

IN THE HIGH COURT OF JUDICATURE AT MADRAS

RESERVED ON : 06.04.2017

PRONOUNCED ON : 19.06.2017

CORAM

THE HONOURABLE MR. JUSTICE T.RAVINDRAN

C.S.No.487 Of 2012

A.S.Hameed Proprietor ... Plaintiff

Vs.

P.Maheswaran
Proprietor ... Defendant

For Plaintiff : Mr.S.Silambanan
Senior Counsel
for M/s.Profex Associats

For Defendant : Mr.N.P.Vijayakumar
for M/s.Iyer & Thomas

JUDGMENT

Suit for permanent injunction, direction and rendition
of accounts.

2. The averments contained in the plaint are briefly
stated as follows:

The plaintiff is engaged in the business of
manufacturing and trading of Beedies and tobacco and
carrying on the business for the past 37 years and the
plaintiff has established itself and its identity in the

Beedi market and during the course of its business in order to distinguish its goods from others in the same trade the plaintiff adopted the trademark of No.10 A.S.PHOTO BEEDIES and over the years, by its sheer high quality and reliability and goodwill earned by the plaintiff in the course of its business, the plaintiff has grown into one of the leading manufacturers and marketers in Beedies. The trademark of the plaintiff is basically a logo/label with distinguishing features and the trademark in the bundle wrapper label consists of the words and numbers written on top of the label in large bold capital letters and below these letters is a photo of a small boy upto chest with shirt and tie and below the photo, the name of A.S.Hameed, who is the proprietor is written in bold letters within lines in blue background. Below the name is the name of the concern No.10 A.S.Photo Beedi Company, Coimbatore, is written in red capital letters. On either side of the proprietor's name his signature is printed in black and green ink and on both sides of the photo of the boy, there is a border line in red colour with distinct marking and on either side of the red line, stalk of leafs in green colour is printed. In the centre over the leaves number 10 is depicted in white colour over the blue background within a

design. Above the same, the letters Trademark with registration number 1458480 is found. The above said details are made within a design with the bright yellow base colour which is found within a square with blue base colour. Above the name of the concern written on all four sides, top in Tamil, bottom in English, and on the left side is in Hindi and on the right side in Malayalam. The four corners have a circle with white and yellow background in the centre of the four circles the No.10 is written in white colour on the dark blue background within a design. The border for the entire label is in light green and yellow colours. On the two sides of the bundle is the letters ASP written on both sides of No.10 within a design and many colours. In No.10 red stripes are made in the lower portion of the number and on the left side of the bundle, the name is written in Malayalam and Tamil with No.10 within a border in green and yellow colour and in the centre, the base colour is yellow and outside the design and within the border consisting of three colours there are red small lines surrounding the name. On the back side of the wrapper bundle is a similar label showing about 10 Beedies within a circle with blue colour. This 'as a whole' is the trademark of the plaintiff. In the wrapper bundle,

there are many packets/kattu of beedies and the small packets called kattus of beedies also has the same label patterns except with slight changes as detailed.

3. The plaintiffs have honestly adopted the mark and have put in enormous amount of hard work and labour and invested huge sums of money for advertisement and sales promotional expenses. Because of the efforts made by the plaintiffs, the trade and the public, associate the mark with the plaintiffs and none else. The plaintiff has also registered the beedi kattu and bundle wrappers under the Copy Right Act bearing No.A17430/77. The thread used in beedi by the plaintiff is rose in colour and the defendant also uses rose colour. In retail sales, the consumers are misled and it affects the plaintiffs' sales and market. The plaintiff in view of protecting its intellectual property, particularly with respect to its trade mark applied for the registration of this label as their trademark and therefore, made an application on 01.06.2006 in Class 34. Registrar of trademarks accepted the the application and the same was advertised in trademarks Journal dated 16.04.2008 and after the statutory period, the Registry granted the registration for the mark No.10 A.S.Photo Beedi label. The trademark Number is 1458480 -

