

IN THE HIGH COURT OF JUDICATURE AT MADRAS

RESERVED ON : 08.01.2019

DELIVERED ON : 13.03.2019

CORAM:

THE HON'BLE MR. JUSTICE M.SATHYANARAYANAN
AND
THE HON'BLE MR.JUSTICE N.SESHASAYEE

O.S.A.No.59 of 2017
and CMP.No.4967 of 2017

Technova Tapes (India) Pvt. Ltd.,
Previously known as Reflex Auto Products Pvt. Ltd.,
No.118, Bommasandar Industrial Area,
Anekal Taluka,
Bangalore-562 158. ... Appellant

Vs.

TechNova Imaging Systems (P) Limited,
182, TTK Road,
Alwarpet, Chennai-600 018,
represented by its Commercial Manager,
Mr.D.Christy. ... Respondents

Prayer: Original Side Appeal filed under Order XXXVI Rule 1 of
Original Side Rules read with Clause 15 of the Letters Patent
against the order dated 15.12.2016 made in C.S.No.860 of 2004.

For Appellant : Mr.P.S.Raman, Senior Counsel
assisted by M/s.Gladys Daniel

For Respondents : Mr.S.P.Chockalingam
for Dr.Mohan Dewan

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JUDGMENT

M.SATHYANARAYANAN, J.

The defendant in C.S.No.860 of 2004 is the appellant. The respondent/plaintiff filed the said Suit for the following relief:

(a) A Permanent Injunction restraining the Defendant, its servants, agents, distributors,

stockists, dealers and anybody associated with the defendant from marketing its products under the name "TECHNOVA" (or any alternative spelling or variant thereof).

(b) A Permanent Injunction restraining the Defendant, its servants, agents, distributors, stockists, dealers and anybody associated with the Defendant from using "Technova" (or any alternate spelling or variant thereof) as its corporate name.

(c) To surrender to the Plaintiff for destruction of finished goods, cartons, packing materials, visual aids, catalogues, pricelists, literatures and advertisement bearing or containing the mark "Technova" manufactured and printed by the Defendant.

(d) Costs of the Suit; and

(e) Pass such further or other relief's as this Hon'ble Court may deem fit and proper in the circumstances of the case and render justice."

The Suit, after contest, came to be decreed, vide judgment and decree dated 15.12.2016. Challenging the decreeing of the Suit, the defendant has filed this Original Side Appeal.

2. Facts leading to the filing of this appeal relevant for the disposal of this case and briefly narrated are as follows. For the sake of convenience, the appellant is referred to as the defendant and the respondent is referred to as the plaintiff as per the nomenclature/array of parties adopted in the impugned judgment.

2.1. The plaintiff is a Company incorporated under the provisions of the Companies Act, 1956 and the defendant is a Private Limited Company incorporated under the said Act. The case of the plaintiff is that one Mr. Pranav Parikh along with two others, on 29.08.1979, had incorporated and registered a Company called "Technova Plate Making Systems Private Limited and from 14.09.1993, the name of the company was changed to "TechNova Imaging Systems Limited". There are groups companies also, namely (i) TechNova Reprographic Systems (P) Limited; (ii) TechNova Hichem Systems (P) Limited; (iii) TechNova Investment and Leasing (P) Limited; and (iv) TechNova Graphics Private Limited (formerly known as Lunar Caustic Private Limited) and out of the four companies, Sl.Nos.(i), (ii) and (iii) had amalgamated with the plaintiff company in pursuant to the order dated 30.09.2003 passed by the High Court of Bombay.

2.2. The plaintiff is the world's largest manufacture of digital and analog offset plates, media, chemicals for inkjet and laser applications and the products manufactured by the plaintiff are used for advertising, signage, printing, packaging, textiles, engineering, architecture, geology and

business graphics and in all walks of commerce and industry, particularly involved with printing. The plaintiff is also an ISO-9002 registered enterprise, having 70% market share for each of its products in the Indian sub-continent. On 12.10.1995, the plaintiff company was also incorporated in United States of America (USA) as a wholly owned subsidiary and it is also having overseas branches at U.K., Dubai and Sri Lanka.

2.3. The plaintiff has been marketing its products under its house mark "TechNova" over the past three decades, all over India and abroad and it is also having overseas offices and distribution network marketing products to over 51 countries and it has also received very many prestigious awards. There are 36 TechNova Imaging Centres spread throughout India and it has also launched its Online Shopping Portal called "TechNova" in the year 1996, which enables customers to transact business with the plaintiff and its group organization interactively. In the year 1996, the plaintiff company also established "TechNova Open University for Change" (TOUCH) for the purpose of providing technical knowledge through training, seminars and live demonstrations to keep pace with the technological advances and to provide solutions to the end-user through constant interaction.

2.4. The plaintiff, right from its inception from 1971, had introduced several new technologies and is globally recognized as a pioneer and leader in the field of desktop computer to plate system for the Quick Print Industry and it has been continuously and uninterruptedly using the trademark/house mark "TechNova" in the course of the trade and the products manufactured and marketed by the plaintiff under the said trademark, house mark and service mark are identified, recognized and acknowledged globally by the trade and industry as well known, premier products of high quality originating from the plaintiff's source of manufacture.

2.5. The plaintiff is also a registered proprietor of the trademark/house mark "TechNova" (word per se / label) under Classes 1, 2, 10 - 12, 15, 18, 19, 24, 26-32 and 34 and its applications for registration of the trademark "TechNova" in remaining classes are pending for registration. The plaintiff has so far made 74 applications for registration of the trademark "TechNova" and out of said applications, 33 trademarks have already been registered and the remaining are at the advanced stage of registration. The plaintiff has widespread and effective distribution network in the Indian sub-continent and overseas countries and it is also enjoying sales turnover gradually increased from 1999-2000 to 2003-2004 from Rs.157.48 Crores to Rs.233.02 Crores respectively and it has also spent considerable amount towards advertisement and sales promotion

for the last few years.

2.6. Thus, it is the claim of the plaintiff that it's trademark "TechNova" has become a well known trademark known to a substantial segment of the public, which uses goods in general and receives services and constitute cogent reasons that qualify "TechNova" to being a well known trade mark within the provisions of the Trade Marks Act, 1999 and on account of the said popular use of the trademark "TechNova" by persons other than the plaintiff would be taken as indicating a connection between the goods and services, as being the goods and services emanating from the plaintiff and also took a stand they have not authorized the defendant to use the mark "TechNova".

2.7. The plaintiff, on one such occasion, became aware of the fact that a company, namely TechNova Adventures Limited had applied for and had been granted permission to use "TechNova" as part of it's corporate name and applied to the Regional Director, Government of India, Ministry of Law, Justice and Company Affairs, Department of Company Affairs, Mumbai under Section 22 of the Companies Act, 1956 and vide order dated 02.03.2000, the Regional Director directed the said concern to change its name.

2.8. It is the specific case of the plaintiff that the defendant company came to be incorporated on 07.02.1986, originally in the name of M/s.Reflex Auto Products Private Limited (Reflex) and it changed the name to "TechNova Tapes (India) Private Limited with effect from 26.06.1995 and the said change of name by including the plaintiff's house mark and well known trademark "TechNova" was not to the knowledge of the plaintiff company. The plaintiff became aware of the said development only on 24.06.2002 and immediately sent a communication dated 25.09.2002 to the defendant pointing out that they are the first / original adopters and prior users of the brand/trademark "TechNova" and therefore, requested the defendant to effect change in the name of it's company within a period o 15 days from the date of receipt of the notice. A communication was sent by the defendant to the plaintiff on 27.11.2002 stating that they would reply to the said notice shortly and however, they did not respond.

