

IN THE HIGH COURT OF JUDICATURE AT MADRAS

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23~10~2019	07~11~2019

CORAM:
THE HONOURABLE MR.JUSTICE **N. SATHISH KUMAR**

A.No.4141 of 2019
in C.S.No.180 of 2019

Rajdeep Energies Pvt.Ltd.,
5/135, Ground Floor, St.Marys Street,
Santhoshnagar, Palavakkam
Chennai 600041.

represented by its Director.

.. Applicants/Defendants

.Vs.

Res Q Technologies Pvt Ltd.,
#48, Vijaya Nagar, II Street,
Sri Devi Garden,
Valasaravakkam, Chennai 600087.

Represented by its Director Mr.Magesh

.. Respondent/Plaintiff

Application has been filed to vacate the order of ex-parte interim
injunction dated 08.03.2019 granted in O.A.No.226 of 2019 in
C.S.No.180 of 2019.

For Applicant : M/s.Thenkodi Annam Nelson
Ms. V. Jayavigneshwari

For Respondent : M/s. Suba Shiny

ORDER

This application has been filed to vacate the order of interim injunction dated 08.03.2019 granted by this Court in O.A.No.226 of 2019 in C.S.No.180 of 2019. Originally the suit has been filed by the Respondent/Plaintiff for Permanent injunction restraining the Applicant/Defendant and his men from in any manner infringing the Plaintiff's registered trademark RESQ by using an identical mark RESQ or any other trademark deceptively similar to that of the Plaintiff's registered trademark, passing off or enabling other to pass off the Defendant's products as that of the Plaintiff's products by manufacturing, selling , ordering to sell, using he trademark RESQ; order the defendant to surrender the Plaintiff for destruction of all proeucts, labels, business cards, promotional materials etc., using for infringing trademark RESQ, Preliminary decree directing the Defendant to render accounts of profits made using the trademark RESQ and a final decree to be passed in favour of the Plaintiff for the amount of profits thus found to have been made by Defendant after verifying the

accounts with costs.

2. In the application in O.A.No.226 of 2019 the Plaintiff sought an injunction on the ground that his predecessor in title honestly conceived and adopted the trademark "RESQ" for their products viz., UPS and stabilizers since 27.09.1995 and the same has been put to use continuously and extensively since then. It is further stated that the unique logo adopted by the plaintiff for its well-received trademark "RESQ" comprises of a rectangle in gray/light blue colour and the letters RES written in white colour with blue background and the letter Q written in white colour in red background. The trademark application filed by the applicant was duly examined and advertised by the Registrar and there was no opposition filed to the said mark. The Plaintiff with its wide sales network has marketed their products under the mark "RESQ" extensively across the length and breadth of India. The Plaintiff has invested heavily in the advertisement and marketing of its products under the mark "RESQ". By virtue of extensive publicity, long and continuous use of the trademark "RESQ" in respect of UPS and stabilizers, the mark has exclusively identified with the

Plaintiff alone. The Defendant is also involved in the identical business, i.e., manufacture, sales and service of UPS and inverters. Despite legal notice issued by them, the Defendants have passed off the goods. Hence Original Application was filed. This court on 08.03.2019 has ordered the interim injunction.

3. The Applicant/Defendant has filed this application to vacate the above interim injunction mainly on the ground that the Plaintiff's trademark "RES Q" bearing Application No.1491004 was registered with a condition by the registry that 'SUBJECT TO NO RIGHT OVER THE LETTER 'Q' EXCEPT AS SUBSTANTIALLY SHOWN IN THE LABEL' and when there is a condition imposed, the Respondent/Plaintiff cannot claim exclusive right or use over the Trademark as RES Q as one word. Even otherwise the word RES actually denotes the first three letters of Residual or Rescue, a descriptive word used in Electrical and Electronics field to identify a SINE WAVE. Therefore, the adoption of the first 3 letters of Residual or Rescue as a trademark is a generic adoption.

4. The Respondent/Plaintiff never used the brand word RES Q prior to its registration in the year 2006 and had been falsely claiming the usage of the brand name from 1995. The Applicant/Defendant have been doing the business for more than 13 years without any interruption from the Respondent/Plaintiff. The Plaintiff neither filed any opposition at the time of publication of the defendant's trademark RESQ nor interfered the usage of their brand name. The Applicant/Defendant trademark has registered under the Trademarks Act and the same is valid upto 22.04.2029. The Respondent/Plaintiff cannot claim exclusivity over the word when he himself is an imitator of the generic word RESQ. The Applicant/Defendant have been using the trademark for more than 13 years without any interruption and dispute. Hence, prayed to vacate the injunction.