class 34 and the same was registered on 1.06.2006 and the registration is valid upto 01.06.2016. The certificate number is 752895 and it was issued on 13.09.2008. The plaintiff has become exclusive registered owner of this mark and no one else apart from the plaintiff has the right to use this mark, If anyone uses this mark or similar trade mark without the prior permission of the plaintiff, then the same will amount to passing off and infringement. Due to the efforts of the plaintiff, its turn over in the market has been growing at a impressive rate and the plaintiff has also incurred expenses in advertising its products. The plaintiff's popularity and demand had been steadily increasing since the inception of its business in the year 1975. The trademark is associated with none other than the plaintiff. While so the plaintiff came across the defendant goods namely Top 10 A.S.M. PHOTO BEEDIES available in the market in a deceptively similar manner having same colour scheme, get up, identical trademark words and letters and the same is a blatant infringement of the plaintiff's registered trademark. The two are visually and phonetically similar and it is a conscious copy. Hence, the adoption of the impugned mark is dishonest and solely on the object of exploiting the commercial goodwill

attached to the plaintiff's registered trade mark. The copy of the original is so deceptively similar that not only a layman but anyone would be easily misled into buying the deceptive product instead of the plaintiff's product. Thus, the defendant is consciously infringing registered trade mark. The defendant's product is inferior in quality and substandard and if one was not careful enough to note the physical features of the wrapper on the plaintiff's goods will undoubtedly mistake the defendant's wrapper for the plaintiff if shown to him some time after the consumer had seen the plaintiff's. The defendant is using the deceptively similar trade mark of the plaintiff to market its goods in the market. Thus, the defendant is guilty of infringement of the plaintiff's registered trademark. The defendant's acts are dishonest and motivated and the defendant should not be allowed to malign and dilute the goodwill and reputation enjoyed by the plaintiff. The defendant being well aware of the goodwill and reputation of the plaintiff's trademark sold its product through the same trade channels and hence, the conduct of the defendant amounts to falsification of the trademark an offence punishable under the Trademark Act and hence, the plaintiff has been necessitated to lay the suit

for appropriate reliefs.

4. The averments contained in the written statement filed by the defendant are briefly stated as follows:

The suit is not maintainable either in law or on facts. The suit is not maintainable before this Court. The proper Court under the Trademark Act, 1999 is the Court of Principal District Judge, Coimbatore as both plaintiff and the defendant are residing and carrying on business in Coimbatore. Registration of Trademarks by the Trademarks Registry at Chennai cannot bring the cause of action within the jurisdiction of this Court. There is only Trademark Registry in Chennai having jurisdiction over the four southern States and the Union Territory of Pondicherry. The alleged cause of action arose in Coimbatore. The defendant's parents had been running a petty shop by name "Sri Raja Store" from 1988 until 1998 in Coimbatore and thereafter, the defendant took over the shop and selling all brands of beedies and cigarettes and beedies. He bonafidely adopted the trademark Top 10 A.S.M.Photo Beedies, which is not similar to the trademark of the plaintiff for his business and the defendant had taken all necessary steps to distinguish the packaging get up and the colour scheme of the said beedies from the

plaintiff' beedies by also including the defendant's name under the photo of the boy on the wrapper in order to prevent deception and confusion amongst the public. It is false to state that the defendant purposely tried to infringe or pass off the plaintiff's goods such as his goods.

5. The prominent part of the trademark of the defendant is the face of the boy and name of the person which is conspicuously depicted in the middle of the label and the same is different and the colour scheme is also different and also the name of the defendant P.Maheswaran was written in the bottom of the face of the boy. It is sufficient to distinguish the goods of the Defendant from that of the plaintiff. It is not unusual or uncommon to use the number 10 or any other number with beedies. The defendant's mark is capable of distinguishing its goods from the plaintiff. By no stretch of imagination the mark of the plaintiff and that of the Defendant can be considered as similar. The defendant denies all the averments contained in the plaint and put the plaintiff to strict proof of the same. This Court has no jurisdiction to try the case and hence, the suit is liable to be dismissed. The plaintiff is not entitle to seek and obtain the reliefs sought for in the

plaint.

6. On the basis of the above pleadings, the following issues are framed for determination:-

1. Whether the defendant goods (Beedies) are deceptively similar like the plaintiff goods (Beedies) having same colour scheme, get up, identical Trade Mark words and letters?

2. Whether the products of Plaintiff and Defendant are visually and phonetically similar?

3. Whether the purchasers can be misled into buying the deceptive product instead of the plaintiff's product?

4. Whether the Defendant's product is a blatant imitation of the plaintiff's label?

5. Whether the conduct of the defendant amounts to falsification of Trade Mark and offence punishable under Trade Mark Act, 1999?