2.9. The plaintiff caused a Legal Notice dated 11.09.2003, calling upon the defendant to change it's name within 15 days from the date of receipt of the said notice and the defendant, vide reply dated 24.09.2003, denied the contents of the notice and also raised several untenable allegations and to repute the same, a rejoinder dated 29.10.2003 was sent by the defendant. Since the defendant did not abide the terms of the Legal Notice, by invoking Section 22 of the Companies Act, the plaintiff took

out necessary application before the Regional Director of Companies, Southern Region and the said official, after hearing both parties, had passed an order dated 8.09.2004 inter alia directing the defendant to delete the word "TechNova" from it's existing name and change to some other word prefixed within 3 months thereafter.

2.10. The defendant, in it's former name, "Reflex" had filed Trademark Application Nos.564260B and 564261B dated 23.12.1991 for registration of the mark "TECHNOVA" under Classes 9 and 16 respectively of the Trade and Merchandise Marks Act, 1958 and those applications were also advertised in the Trade Mark Journal No.1 dated 14.06.2003. The plaintiff also lodged it's opposition with the Trademarks Registry for refusal of the applications filed by the defendant and the Assistant Registrar of Trade Marks, vide order dated 15.09.2004, ordered that the applications filed by the defendant are abandoned under Section 21(2) of the Trade Marks Act, 1999.

2.11. The defendant, despite the above cited proceedings, continues to market it's products, namely adhesive tapes for use in industry under the plaintiff's trademark "TechNova" and it has been established that the defendant is surreptitiously carrying on business activities under the corporate name of "TechNova" and also marketing the selling its products under the said name. It is also the case of the plaintiff that the said adoption and use of their trademark "TechNova" by the defendant is bound to cause confusion and deception in the minds of purchasing public and the members of the trade and it also amounts to infringement of statutory rights of the plaintiff apart from enabling the defendant to pass off it's business as that of the plaintiff and it's group companies. The act of the defendant in adopting such a mark is nothing but dishonest and they sought to gain unlawfully from the reputation and goodwill enjoyed by the plaintiff.

2.12. The plaintiff would further state that the customers, dealers and consuming public in commerce and industry, many of whom will be common to both the plaintiff and the defendant will be left wondering whether the defendants good under the impugned mark have emanated from the plaintiff or have been manufactured and marketed by the plaintiff or that the defendant is in some way associated with the plaintiff and if any adverse publicity is generated from poor quality of the defendant's goods or any adverse activities of the defendant, it is bound to spoil the impeccable reputation and goodwill which the plaintiff gained and maintained for quite long time.

2.13. In sum and substance, it is the case of the plaintiff that the very adoption of the impugned mark by the defendant is

in bad faith, in order to take unfair advantage, which will be detrimental to the distinctive character and reputation of the plaintiff's trademark "TechNova" and no reason whatsoever has been adduced by the defendant as to why it's name has been changed all of a sudden from "Reflex Auto Products Pvt. Limited" to "TechNova Tapes (India) Private Limited" and therefore, the plaintiff came forward to file the above Suit.

3. The appellant/defendant, refuting the averments made in the plaint, filed the written statement, contending as follows:-

3.1. The plaintiff is very well aware of the name of the defendant from the year 1995 onwards and however, belatedly filed a false and baseless application on 19.12.2003 under section 22 of the Companies Act, 1956, praying for a direction for change of name of the defendant's company and the said application also came to be filed after a year from the date of issuance of legal notice on 25.09.2002 and suitable reply was also sent.

3.2. The Regional Director - Authority constituted under the Companies Act, passed an erroneous order on 28.09.2004, allowing the said application filed by the plaintiff and making a challenge to the same, the defendant filed WP..No.42939/2004 on the file of the High Court of Karnataka and initially, interim stay of the operation of the order was passed on 19.10.2012.

3.3. The defendant's Company was incorporated under the provisions of the Companies Act, 1956, at Bangalore, on 07.02.1986 with an object of manufacturing and selling rear view mirrors and reflectors for Automobiles and initially, the name of the Company was "'Reflex Auto Products Limited'". Later on, the defendant Company diversified into manufacturing industrial adhesive tapes and therefore, changed it's name to "'TechNova Tapes [India] Private Limited'" with effect from 26.06.1995 and also obtained a fresh Certificate of Incorporation to that effect. The defendant Company had chosen the new name as it wanted to be an innovator in technological advancement and therefore, adopted "'TECH'" from the word "'technology'" and "'NOVA'" from the word "'innovation'" which characterizes the variety of specialised adhesive tapes developed and manufactured by it.

3.4. The defendant honestly adopted the name "'TechNova Tapes'" in the year 1995 and it is one of the fastest growing and leading manufacturers of the said product in the Country and it sells more than 100 types of adhesive tapes which are developed by them and the details of the same have also been given in paragraph No.6 of the written statement. The defendant has been advertising it's products in the name of "'TechNova'"

in newspapers and magazines from the year 1995 itself and however, have not preserved such advertisements and the plaintiff, at no point of time or anyone had objected to the use of the name ''TechNova'' and their name and logo has been appearing prominently, immediately after the name of the plaintiff in the Bangalore Telephone Directory from the year 1995 itself. In paragraph No.9 of the written statement, the defendant had given the list of their some reputed customers which include LG Electronics, Voltas, Videocon, GE Power Controls, Matsushita India Limited and others.

3.5. The defendant manufactures industrial adhesive tapes which is a specialised field and also high technology oriented and its forte is also an innovative development of high technology, good quality products with emphasis of service and quality to the benefit of its customers and due to its research and development efforts, it developed, 110 products of highest quality to international standards and supplies 100% Export Oriented Units. The defendant Company is purchasing raw materials worth more than Rs.3 Crores annually and thus, providing business to numerous suppliers and in paragraph No.13 of the written statement, the details of the Sales Tax, Excise Duty and Income Tax paid by them over the last three years and in paragraph No.15, has given the sales figures. In paragraph No.16 of the written statement, it had given the Annual Sales to its major customers. The defendant would further aver that it had incurred substantial expenditure towards advertisement of its products under the name ''TechNova'' and it developed a network of dealership in various Cities across the Country and maintains a large marketing team.

3.6. The defendant submitted an application for registration of it's Trademark ''TechNova'' under Classes 9 and 16 in the year 1991 and the proceedings are pending and it is also having a registered website, viz., ''www.TechNovatapes.com'' and it's customers and general public have been perusing the said website. It is also the specific case of the defendant that the word ''TechNova'' is not an unique word or a coined word and therefore, the plaintiff cannot claim any monopoly over it. The word ''TechNova'' is derived from two common words ''technology'' and ''innovation'', which by itself is a common word in the field of Commerce and Industries.

3.7. The defendant also given the details as to the number of Companies in India and abroad, having the name ''TechNova'' and has indicated through an Internet research. The defendant also took a stand that if it is prevented from marketing it's products under the trademark/trademark ''TechNova'', it will suffer grave loss and irreparable injury for the reason that it

had built up goodwill and reputation of the said brand by virtue of its efforts and investments over the last ten years and it has directly invested more than Rs.2.5 Crores into its business, apart from its investment in terms of manpower research and development. If any order of restraint is passed, apart from loss of business, more than 550 persons, who are depending upon the defendant business, will be left in lurch and its contribution to public exchequer may also come down.