5. The learned counsel for the Applicant/Defendant mainly submitted that there is no cause of action for the suit. The Plaintiff has not established that they are prior user from 1995. The Applicant/Defendant is honest and concurrent user. Therefore, they are protected under Section 12 of the Act. Legal Notice dated 7.2.2018 by

the Plaintiff has specifically alleged that they are dealing with the goods decades ago, wherein the suit it is submitted as if they are using the mark from the year 1995, which is clearly false statement and reputation has not been established and misrepresentation has also not been established. The Plaintiff dishonestly claimed prior user from 1995. Further the conduct of the plaintiff not taken any action amounts acquiescence. The Plaintiff has suppressed material fact and not come to the court clean hands. The additional documents also sought to be filed has also not filed at the time of filing of plaint. Whereas the Defendant as turnover more than Rs.49 crores. Hence, submitted that the Interim Order liable to be vacated. Since both the brands are different, there is no question of passing off setting in.

6. It is further stated that the RESQ is the common and generic name. Unless it is established that the usage of the brand is identical the Plaintiff is not entitled for any interim injunction. There are humpty number of entities using the word RESQ. No document was produced that the brand RESQ for UPS was advertised extensively by the Plaintiff and the term was associated only with plaintiff products. In

fact, the brochures filed by the defendant are expensive and appealing than the photocopies filed by the plaintiff.

7. The Plaintiff dishonestly claimed prior user from 1995. Though the Plaintiff for the trade mark obtained registration in the year 2006, they never claimed the prior user from 27.09.1995. Whereas it is stated that their usage from 21.06.2006. Thereafter, the Plaintiff has obtained the registration for the mark RESQ recently on 23.02.2019 with the user date as 27.09.1995 which has obtained only after the suit has been filed. Further, Defendant also obtained trademark in the name of "RESQ". The trademark RESQ is registered by both the parties. Taking note that the defendant are continuously doing business for the past 13 years, they are honest and concurrent user. Plaintiff has also not taken any action from the year 2006 when the defendant has obtained the trademark and filed the suit recently, which amounts to acquiescence. Hence, prayed for vacate the injunction order.

8. In support of his submissions he placed reliance of the

following judgments:

1. *Orchid Chemicals & Pharmaceuticals Ltd., v. Wockhardt Limited* [**CDJ 2013 MHC 2329**]

2. *S.P.Chengalvaraya Naidu (Dead) by Lrs. vs. Jagannath (Dead) by Lrs. & others* [**CDJ 1993 SC 657**]

3. *Ram Krishnan & Sons Charitable Trust Ltd., V. IILM Business School* [**CDJ 2008 DHC 2753**]

4. *Wipro Enterprises Limited rep.by Amit Mathur Manager-Legal v. Heinz India Pvt. Ltd., & others* [**CDJ 2015 MHC 4633**]

5. *Indo-Pharma Pharmaceuticals Works Limited Mumbai vs. Citadel Fine Pharmaceuticals Limited, Madras.* [**CDJ 1998 MHC 439**]

6. *Elder Projects Ltd., & Another vs. Elder Pharmacia LLP & Others* [**CDJ 2019 DHC 933**]

7. *Uniply Industries Ltd., vs. Unicorn Plywood Pvt.Ltd.,* [**CDJ 2001 SC 305**]

9. Whereas the learned counsel appearing for the Plaintiff

submitted that the Plaintiff and his predecessor in title i.e. RESQ TECHNOLOGIES, a partnership firm, have been using the mark RESQ as a predominant feature in its trading style since 08.06.1995. The said partnership firm had obtained all necessary statutory approvals and have been carrying on the business until March 2006. In the year 1999 one Mr. Magesh was inducted as a Partner in the RESQ TECHNOLOGIES, a partnership firm. Thereafter, settling all the other partners incorporated the Plaintiff company on 24.04.2006 and has been successfully running the said concern under the name and style M/s. RESQ TECHNOLOGIES PVT. LTD., Thus the mark RESQ has been put to continuous and extensive since 1995. It is the contention that the Plaintiff had obtained the registration of the mark RESQ. However, due to inadvertence the user date claimed in all the trademark applications were from the date of incorporation of the Plaintiff company instead of the year 1995 the date of use of the Predecessor. This defect in the user claimed was brought to the notice of the Plaintiff much recently. The Plaintiff states that the mark RESQ has been put to use continuously and extensively since 1995 and the Plaintiff's mark RESQ has attained immense reputation and goodwill. In

view of such long, uninterrupted and extensive usage of the mark RESQ has come to be exclusively associated only with Plaintiff and none else. The Plaintiff issued a legal notice dated 07.02.2018 calling upon the Defendant to cease and desist from violating their valuable intellectual property right. Upon investigation the Plaintiff came to know that the Defendant has recently started its branch office in Chennai for the whole state of Tamil Nadu. Thereafter, the Plaintiff in order to rectify the defect in the user claim in its trademark registrations has applied for registration of the mark RESQ with user claim since 1995 and the same came to be registered.

