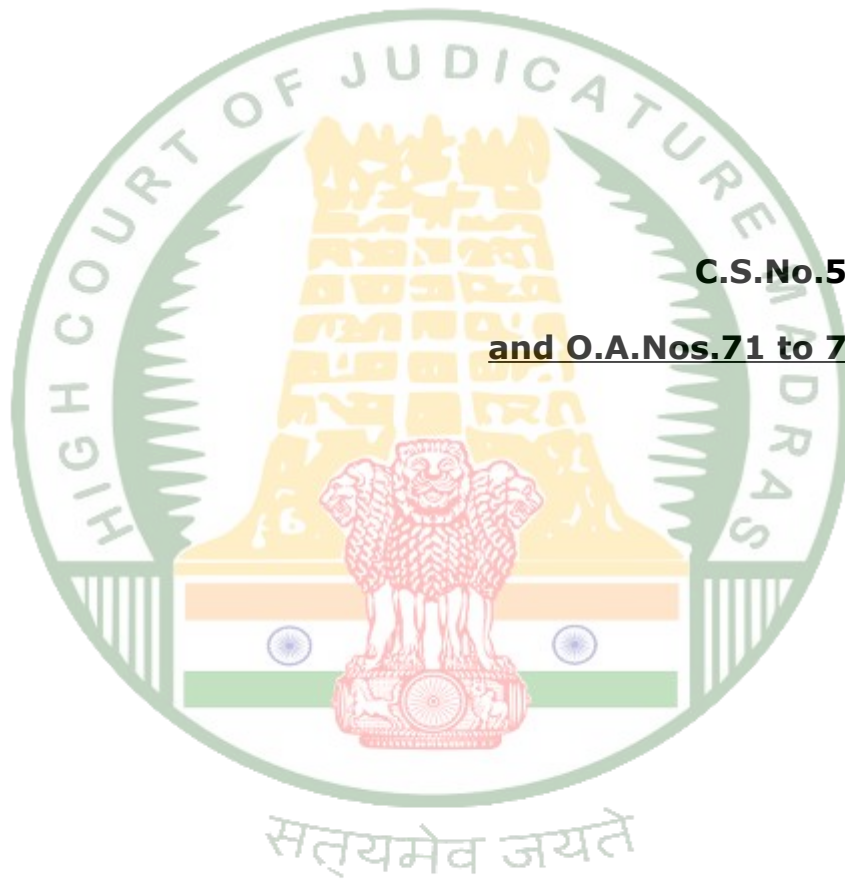
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Dr.ANITA SUMANTH, J.

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