3.8. The defendant would further contend that the averments made in paragraph No.17 of the plaint regarding house mark, are totally baseless and misleading and denied the averment that the products manufactured and marketed by the plaintiff are recognized and acknowledged by the alleged Trademark. The defendant has also denied the averments made in paragraph No.21 of the plaint as to the registered Proprietor of the trademark/house mark 'TechNova' under clauses 1, 2, 10 to 12, 15, 18, 19, 24, 26, 27 to 32 and 34 and it did not have any house mark in respect of the word 'TechNova'.

3.9. It is also the specific stand of the defendant that at any rate, the plaintiff having obtained registration in respect of some products under a particular class, it does not give a total monopoly over use of the word 'TechNova' in respect of all products under the class and that the registered trademark holds good only in respect of the particular products and services for which it has been granted. The defendant denied the averments made in paragraph No.25 of the plaint and took a stand that it is having every right to use the word 'TechNova' and the question of the plaintiff authorising the same, would not arise at all.

3.10. The defendant has also pointed out that they have been advertising its company products from the year 1995 itself under the name of 'TechNova'. The defendant would further state that the averments made in paragraph No.29 of the plaint as to the abandonment of their Trademark application under section 21(22) of the Trade Mark Act, 1999, and it has also made enquiries and found that the said order purported to have been passed based on the ground that they have neglected to submit the response to the notice of opposition and it had also initiated appropriate steps to recall and set aside the order dated 15.09.2004. The defendant therefore, based on the averments made in the written statement, prayed for dismissal of the suit with cost.

4. A Learned Single Judge of this Court, after taking note of the averments made in the plaint and the written statement, framed the following issues:-

1) Whether the defendant has infringed the plaintiff's trade

mark?

- 2) Whether the act of defendant in changing it's Corporate name from Reflex Auto Products [Pvt] Ltd., to TechNova Tapes [India] Pvt. Ltd., in not bona fide and in bad faith?
- 3) Whether the plaintiff is entitled for permanent injunction restraining the defendant from using the same 'TechNova' as part of its Corporate Name?
- 4) Whether the plaintiff is entitled for permanent injunction restraining the defendant from marketing its product under the name 'TechNova'?
- 5) Whether the suit is properly valued?
- 6) Whether the suit is belated and barred by limitation?
- 7) Whether the relief prayed for is barred due to the plaintiff's acquiescence of the user of the name TechNova Tapes [India] Pvt. Ltd., by the defendant?
- 8) Whether the products manufactured by the plaintiff and defendant are different and of a specialized field distinguished from each other in technology?
- 9) Whether the name 'TechNova' is popular in the Commercial World?
- 10) Whether the plaintiff has a monopoly over the word 'TechNova'?
- 11) To what relief the plaintiff is entitled for?

5. The proof affidavit of the plaintiff in lieu of the chief examination has been filed by their Senior Consultant and they marked Exs.P1 to P10 and he was examined as PW1 and was cross-examined also. The defendant had examined their Managing Director as DW1 and marked Exs.D1 to D27 and he was cross-examined on behalf of the plaintiff.

6. The learned Single Judge, on consideration of pleadings and appreciation of oral and documentary evidences, recorded the following findings:-

6.1. The plaintiff is the prior user of the Trademark 'TechNova' having obtained registration and the defendant, who had subsequently adopted the name of the plaintiff's mark, ought to have searched before adopting the said mark and the fact that the Company was started by young technocrats and being in a formative initial years, will not absolve the procedure or responsibility of the entrepreneur to follow the legal procedure.

6.2. It is immaterial that the trade of the plaintiff and defendant is in the same field or trading in different products and though the goods were different, the Courts have repeatedly held that the defendant was not honest on the basis of the action for passing off and the Court, on a combined consideration of various aspects/factors like the market factors, class of customers, the reputation etc., has to decide the confusion or deception as likely to be caused and the

defendant was not diligent enough while adopting the mark. The defendant did not even mention in the written statement about the reason for adopting trademark of the plaintiff from its original name, viz., 'Reflex Auto Products [P] Ltd.', which is totally unconnected.

6.3. The contention put forth by the defendant was that as the plaintiff and the defendant are operating different lines of business, the question of infringement does not arise. It is held that from the evidence available also, it is clear that the defendant had adopted the mark 'TechNova' subsequently and it is not the registered Proprietor of the trademark and having taken note of the claim of the plaintiff that it is the fifth largest manufacturer and marketeer of Digital Plates and exports its products to more than 60 Countries, having a turnover of several hundred Crores and it is the quality of the products of the plaintiff that has given distinct identity to them and their trademark 'TechNova' became very popular.

6.4. The plaintiff trademark had reputation in the market and allowing illegal adoption of the plaintiff's trademark by the defendant would result in unfair advantage and is detrimental to the plaintiff's distinct character and therefore, the defendant had committed an act of infringement and it is liable to be restrained from using the plaintiff's trademark.

6.5. The learned Judge, while dealing with the issue of passing off, has posed a question as to whether the defendant by adopting the trademark of the plaintiff, have deceived the public thinking that the services offered by the defendant are that of the plaintiff or have originated or associated with the plaintiff? A finding has been recorded that the plaintiff prima facie was able to show that the mark 'TechNova' is a well known mark and also enjoys reputation overseas as well as in India and confusion would have created in the minds of the potential buyers for the reason that the defendant had adopted the trademark used by the plaintiff for several decades and adoption of the said mark by the defendant without exercise as to the existence of trademarks, similar in nature.

6.6. The change of name by the defendant from "Reflex Auto products Limited" to 'TechNova Tapes [India] Pvt. Ltd.' was done only with an intention to exploit the goodwill of the plaintiff and therefore, continuous use of the said trademark by the defendant would severely cause damage and prejudice to the reputation and goodwill of the plaintiff and in the light of the fact that the plaintiff had acquired reputation on account of adoption of the said mark by the defendant, the public at large, is likely to be misled to the effect that the defendant's business is the business of the plaintiff or is a Branch or the

Department of the plaintiff's business. Therefore, the averments made by the plaintiff as to the passing off, have been prima facie established.

6.7. The learned Judge, while dealing with acquiescence, has observed that it is for the defendant to show that the plaintiff has acquiesced the act of the defendant and after considering the cited decision, held that the contention put forth by the defendant that the plaintiff being the proprietor of the earlier mark, had acquiesced for a continuous period of five years in the use of defendant's trademark is not available to them in view of section 33(1) of the Trade Marks Act, 1999 and in order to invoke the said provisions, the defendant must be a registered proprietor of the mark, which is not the case of the defendant. The defendant has also not satisfactorily offered explanation as to how they came to adopt the trademark 'TechNova' which is registered in the name of the plaintiff, who is having a worldwide market and therefore, the plea of delay and laches would not be of any help to the defendant and in case infringement is made out, the question of acquiescence loses its significance.