10. The contention of the defendant that they are honest and concurrent user is not applicable here. As early as 2010 the Defendant had knowledge about the prior use of the mark RESQ by Plaintiff. The Defendant had enough time to change their mark but continued to use the same with *mala fide* intention to cash upon the good will and reputation of the Plaintiff. The very adoption and use of the mark RESQ by the defendant lacks *bona fide*. It is the contention of the learned counsel that the Examination Report issued for the Defendant's

trademark application, the Defendant conveniently did not advert to the Plaintiff's application. It is further contended that Section 33 can be pressed into action only if the Plaintiff is aware of the Defendant's use of the mark much early and has slept over its rights. In the present case it is not the case of the Defendant that the Plaintiff is aware of the Defendant's use and further no document has been adduced as proof to prove acquiescence. It is also submitted that merely because the defendant shown turnover high same will not entirely any protection. Hence it is her contention that there is no suppression of facts and the suit has been filed to restraint the Defendant from using the mark RESQ as a whole and not the alphabet Q per se. Therefore, the very argument of the disclaimer of the alphabet Q does not hold water. Hence prayed for dismissal of the application and also prayed for injunction to be made absolute.

11. In support of her contention, she relied upon the following judgments:

1. Hindustan Pencils Pvt. Ltd., vs. India Stationery Products Co & Another [1989(9) PTC 61(Del)]

2. *S.Syed Mohideen v. P.Sulochana Bai* [2015(7)
SCALE 136]

3. *Dhariwal Industries Ltd. & Another v. M.S.S.Food
Products* [2005 (30) PTC 233 (SC)]

4. *N.R.Dongre and Ors. vs. Whirlpool Corporation
and others* [1996(16)PTC 583 (SC)]

12. The Plaintiff's main case is that the mark "RESQ" conceived and adopted for its products namely UPS and stabilizers since 27.09.1995 and the same has been put to use continuously and extensively by Predecessor in title. The Plaintiff originally commenced its business as a partnership firm thereafter constituted present Private Limited Company and also obtained the registered trademark vide Application No.1491004 dated 10.2.2011. It is their further case that the mark "RESQ" has been put to use continuously and extensively from 1995 till date. Deed of release executed by the erstwhile parter is also filed in this regard. Similarly, Deed of Partnership executed between the parties dated 23.08.1999 also filed and another Deed of Partnership dated 01.12.2003 inducting new partners is also filed. All

the documents clearly indicate that the Plaintiff's predecessor in title was doing the business under the name and style of RESQ TECHNOLOGIES from the very inception. The partnership deed in the year 1995 is also shown the name of RESQ TECHNOLOGIES. Pan Card filed along with the Plaint, obtained in the name of RESQ TECHNOLOGIES. Certificate of Registration under Tamil Nadu General Sales Tax also issued in the name RESQ TECHNOLOGIES. Certificate of Incorporation dated 24.04.2006 also issued in the name of RESQ TECHNOLOGIES. The Assignment Deed dated 23.07.2006 filed by the Plaintiff also in the same name clearly indicates that the Plaintiff using the RESQ as sign of the Plaintiff.

13. Examination Report dated 19.04.2007 issued by the Trade Marks Registry for the Plaintiff to the mark RESQ under No.1491004 in Class 9 is also filed along with the plaint. The defendant also got similar registration. The Defendant when filed the application they filed Examination Report issued by the Trade Marks Registry, clearly indicates that the mark RESQ was registered on 12.05.1995. RES Q was registered on 12.5.1995 and RESQ label was registered on

21.6.2006 in RESQ TECHNOLOGIES PVT. LTD. This fact clearly indicate that the Defendant is also aware of the trade mark registration in the name of the Plaintiff in the name RESQ. Therefore, it cannot be contended by the defendant that since they have also got the registered trademark and they are honest and concurrent user. The Defendant had knowledge about the prior user of the mark RESQ. Examination Report clearly indicate the same. Therefore, the very adoption and use of the mark by the Defendant despite the knowledge lacks *bona fide*. Therefore, the contention that they are honest and concurrent user cannot be countenanced.