6. Whether the plaintiff is entitled for permanent injunction?

7. Whether the defendant is liable to surrender all the packing materials, cartons, advertisement materials and items of the defendant?

8. Whether the defendant has rendered an accounts of profit for use of impugned Trade Mark?

9. Whether the Trade Mark of the plaintiff and defendant are totally different from one another?

10. Whether the defendant goods are sold only in Karnataka?

11. Whether the plaintiff is entitled for damages as prayed for?

12. To what relief does the plaintiff is entitled for?

7. In support of the plaintiff's case, PW1 has been examined and Exs.P1 to 5 have been marked. On the side of the defendants, no oral and documentary evidence have been adduced.

8. Issue Nos. 1 to 4 and 9

The suit laid by the plaintiff is one for infringement and passing off in respect of its trademark No.10, A.S.Photo Beedies. In short, according to the plaintiff, he has been engaged in the manufacturing and trading of beedies, by adopting the above said trademark and accordingly, registered the trademark on 01.06.2006 and thereby, earned the goodwill and business in the manufacture and trading of beedies under the above said mark. While so, the defendant had also been found to be using the above mentioned trademark of the plaintiff in a deceptive similar manner, having same colour, scheme, get up, identity and letters and thus, according to the plaintiff, inasmuch as the defendant has committed infringement of his trademark and thereby, invaded his business illegally, he has been necessitated to lay the suit for appropriate reliefs.

9. Per contra, it is the case of the defendant that he had been carrying on business in the manufacture and trading of beedies under the trademark Top 10, A.S.M.Photo Beedies, which is not similar to the trademark of the plaintiff and the packaging, get up, colour and scheme of trademark of the defendant is completely alien to the

plaintiff's trademark and in such view of the matter, according to the defendant, the public would not be deceived and confused by the defendant using his trademark and further, the face of the boy in the trademark of the defendant and that of the plaintiff are completely different and the name of the defendant is also written at the bottom and the same, by itself, is sufficient to distinguish the defendant's goods from that of the plaintiff's goods and therefore, according to the defendant, there is no infringement or passing off of the goods of the plaintiff by the defendant in any manner, as projected in the plaint and hence, the plaintiff is not entitled to seek the reliefs sought for. Further, according to the defendant, this Court has no jurisdiction to entertain the suit and the plaintiff, if at all, is entitled to lay the suit in respect of the trademark, he has to institute the same only in the Principal District Court, Coimbatore and not at Chennai.

10. The evidence adduced in the matter is perused and the photo copy of the label of the plaintiff is marked as Ex.P4 and the photo copy of the label of the defendant is marked as Ex.P5. A perusal and comparison of Exs.P4 & 5 would go to show that the trademark of the plaintiff and

the defendant is not similar and uniform, so as to deceive the common man. As rightly put forth by the defendant, it is noted that the trademark of the plaintiff is No.10, A.S.Photo Beedies, whereas, the trademark of the defendant is Top 10 A.S.M.Photo Beedies. The name, by itself, are distinct and separate. Further, it is also found that the face of the boy as seen from the label of trademark of the plaintiff and the label of trademark of the defendant is completely different and the same, by itself, as rightly argued by the defendant, is found to be distinct and cognizant by any common public and in such view of the matter, when prominent features, i.e. face of the boy found in the above said two trademarks being completely alien to each other, the case of the plaintiff that the trademark of the plaintiff and the defendant are similar, as such, cannot be accepted. Further, it is found that under the face of the boy, in the label of the plaintiff, it is mentioned as A.S.Hameed and below the same, the address is mentioned, whereas, in the label of the defendant, it is mentioned as P.Maheshwaran and below the same, the address of the defendant is given. Further, at the top and bottom, the trademark of the defendant is given in the label of the defendant, whereas, the trademark of the plaintiff given in

the label of the plaintiff, which as found earlier, are found to be not similar and same. That apart, the colour and scheme of the photo label of the plaintiff and the defendant also are not found to be same.