6.8. The learned Judge, while dealing with section 29(4) of the Trade Marks Act, 1999, found that section 29(4) was introduced in the year 1999 and while dealing with section 159 (4) of the Act, recorded a finding that the said provision does not have any application to the facts of the case, as it deals with appeal proceedings and likewise sub-section 5 to section 159 has no application. The defendant did not fulfill both the conditions stipulated under Section 159(5) and as such, it is not attracted and the defendant has failed to offer any plausible explanation for changing their name from 'Reflex Auto Products Limited' to 'TechNova Tapes [India] Private Limited' and citing the said reasons, had decreed the suit in favour of the plaintiff as prayed for without cost.

7. The defendant, challenging the judgment and decree, in decreeing the Suit in favour of the plaintiff, has filed the present Original Side Appeal and it was admitted on 16.03.2017 and in CMP.No.4967/2017, interim stay of the operation and execution of the impugned judgment and decree, was granted.

8. Mr.P.S.Raman, learned Senior Counsel assisted by Mrs.Gladys Daniel, learned counsel appearing for the appellant / defendant made the following submissions:

8.1. The learned Judge has failed to take into consideration that the plaintiff and defendant are manufacturing completely different products and the range of consumers are also different and under the Trade and Merchandise Marks Act, 1958, infringement of trademark is said to have been committed only if the trademark is used in relation to any goods in

respect of which the trademark is registered and not otherwise. The adoption and usage of the trademark by the defendant and the registration of the trademark by the plaintiff, are prior to 15.09.2003 when the New Trade Marks Act, 1999, came into force. Therefore, the appellant/defendant was well within its rights to adopt and use the trademark 'TechNova' in respect of completely different products.

8.2. The learned Judge has failed to consider and appreciate the oral evidences let in on behalf of the plaintiff and the defendant and recorded a finding that the appellant/defendant has failed to offer any plausible explanation for adopting the name of 'TechNova' and pointed out that DW1, during the course of cross-examination, had given the reason for change of name as it had shifted the line of activity / focus of business from Reflex Auto Mirrors to Technical Innovative adhesive Tapes and no reason has been given as to the disbeliefment of the testimony of DW1.

8.3. The learned Judge has also committed an error by giving a finding on the part of the appellant/defendant in filing TM-54 application and the said procedure is not mandatory prescribed under the Act.

8.4. PW1 had also deposed that there is no evidence to show that when the name/word 'TechNova' was coined and the basis on which it was coined and the respondent/plaintiff did not let in any evidence of user or claim nor any sales figures etc., as to the usage from the year 1971 and the concurrent evidence provided in the form of registered Trademark Certificate which shows that the trademark was applied in the year 1989 and came to be registered in the year 2001 and the same, by itself does not prove the user claim.

8.5. The learned Judge despite arriving at a finding as to the different range of products manufactured by the plaintiff and defendant, did not discuss the said aspect while decreeing the suit and also failed to take note of the fact that admittedly, the products manufactured by them are different and therefore, the possibility of confusion did not arise and not likely also and also failed to consider section 29(3) of the Trade Marks Act, 1999, which states that in case of infringement of a mark for dissimilarity in goods and service, there is no presumption or confusion and infringement of the mark.

8.6. The learned Judge has erred in arriving at the finding that the respondent/plaintiff is entitled to the provision under section 29(3) of the Act, despite the fact it did not produce any evidence as to the fulfillment of the requirements under Section 29(4)(c) of the Act and only when all the conditions

referred to under the said provisions are satisfied, then infringement be said to have been committed.

8.7. The learned Judge further failed to take note of the fact that the respondent/plaintiff had failed to make the case through oral and documentary evidence as to the reputation it had developed that would subsist across description of the goods and reputation and goodwill are clear factual matters requiring unimpeachable evidence and in the absence of any such evidence, the use of the same trademark by the appellant/defendant as to the cause of detriment to the plaintiff and thereby, decreeing the suit as prayed for, is totally unsustainable on facts and in law.

8.8. The respondent/plaintiff has also failed to prove the user claim and reputation in respect of their goodwill ever since the year 1991 and mere presence of trademark registration does not show user claim. It is not as if the respondent/plaintiff for the first time had coined the word 'TechNova' for the reason that the appellant/defendant had produced enough and sufficient evidence to show that the name 'TechNova' is used by 81 Companies registered with the Ministry of Corporate Affairs of Government of India, as evidenced under Ex.D26 and that apart, various companies throughout the Globe have also adopted the said trademark and even in respect of other Companies in India, which are using the mark 'TechNova', the respondent/plaintiff did not proceed against them.

8.9. The finding rendered by the learned Judge as to acquiescence is also unsustainable for the reason that in one of the documents marked on their behalf, ie., Telephonic Directory would disclose that side by side, the name of the plaintiff and defendant appears at least from the year 1995 and belatedly, the respondent/plaintiff filed the said Suit and in the light of the same, the Suit ought to have been dismissed on the ground of delay, laches and acquiescence.

8.10. Ex.D8 marked on behalf of the appellant/defendant would also disclose that the respondent/plaintiff was very well aware of the adoption of the said mark by the appellant/defendant and therefore, the findings recorded by the learned Judge that the respondent/plaintiff was not guilty of laches, is also unsustainable.

8.11. The finding recorded by the learned Judge that the appellant/defendant's application for Trademark registration under Classes 9 and 16 have been abandoned without taking note of the fact that under Ex.D11, the order of abandonment has been recalled and DW1 had also spoken to that effect in his cross

examination.

8.12. The learned Judge has misconstrued Section 33(1) of the Trade Marks Act, 1999. The learned Judge has also failed to take note of the fact that there is no specific prayer as to the infringement of the registered trademark and in the absence of any reason, the decree granting permanent injunction is in violation of Article 19[1][g] of the Constitution of India and also in violation of the Monopoly and Restrictive Trade Practices Act [MRTP Act].

8.13. Insofar as passing off is concerned, in the light of the fact that there was acquiescence by the respondent/plaintiff and in the light of Section 33(1) of the Trade Marks Act, the finding recorded by the learned Judge as to the said issue is also totally unsustainable and the learned Judge has also failed to take into consideration the fundamental and important aspect that the trademark 'TechNova' was common to the trade and it is not even the case of the respondent/plaintiff that it coined the said word first and adopted it.

9. In sum and substance, it is the submission of the learned Senior Counsel appearing for the appellant/defendant that the learned Judge in the impugned judgment and decree, have not properly appreciated the oral and documentary evidences in proper perspective and misconstrued the relevant provisions under the Trade and Merchandise Mark Act, 1958 as well as the Trade Marks Act, 1999, and despite overwhelming evidence available on record, the line of activity, products manufactured by the appellant/defendant and the respondent/plaintiff are entirely different and there is no likelihood of confusion and that the respondent/plaintiff has miserably failed to establish or sustain its case as to the dishonest user of the word/mark 'TechNova' on the part of the appellant/defendants and the findings recorded by the learned Judge on the issues framed, are totally unsustainable on facts and in law and hence, prays for interference.

10. The learned Senior Counsel appearing for the appellant/defendant, in support of his contentions, has also placed reliance upon the following judgments:-

1. AIR 1963 SC 449 [Amirtdhara Pharmacy Vs. Satya Deo Gupta] ;
2. 1994 Manu SC 1166 [J.R.Kapoor Vs. Micornix India] ;
3. 1996 Manu SC 583 [Vishnudas Trading as Vishnudas Kishandas Vs. Vazir Sultan Tobacco C. Ltd., Hyderabad and others] ;
4. 2011 [48] PTC 1 [Del] [Radico Khaitan Limited Vs. Carlsberg India Private Limited] ;
5. 2017 Manu Maharashtra 222 [CIPLA Limited Vs. M/s. CIPLA Industries Private Limited and Another] ; and

6. 2018 Manu SC 779 [Nandhini Deluxe Vs. Karnataka Cooperative Milk Producers Federation Limited].