14. Though in the registered trade mark in Application No.1491004 registered on 10.02.2011 user date has given as 21.06.2006 and 24.4.2006 in respect of Application No.1877498 registered on 21.3.2011 user date has been given 24.04.2006 and Application No.3928249 user date has given as 27.09.1995. The Plaintiff has clearly explained that at the time of application registration and trademark number has been given whereas RESQ the word registered 27.9.1995. The user date has been subsequently

changed in the application No.392849. The defendant has obtained registration only on 08.12.2014, 22.01.2013, 23.01.2013, 23.01.2013, 31.8.2016 and 23.01.2013. Whereas the user's date given in the applications as 01.09.2006, 01.09.2006, 01.01.2011, 01.01.2011, 01.01.2011, 01.01.2011 respectively. It is to be noted that even after the user date much later than the user date given in the application No.1491004 by the Plaintiff, Plaintiff user date has been given as 21.06.2006. Whereas the Defendant's user date has been given after three months by way of registration. Though two obtained similar marks, this Application is for passing off goods. The Plaintiff has field documents as referred above viz., 0 partnership in the year 1995. Pan Card, Sales Tax Registration, Certificate of incorporation, Assignment Deeds etc., to show that they are continuously use of the mark "RESQ" and dealing with the products. In respect of manufacture and sale of stabiliser, UPS and other electronics systems. The invoices filed by the Plaintiff in the year 1996 indicate that in the name of RESQ TECHNOLOGIES the invoices are issued from 1996. The prima facie indicate that the Plaintiff are the prior user of the similar trade marks.

15. The Defendant has filed certificate issued by Chartered Accountant to show that the turn over in the year 2006-2017. It is only mere a certificate without any proof of certificate and further in the Invoices filed by them in the typed set indicate that they only dealing with the produces in the name of RESQ much later in the plaintiff's use. Therefore, these invoices and chartered Accountant certificate will not help the Defendant in any way.

16. In the judgment reported in **Orchid Chemicals & Pharmaceuticals's case** (supra) in para 5.8 it is held as follows:

"5.8. Now coming to Section 30 of the Act, it limits the effect of registered trade mark. A perusal of Section 30 of the Act would show that Section 29 of the Act is subjected to it. Therefore, Section 30 of the Act is an overriding provision to Section 29 of the Act. However, the parameters stipulated under Section 30 of the Act will have to be complied with. For example, in a case where a party is using a registered trade mark belonging to another one, if it is in accordance with honest practices in industrial or commercial matters or is detrimental to the distinctive character of the different trade mark, no infringement would occur as it limits the effect of registered trade mark. Similarly, when the usage is indicative of a kind, quality or a quantity, then there will not be any

infringement notwithstanding the registration. "

The above judgment is not applicable to the facts of the present case for the simple reason that despite knowing the fact that the Plaintiff has already obtained the Registration and the Examination report, the Defendant has adopted the same mark, it cannot be said that they have honestly adopted the trade mark.

17. It is another contention of the defendant that the legal notice sent by the Plaintiff dated 07.12.2018, it is stated that they came to know about the defendant's use recently. whereas invoices filed by the Plaintiff clearly indicates that on 14.12.2018 itself invoices of the defendant was obtained by the Plaintiff. However, the suit has been filed belatedly. This also amounts to acquiescence. Invoice dated 14.12.2018 filed. No doubt invoice dated 14.12.2018 but legal notice was sent on 07.02.2019. Therefore it cannot be said that in the interregnum period the plaintiff has acquiesced the mark of the Defendant.

18. Mere delay without anything more is not by itself amounts to acquiescence. Further the defence of laches and delay in equity can be put up by a person who fairly and honestly adopted the mark and not by the person who is adopted the mark knowing well that the plaintiff has already obtained registration. Therefore, the above contention also cannot be pressed into service. Further, what has to be seen in the interim injunction stage is the *prima facie* case. Registration Certificate of the Plaintiff clearly indicate that word RES Q registered in the year 1995. Besides 2001 also they have obtained the registration on 10.2.2011 and 21.3.2011 with user date of 21.06.2006 and 24.04.2006. Whereas the the Defendant has obtained registration subsequently. User date 1.9.2006 and 1.1.2011 much after the Plaintiff. Therefore, as discussed above, the Plaintiff has filed necessary documents to show that the predecessor in title was continuously using the mark dealing with the similar products. Such being the position, on *prima facie* the Plaintiff is established the case for injunction. Accordingly the Order passed by this Court is made absolute. The application filed by the Defendant is dismissed.

19. In the result, Application No.4141 of 2019 in O.A.No.226 of 2019 in C.S.No.180 of 2019 is dismissed and the Order passed by this Court in O.A.226 of 2019 in C.S.No.180 of 2019 granting interim injunction is made absolute.

07.11.2019

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Internet: Yes
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