11. In the light of the above position, the prominent aspects found in the above said two labels of the plaintiff and the defendant's trademark being completely different and containing striking features against each other in all material aspects, particularly, the face of the boy, the name of the parties given below thereto, the address of the parties given below thereto and in particular, the trademark being different, it is found that the common public would not be deceived by trademark employed by the parties concerned and in such view of the matter, I am unable to place acceptance to the case of the plaintiff that the trademark of the plaintiff and the trademark of the defendant are similar and the same would easily be deceptive if allowed to be continued and thereby, the business of the plaintiff would be affected.

12. The main crux of the plaintiff's case is that the defendant, by using his trademark, has affected the plaintiff's business and therefore, according to the plaintiff, he has come forward with the suit for

appropriate reliefs.

13. At the foremost, the plaintiff has to establish that he has been doing business in beedies in the trademark given by him in the plaint. But, with reference to the same, there is no document whatsoever on the side of the plaintiff. The Manager of the plaintiff, who was examined by the plaintiff as PW1, has admitted that he has not furnished any document to show that sales had been effected by the plaintiff and suggestion had been put to him that no sale has been effected by the plaintiff in the trademark No.10 A.S.Photo beedis. Despite the above suggestion, no endeavour has been made on the part of the plaintiff to establish *prima facie* that he has been engaged in business of beedies in his trademark as claimed in the plaint. PW1 has further admitted that he has not furnished the data pertaining to sales, turnover and balance sheet before the Court and not furnished any document pertaining to the advertisement expenditure before the Court. Further, it is also admitted that the plaintiff is not selling the above trademark products in Chennai. When, according to the plaintiff's case, the defendant, by using his trademark, has infringed the plaintiff's trademark and thereby, the plaintiff's business had been affected and when the same is

disputed by the defendant, the foremost duty on the part of the plaintiff is to establish that he is engaged in the business of beedies using his trademark as such. When the proof with reference to the said business is not forthcoming, despite the defence set up by the defendant merely, on the mere production of Ex.P4 label of the plaintiff, it cannot be construed straightaway particularly, in a civil suit, that the plaintiff is engaged in the business of beedis using the trademark No.10.A.S.Photo Beedies.

14. Therefore, the case of the plaintiff that the defendant had affected his business by using the so called deceptive and the same trademark as that of his in the business of beedies, as such, cannot be accepted, when in particular, the plaintiff has admitted that there is no document to show that he is selling his products using his trademark in Chennai and admittedly, he is not selling the products using the trademark in Chennai.

15. At this juncture, it is argued by the plaintiff's counsel that the defendant has not adduced any oral and documentary evidence in support of his defence and such being the position, according to him, the plaintiff's case should be accepted based upon the evidence adduced by PW1

and the documents marked as Exs.P1 to 5.

16. Per contra, it is argued by the defendant's counsel that the plaintiff having come forward with the suit seeking specific reliefs and when the case of the plaintiff has been stoutly denied by the defendant, it is for the plaintiff to establish its claim and the plaintiff cannot be allowed to pick holes or point out the lacuna in the defendant's case and thereby try to seek the reliefs sought for, without any material. The contention of the defendant's counsel seems to be acceptable.

17. In the light of the above discussions, when it is found that the plaintiff has not established that the trademark of the plaintiff and the defendant are similar and there are distinguishing features between the same as pointed out above and further, when the plaintiff has also not established that it is carrying on business using the trade mark as claimed in the plaint and also not established that the defendant by using its trademark had affected its business, as rightly argued by the defendant's counsel, the plaintiff cannot take advantage of the absence of the oral and documentary evidence on the part of the defendant and thereby seek and obtain the reliefs sought for without prima facie establishing its case with

acceptable proof and evidence. Therefore, the plaintiff cannot be granted the reliefs sought for, sans any material or evidence in support of its claim.

18. As seen above, when the plaintiff's trademark and the defendant's trademark are found to be not similar, both colourwise, picturewise and in respect of other features, as adverted to above and when it is also noted that no common man would be deceived by the above said two trademarks as being one and the same, even if they are to be in a miniature form, particularly, when the face of the boy in the trademark of the two parties are found to be entirely distinct and different and coupled with the other features found in the trademark of the two parties, it is seen that the case of the plaintiff that the defendant has infringed his trademark as such, cannot be accepted in any manner. The plaintiff, in support of his case, relied upon the decision reported in **2005 (4) ALT 760 (Pandugula Vali Basha Vs. N.Mohammed Haris and another)**. The principles of law adumbrated in the above said decision are taken into consideration and followed as applicable to the facts and circumstances' of the case at hand.