11. Per contra, Mr.S.P.Chockalingam, learned counsel appearing for the respondent/plaintiff made the following submissions:

(i) The plaintiff is the prior user/adopter of the mark "TechNova" even in the year 1971 and also the registered proprietor of Classes 1 and 2 of the said mark. The defendant came to be incorporated in the year 1986 by the name "Reflex Auto Products Private Limited (Reflex)" and in the year 1995, changed it's name to "TechNova Tapes (India) Private Limited" and applied for registration for the purpose of proposing to use it in future and however, have not given genuine reasons for change of the name from "Reflex Auto Products Private Limited" to "TechNova Tapes" and therefore, it cannot be construed as honest and concurrent use.

(ii) Though it is the stand of the defendant that it's products are different, the fact remains that the trademark/housemark remains the same and it is also an identical mark and as such, they cannot use it.

(iii) The products manufactured by the plaintiff are put to use for advertising, printing, packaging, textiles, engineering, architecture, geology and business graphics and in all walks of commerce and industry, particularly involved in printing and it is also an ISO 9002 company, which is marketing it's products under its trademark "TechNova" over past three decades all over India and abroad and it is continuously and uninterruptedly using the said trademark/housemark "TechNova" in the course of the trade and as such, the said trademark was identified, recognized and acknowledged globally by the trade and industry as well known, premier products of high quality and that apart, it is also a registered proprietor of the trademark "TechNova" under Classes 1, 2, 10, 11, 12, 15, 18, 19, 24, 26 to 32 and 34 and sofar, made 74 applications for registration of the said mark and out of which, 33 Trade Marks have already been registered.

(iv) The trade channel is one and the same and as such, any user of the trademark/housemark "Trademark" by the defendant is bound to create confusion to the customers/consumers and in all probability, would

think that the products manufactured and sold by the defendant are as that of the plaintiff and if there is any complaint or allegation as to inferior quality, it would definitely affect their reputation and goodwill.

(v) Admittedly, the defendant do not have registered trademark and as such, they cannot have protection under Sections 29(4) and 159(5) of the Trademarks Act, 1999 and to avail the benefit of the said provisions, there should have a registered trademark and admittedly, they did not have it and in the light of Section 34 of the Trademarks Act, 1999, the plaintiff is having vested right over the said trademark.

(vi) As regards delay and acquiescence, the Telephone Directory marked as Ex.D8 would not come to the aid of the defendant for the reason that it is an honest and concurrent user and though it is the contention of the defendant that the mark "TechNova" is used by very many companies in India and abroad and that the plaintiff did not take action against them except against few, more particularly against the defendant and in the absence of any registration and on account of dishonest use by taking advantage of the trademark/housemark of the plaintiff, the defendant wants to gain unjust enrichment.

(vii) Attention of this Court was also invited to Ex.P12 viz., Interim Order dated 19.10.2004 made in W.P.No.42939 of 2004 passed by the High Court of Karnataka at Bangalore, wherein at that point of time, taking into consideration all the relevant aspects, especially Section 22 of the Companies Act, the said interim order was granted.

(viii) The defendant viz., "Reflex Auto Products Private Limited" had filed trademark applications for registration of the trademark under Classes 9 and 16 of the Trade and Merchandise Act, 1958 and the plaintiff lodged Notices of Opposition and the Assistant Registrar of Trademarks, vide order dated 15.09.2004, had recorded that the applications filed by the defendant is abandoned under Section 21(2) of the Trade Marks Act, 1999 and despite the said fact, the defendant has surreptitiously carrying on business activities under the trademark/housemark of the plaintiff and also marketing and selling it's products in the name of "TechNova", which is similar and

identical to the plaintiff's corporate name and house mark and the same would definitely bound to create confusion, especially in the event of any adverse publicity generated on account of poor quality of the defendant's goods or any activities and the acts of the defendant in adopting the said mark is per se malafide and it would be detrimental to the distinctive character and reputation of the plaintiff's trademark "TechNova".

(ix) The defendant has deliberately adopted the mark "TechNova" to take advantage of the matter to have piggyback right on the plaintiff's right, reputation and goodwill by dishonestly adopting the said trademark detrimental to the business interest of the plaintiff.

(x) The learned Single Judge, on a thorough consideration and appreciation of the pleadings, oral and documentary evidence, has rightly reached the conclusion to decree the Suit and therefore, prays for dismissal of this Original Side Appeal.

The learned counsel appearing for the respondent/plaintiff, has placed reliance upon the following decisions:

- (i) Prakash Roadline Limited v. Prakash Parcel Service Private Limited [CDJ 1992 DHC 389]
- (ii) Bengal Waterproof Ltd., v. Bombay Waterproof Manufacturing Co., [1997 (17) PTC 98 (SC)]
- (iii) Bhagwan Dass Gupta (alias Agarwal) v. Shri Shiv Shankar Tirath Yatra Company Pvt. Ltd., [2001 (21) PTC 676 (Del)]
- (iv) P.V.Anvar v. P.K.Basheer & Others [CDJ 2014 SC 790]
- (v) Walter Bushnell Pvt. Ltd. & Others v. Miracle Life Sciences & Another [2014 (59) PTC 339 (Del)]
- (vi) Nandhini Deluxe v. Karnataka Co-Operative Milk Producers Federation Ltd., [2018 (75) PTC 209 (SC)].

12. In response to the said submission, the learned Senior Counsel appearing for the appellant/defendant would submit that the decision in Vazir Sultan Tobacco case (cited supra) rendered by the Hon'ble Supreme Court still remains as a good law and Section 29(4) of the Trade Marks Act, 1999 would cut across the classes and in the absence of any evidence regarding goodwill and reputation, it is not open to the respondent/plaintiff to contend that in the event of any adverse publicity as regards the products of the defendant, the plaintiff bound to suffer and the stand of the respondent/plaintiff is per se unsustainable. It is further contended that admittedly, the products manufactured by the plaintiff and the defendant are entirely different and there are no common claims and the trade channel

of the defendant is entirely different from that of the plaintiff and that apart, the name "TechNova" is also used by very many companies in India and abroad and the plaintiff, for obvious reasons, had targeted only the defendant and therefore, prays for quashment of the impugned judgment and decree and allowing of this appeal.

13. This Court paid it's best attention to the rival submissions and also perused the pleadings, oral and documentary evidence and also the original records.

14. The following questions/issues arise for consideration:

- (1) Whether the act of the defendant in using the name "TechNova" is bonafide or in good faith?
- (2) Whether the products manufactured by the appellant/defendant and the respondent/plaintiff are altogether different and can be distinguished?
- (3) Whether the respondent/plaintiff is having monopoly over the word "TechNova" and whether it is popular in commercial parlance ?
- (4) Whether the impugned judgment and decree passed in favour of the respondent/plaintiff warrant interference ?

QUESTION NO.1

15. Let this Court considers the oral and documentary evidence let in by both parties.

16. On behalf of the respondent/plaintiff, Mr.Madhusudan Velji Parmer was examined as PW1 and in the proof affidavit filed in lieu of chief examination, marked Exs.P1 to P12.

16.1. PW1 in the cross examination would depose the following:

"There is no document to show that the name "TechNova" was coined and however, a partnership firm between Pranav Parikh and his family members was registered in July, 1971 with the name "TechNova" and the said documents has not been filed and therefore, he do not know on what basis the name "TechNova" was coined."

16.2. PW1 denied the suggestion that the plaintiff was aware of the defendant company from the year 1995. PW1 believe that the plaintiff has registration of the trademark in Classes 9 and 16 relating to industrial adhesive tapes and he was not aware about the names of the plaintiff and defendant being found in the Bangalore Telephone Directory (Ex.D8) from 1995 onwards.

16.3. PW1 was not aware that the products manufactured by the plaintiff and the defendant are totally different. PW1 was

not aware that the defendant has been marketing more than 80 different types of tapes which have various specialized application. "TechNova" is the well known brand/trademark and therefore, the defendant could have been enticed to use that word and he do not know that the word "TechNova" is an abridged version of common words.

16.4. PW1 was questioned as to whether "The word TechNova is used by thousands of people all over the world in respect of various products?" and the answer given by PW1 was that "some of the parties names in India found similar to ours have been contested by us successfully and one party in Turkey and have not filed any proof in that regard".

16.5. PW1 was not aware as to very many companies with the name "TechNova" including the defendant have online websites, shopping portals etc., and would depose that the name adopted by the defendant is similar to that of the plaintiff.

17. On behalf of the defendant, proof affidavit was filed by A.Arvind Rao, Managing Director of the defendant company and marked Exs.D1 to D27. In the cross examination, DW1 would depose as follows:

17.1. The company of the defendant was originally incorporated as "Reflex Auto Products Pvt. Ltd." and initially they were into the manufacture of rear view automotive mirrors and from the year 1995 onwards, changed the name to "TechNova Tapes (India) Private Limited" and diversified into the manufacture of Industrial Adhesive Tapes and to use "TechNova" as brand name, they applied for registration in the year 1991 in Classes 9 and 16. The defendant derived the name "Tech" from technology and "Nova" from innovation.

17.2. The defendant became aware of the existence of the plaintiff company from the Telephone Directory (Ex.D8) in the year 1995. The defendant did not submit any proof to show that they have paid Rs.1.05 Crores towards tax and duties. An ordinary layman cannot go and purchase adhesive tapes over the counter and they are not available in the shops and the purchaser places the order directly to the company to procure the tapes and in their brand, apart from the word, there is a logo, which was created by us in the year 2005. Google search reveals that there are more than thousands of companies which have their name "TechNova" and Ex.D13 also evidencing the same.

18. This Court has also taken into consideration the relevant provisions of the Trade and Merchandise Marks Act, 1958 and the Trade Marks Act, 1999.

19. Section 28 of the Trade and Merchandise Marks Act, 1958 speaks about rights conferred by registration and sub-section (3) of the said sections reads as follows:

"28.Rights conferred on registration-

.....

(3) Where two or more persons are registered proprietors of trade marks, which are identical with or nearly resemble each other, the exclusive right to the use of any of those trade marks shall not (except so far as their respective rights are subject to any conditions or limitations entered on the register) be deemed to have been acquired by any one of those persons as against any other of those persons merely by registration of the trade marks but each of these persons has otherwise the same rights as against other persons (not being registered users using by way of permitted use) as he would have if he were the sole registered proprietor."

20. It is the submission of the learned Senior Counsel appearing for the appellant/defendant that the said provision is relatable only to the goods and services, for which trademark is registered and not relatable to the class of goods and it is also contended that the goods of the appellant/defendant is a different class of goods and there may be cause of action only after infringement and not for passing off and that apart, Ex.D8 would disclose that the respondent/plaintiff, despite having acquiescence, did not act/react for so long. The learned Senior Counsel appearing for the appellant/defendant has also relied upon Section 159(5) of the Trade Marks Act, 1999 to say that "Notwithstanding anything contained in this Act, where a particular use of a registered trade mark is not an infringement of a trade mark registered before the commencement of this Act, then, the continued use of that mark shall not be an infringement under this Act".

21. The pleadings of the respondent/plaintiff are that it is a registered proprietor of the trademark/house mark "TechNova (word per se / label) under Classes 1, 2, 10 - 12, 15, 18, 19, 24, 26-32 and 34 and the plaintiff has so far made 74 applications for registration of the trademark "TEHNOVA" and out of said applications, 33 trademarks have already been registered and the remaining applications are at the advanced stage of registration. It is the specific grievance of the plaintiff that the use of the trademark "TechNova" by a person other than the plaintiff would be taken as indicating a connection between the goods and services as being the goods and services emanating from the plaintiff and the said person and the plaintiff did not authorize the defendant to use the mark "TechNova" and the

defendant is surreptitiously carrying on business activities under the corporate name "TechNova" and also marketing and selling its products in the name of "TechNova", which is identical with the plaintiff's corporate name and house mark and the adoption and use by the defendant of an identical corporate name as that of the plaintiff trademark "TechNova" is bound to cause confusion and deception in the minds of the purchasing public and the members of the trade and it amounts to infringement of the statutory rights of the plaintiff apart from enabling the defendant to pass off its goods as that of the plaintiff and it not only amounts to dishonest adoption, but also to get unfair advantage and it would be detrimental to the plaintiff's distinctive character and reputation of the plaintiff's trademark.

22. Ex.P3 series are the Registered Trademark Certificates and Renewals of the plaintiff. PW1, who was examined on behalf of the plaintiff, would depose among other things that there is no proof in the document exhibits Exs.P1 to P11 filed by the plaintiff to show that the plaintiff manufactures Industrial Adhesive Tapes, though in the earlier paragraphs he deposed that he believe as to the plaintiff's registration of the trademark under Classes 9 and 16 relate to Industrial Adhesive Tapes. It is also admitted by him that no document has been filed by the plaintiff to show as to the Industrial Adhesive Tapes.

23. The primordial claim of the plaintiff is that it has been marketing its products under the house mark "TechNova" over the last three decades all over India and abroad and its products are used for advertising, signage, printing and packaging as well as textiles, engineering, architecture, geology and business graphics and in all walks of commerce and industry, particularly involved with printing and it is having 70% market share for each of its products in the Indian sub-continent.

24. PW1, in the cross examination, would depose that "TechNova" is a well known brand and therefore, the defendant could have been enticed to use that word and he do not know that the word "TechNova" is an abridged version of common words and he was not aware that the defendant has been marketing more than 80 different types of tapes, which have various specialized applications. A specific question was put to PW1 that the word "TechNova" is used by thousands of persons all over the world in respect of various products and the answer was that some of the parties in India similar to them have been contested by them successfully and one party in Turkey and he have not filed any proof in that regard. In answer to a question "Are you aware that many companies with the name "TechNova" including the

defendant have online websites, shopping portals etc., PW1 stated that "I am not aware". Similarly number of questions has been put as to the use of name "TechNova" by companies both in India and abroad and the standard answer given by PW1 was that he was not aware.

25. Per contra, the appellant/defendant had marked Exs.D14 to D24 to show that the word "TechNova" is being used by very many companies throughout the world and in the light of the testimony of PW1, it cannot be said that the respondent/plaintiff has innovated the word "TechNova" and by using it as it's companies mark, it gained distinctiveness.