19. In view of the above discussion, I hold that the defendant's goods are not deceptively similar like the

plaintiff's goods having same colour, scheme, get up, identical trademark words and letters. I further hold that the products of the plaintiff and the defendant are not visually and phonetically similar. I further hold that the purchasers cannot be misled into buying the defendant's products as that of the plaintiff's products as put forth by the plaintiff. I further hold that the plaintiff has failed to prove that the defendant's product is a blatant imitation of his label. Consequently, I hold that the trademark of the plaintiff and the trademark of the defendant are totally different from one other. Accordingly, Issues 1 to 4 and 9 are answered against the plaintiff.

20. **Issue No.5 to 8 and 11**

In the light of the answers given to issues 1 to 4 and 9, I hold that the conduct of the defendant does not amount to falsification of the trademark and an offence punishable under the Trade Marks Act, 1999. Consequently, I hold that the plaintiff is not entitled to the reliefs of permanent injunction, direction and rendition of accounts and damages as claimed in the plaint and accordingly, Issues 5 to 8 and 11 are answered against the plaintiff.

21. **Issue No.10**

The defendant has not taken a plea that the goods are sold in Karnataka. However, considering the pleadings put forth, the above issue has not been properly framed and hence, the above issue is not answered.

22. **Issue No.12.**

Issues 1 to 9 and 11 are answered against the plaintiff. It is therefore evident that the plaintiff is not entitled to obtain the reliefs sought for.

23. Further, it is also noted that the defendant has taken up a plea that the suit laid by the plaintiff in this Court is not maintainable. According to the defendant, even assuming for the sake of argument that the plaintiff is entitled to maintain the suit as regards the infringement of his trademark, the plaintiff would be entitled to lay the suit only in the Principal District Court, Coimbatore as per the Trade Marks Act, 1999 and the registration of trademark of the plaintiff at Chennai would not give a cause of action to the plaintiff to lay the suit at Chennai and hence, according to the defendant, this Court has no jurisdiction to entertain the suit. In this connection, the defendant's counsel straightaway relied upon the decision of a Full Bench of Madras High Court,

reported in 2014 (6) CTC 577 (Duro Flex Pvt. Limited, represented by its Managing Director, Mr. George L Mathew, PB 3808, Chung Om, Alleppey - 688 011, Kerala, having office/Depot at 235-A, Anna Salai, Teynampet, Chennai Vs. Duroflex Sitting System, 150, MG Road, Radiant House near Pulgate Police Chowky, Pune - 411 011. Sadar Bazaar, Delhi and another.

24. A perusal of the above said decision would go to show that situs of the registration of trademark at Chennai, by itself, would not be sufficient to give rise to a cause of action to institute the suit in the Madras High Court, though it may be a factor to be taken into account among the bundle of facts, for purposes of determining situs of the cause of action. So viewed, it can be seen that the plaintiff has not placed any material to show that he has any cause of action to institute the suit at Chennai.

25. As seen above, it has been admitted by PW1 that the plaintiff is not selling the products in his trademark at Chennai. It is also found that both the plaintiff and the defendant are engaged in their business at Coimbatore. Further, it is also found that the plaintiff has not placed any material to show that he had been doing the beedi

business using his trademark as such. Therefore, when as per the Trade Marks Act, 1999, it is only the Principal District Court, Coimbatore which would be having the jurisdiction to entertain the suit if at all the plaintiff has the case of infringement of his trademark, in such view of the matter, following the decision of the Full Bench above referred to, it is seen that the registration of the plaintiff's trademark at Chennai, by itself, would not give rise to a cause of action to the plaintiff to institute the suit in this Court. I therefore, hold that the present suit laid by the plaintiff in the High Court, Madras, is not maintainable.

26. In the light of the above position, I hold that the plaintiff is not entitled to obtain the reliefs sought for and resultantly, the suit is dismissed with costs.

sd/.T.R.N.J

19.06.2017

//Certified to be a true copy//

Dated this the day of 2017

R.s/22.11.217

COURT OFFICER

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