26. The Intellectual Property Appellate Board, Chennai, in the decision in E.I. Du Pont De Nemours & Co., v. Zip Industries Private Limited, Chennai [2004 (28) PTC 174 (IPAB)], had considered the very similar issue. The facts of the said case would disclose that the Assistant Registrar of Trademark has disallowed E.I. Du Pont's opposition, opposing the registration of respondent's trademark and allowed the registration of the Trade Mark "TUFFLON" in respect of Zip Fasteners in Class 26 of the Trade and Merchandise Marks Act, 1958. In paragraph No.15 of the said order, the Tribunal has taken into consideration the contention put forward on behalf of the appellant therein that the respondent, namely "Zip Industries Private Limited, Chennai" have not honestly adopted the trademark and they have copied their trademark and considering the same, the Tribunal held that the appellant cannot claim monopoly for the trademark "TEFLON" in respect of all classes, just because they had registered their mark in India in a few classes.

27. In a similar case, the IPAB, in the decision in E.I. Du Pont De Nemours & Co., v. Gemini Distilleries Ltd., [2004 (28) PTC 663 (IPAB)], has considered the similar issue and held that the appellant registered their trademark "DU PONT" in respect of few classes and as such, they cannot claim monopoly for the word "DU PONT" in respect of goods falling under other classes of goods, for which they have not registered.

28. This Court, from the pleadings extracted above and on analysis of the facts and circumstances, found that the goods manufactured by the appellant/defendant and the respondent/plaintiff are altogether different and the respondent/plaintiff has failed to probablise that they first innovated, rather coined the word "TechNova" and as such, anybody can use the said name. No doubt, the plaintiff is having the benefit of registration of the trademark / house mark "TechNova" in the above cited classes and in the light of the testimony of PW1, rather admission on the part of PW1, it cannot be said that the appellant/defendant by adopting the said mark

from the year 1995 is guilty of dishonest adoption and that such kind of act is not bonafide and has been done in bad faith. Therefore, Question No.1 is answered in affirmative in favour of the appellant/defendant.

QUESTION NO.2

29. This Court, while dealing with Question No.1 has dealt with the said aspects also and paragraph No.6 of the plaint reads that the plaintiff is the world's largest manufacturer of digital and analog offset plates, media and chemicals for inkjet and laser applications and the products manufactured by the plaintiff are used for advertising, signage, printing and packaging etc., (stated supra). The products of the defendant are specialized Industrial Adhesive Tapes and in paragraph No.6 of the written statement, they would state that they manufacture Aluminium Foil Adhesive Tape, Polyester Insulation Adhesive Tape, Kapton Insulation Adhesive Tape, Noxed Adhesive Tape, Double Sided Tissue Tapes and Nylon Fabric Adhesive Tapes and through it's own research and development, it has developed over 110 different products of highest quality to international standards and supplies to 100% Export Oriented Units and it sells it's products only through wholesale trade. In paragraph No.9 of the written statement, the defendant has given the list of some of the reputed customers, which include LG Electronics Ltd., Voltas Limited, Videocon, Electrolux, Ponds, Godrej, Carrier Refrigeration Ltd., GE Power Controls, BPL Refrigeration Ltd., Toyota Kirloskar Limited etc. Thus, the products manufactured by the plaintiff and the defendant are altogether different.

30. The only apprehension expressed by the plaintiff is that the use of the word "TechNova" by persons other than the plaintiff would be taken as indicating a connection between the goods and services being the goods and services emanating from their stable and in the event of generation of any adverse publicity on account of poor quality of the goods, the defendant is bound to suffer which they had achieved for very many years.

31. A perusal of Ex.D8 would disclose that the name of the defendant viz., Technova Tapes (India) Pvt. Ltd., continued to appear from the year 1995, just next to the plaintiff's name and initially they did not object and on 25.09.2002, under Ex.P2, they sent a letter for desist for which a reply under Ex.P5 was given dated 27.11.2002 and thereafter, there were exchange of notices under Exs.P6, P7 and P8 and the Suit came to be filed only during October, 2004.

32. The learned Judge has dealt with Issue Nos.6 to 10 from Paragraph No.27 onwards of the impugned judgment and also referred to various decision cited on behalf of both parties and

found that the conditions for invocation of Section 159(5) of the Trade Marks Act, 1999 have not been satisfied by the defendant and it failed to offer any plausible explanation from changing their name from "Reflex Auto Products Private Limited" to "TechNova Tapes (India) Private Limited" and also held that the submission made as to the honest and concurrent use is unsustainable.

33. In Vishnudas Trading as Vishnudas Kishandas v. Vazir Sultan Tobacco Co. Ltd., Hyderabad and Ors. [(1997) 4 SCC 201 = AIR 1996 SC 2275], the appellant namely, Vishnudas Kishandas had applied for registration of quiwam and zarda with trade mark "Charminar" under the Trade and Merchandise Marks Act, 1958 and the Trade Marks Rules, 1959 framed under the said Act and it was objected by the respondent, namely Vazir Sultan Tobacco Co. Ltd., which was in the manufacture of cigarettes under the brand name "Charminar" and therefore, the appellant filed two applications for rectification of the trademark of the respondent and the rectification was ordered with a direction to make the entries relating to specification of goods to be read as "Cigarettes". Challenging the same, the respondent filed two statutory appeals before this Court and it was allowed and further challenge made to a Division Bench of this Court had also ended in dismissal and therefore, the matter reached the portals of the Hon'ble Supreme Court. In paragraph No.43 of the said judgment, the Hon'ble Supreme Court observed that "...In the common trade channel such articles are not only held different and distinct articles but are marketed separately. It does not require any imagination to hold that snuff or quiwam are entirely different products and even though the said product and the cigarettes, bidis, cheroot are also made of tobacco and all such products may come under the broad classification 'manufactured tobacco', each of the said products is always held as a distinct and separate article of use having its specific characteristics". In Paragraph No.44 of the said judgment, the Hon'ble Apex Court has taken note of the registration of the respondent's company brand name "Charminar" and observed that ".... the said registration is limited only in respect of the articles being manufactured and marketed by the respondent company, namely cigarettes. In our view, if a trader or manufacturer actually trades in or manufactures only one or some of the articles coming under a broad classification and such trader or manufacturer has no bonafide intention to trade in or manufacture other goods or articles which also fall under the said broad classification, such trader or manufacturer should not be permitted to enjoy monopoly in respect of all the articles which may come under such broad classification and by that process preclude the other traders or or manufactures to get registration of separate and distinct goods which may also be ground under the broad classification".

34. In *Nandhini Deluxe v. Karnataka Co-operative Milk Producers Federation Ltd.* [2018 (9) Scale 202 = (2018) 9 SCC 183], the Hon'ble Apex Court held that the issue pertains to the mark "NANDHINI" and the respondent, namely Karnataka Co-operative Milk Producers Federation Ltd. adopted the said mark in the year 1985 and under this brand name, it has been producing and selling milk and milk products and also got registration of the said mark under Class 29 and 30 and the appellant, namely Nandini Deluxe is in the business of running restaurants and it adopted the mark 'NANDHINI' for its restaurants in the year 1989 and it applied for registration of the said mark and it was opposed by the respondent and the objections were rejected and registration was ordered. It was the contention of the respondent therein that the mark used by the appellant is deceptively similar to the mark of the respondent and it likely to cause confusion and that they have distinctive character and is well known to the public and it is having exclusive right to use the said mark which lead the public to believe that the foodstuffs sold by the appellant are in fact that of the respondent. The Hon'ble Supreme Court of India, while dealing with the said issue, has taken note of *Vishnudas case* (cited supra) and after taking into consideration the decision in *Polaroid Corporation v. Polarad Electronics Corporation* [MANU/FESC/0209/1961] as well as its earlier decision in *National Sweing Thread Co. Ltd., v. James Chadwick and Bros.* [AIR 1953 SC 357], in paragraph No.28 observed that,

"Applying the aforesaid principles to the instance case, when we find that not only visual appearance of the two marks is different, they even relate to different products. Further, the manner in which they are traded by the Appellant and Respondent respectively, highlighted above, it is difficult to imagine that an average man of ordinary intelligence would associate the goods of the Appellant as that of the Respondent".

The Hon'ble Apex Court, in the above cited decision, after taking note of *Vishnudas case* (cited supra) and also the Trade and Merchandise Act, 1958 and Trade Marks Act, 1999, in paragraph No.31 observed that "the proprietor of a trade mark cannot enjoy monopoly over the entire class of goods and particularly, when he is not using the said trade mark in respect of certain goods falling under the same class" and in paragraph No.32, concluded that "use of the trade mark 'NANDINI' by the appellant in respect of its different goods would not be detrimental to the purported distinctive character or repute of the trade mark of the respondent" and citing the said reasons, had set aside the orders of the IPAB and the High Court and allowed the appeals by upholding the order of the Deputy Registrar of Trade Marks granting registration in favour of the

appellant.

35. In the considered opinion of the Court, the above cited decision, on facts and on law, would apply to the present case.

36. Admittedly, the products of the appellant/defendant and the respondent/plaintiff are altogether different and no evidence has been adduced by the plaintiff as to the dishonest use of the trademark "TechNova" by the defendant and there is no likelihood of customers/consumers of the plaintiff getting deceived or confused on account of the same.

37. This Court, while answering Question No.1, has also given findings that the word "TechNova" is not unique to the plaintiff alone and it cannot claim that it innovated/coined the said word. The appellant/defendant, through Exs.D20 to D24 had amply sustained it's case that there are very many companies in the world including in India using the trademark "TechNova" and therefore, on account of adoption of the trademark/house mark of the plaintiff, the name, fame and reputation of the plaintiff have not been affected in any manner and the apprehension expressed by the plaintiff that in the event of inferior quality of the products of the defendant, the people might think and believe that such product emanated from the plaintiff and thereby, they would be put to loss of reputation and goodwill, is not supported by any evidence.

38. Therefore, Question No.2 is answered in affirmative in favour of the appellant/defendant.

QUESTION NO.3

39. The answers given to Question Nos.1 and 2 covers this issue/question and the plaintiff, in the light of the reasons assigned above, cannot claim that it is having monopoly over the word "TechNova" and therefore, the said question is answered in affirmative in favour of the appellant/defendant.

QUESTION NO.4

40. The learned counsel appearing for the respondent/plaintiff, by placing heavy reliance upon Section 29 (4) of the Trade Marks Act, 1999, would submit that since it has good reputation in India and on account of use of the said mark by the defendant, it would get unfair advantage and thereby, cause detriment to their name, fame, reputation and goodwill and has also placed reliance upon the following decisions:

- (i) Express Bottlers Services Pvt. Ltd., v. Pepsi Inc. & Others [1989 (9) PTC 14(Cal.)]
- (ii) Dr.Reddy's Laboratories Ltd. v. Reddy Pharmaceuticals

- Limited [2004 (29) PTC 435 (Del.)]
(iii) D.R.Cosmetics Pvt. Ltd. & Anr. v. J.R.Industries [2008 (38) PTC 28 (Bom.)]
(iv) Rolex SA v. Alex Jewellery Pvt. Ltd. and Ors. [2009 (41) PTC 284 (Del)]
(v)Walter Bushnell Pvt. Ltd. & Ors. v. Miracle Life Sciences & Anr. [2014 (59) PTC 339 (Del.)].

41. Scope of Section 29(4) of the Trade Marks Act, 1999 came up for consideration before a learned Single Bench of Delhi High Court in the decision in Radico Khaitan Limited v. Carlsberg India Private Limited [2011 (48) PTC 1 (Del)] and it is relevant to extract paragraph Nos.21 and 22 of the said decision:

"21. So far as infringement qua different goods is concerned, separate enactment of Section 29(4) makes it clear that the strict rigors are prescribed as against the ordinary case of similar goods wherein a registered proprietor has to establish that the registered trademark has reputation in India and is of such a nature wherein the use of the mark by the other side without due cause would tantamount to taking unfair advantage or detrimental to the distinctive character or repute of a trademark.

22. A reading of Section 29(4) of the Act would reveal that the said protection qua different goods is earmarked by the Legislature for the trademarks which are either highly reputed or well known or famous trademarks and enjoy either high level of distinctiveness or the marks which are inherently distinctive in nature or has become distinctive due to their repute; the use of which will cause detrimental to the distinctive character and repute of the trademark only when the ingredients of Section 29(4) are satisfied conjunctively which is sub sections (a), (b) and (c) the infringement qua Section 29(4) in relation to different goods is attracted."

Therefore, burden lies heavy on the respondent/plaintiff to probablise and substantiate that the use of the mark "TechNova" by the appellant is without due cause and it would result in unfair advantage to them or detriment to the distinctive character or reputation of their trademark. The plaintiff is also under obligation to sustain that their trademark is highly reputed or well known trademark and they enjoy either high level of distinctiveness or the marks which are inherently distinctive in nature or has become distinctive due to their repute.

42. In the above cited decision viz. Radico Khaitan Limited case, the scope of Section 29 of the Trade and Merchandise Marks Act, 1958 as well as Section 159(5) of the Trade Marks Act, 1999

also came up for consideration. The facts of the case would disclose that an application was filed praying for permanent injunction restraining the defendant, namely Carlsberg India Private Limited from using the numeral '8' as a trademark for the purpose of marketing it's products. It is to be noted at this juncture that the plaintiff company therein is a manufacturer of alcoholic beverages, which include liquor both Indian and Indian made foreign liquor, country liquor etc., and the defendant is engaged in the manufacture of alcoholic beverages including beer and other beverages. Sum and substance of the case of the plaintiff, as observed in paragraph No.6 of the said judgment, is that use of the numeral '8' by the defendant in relation to one of it's products which is beer under the mark PALONE infringes and violates the statutory and common law rights of the plaintiff in it's well known and registered mark '8' PM, numeral 8 being its essential, distinguishing and identifying feature. It is relevant to extract the following portions of the said judgment:

"50. A bare reading of the sub section 159(5) would reveal that the same is the non obstante clause and would therefore prevail over in addition to what has been stated under the Act. The new Act of 1999 although extends the registration under the existing law of 1958 to the New Act. However, the exception is carved out under sub section (5) which states that the particular user of the mark if it is not an infringement under the old Act then, the same shall also not to be an infringement under this Act.

51. The combined reading of Section 29 of the old Act and saving clause of section 159 makes it amply clear that the user of the numeral 8 would not have been an infringement under the old act and injunction cannot be granted if it is established the said numeral does not indicate the connection in the course of the trade with the plaintiff. Thus, the said user cannot be extended to be an infringement under the new act by virtue of the saving clause of section 159 of the Act of 1999.

.....

53. Therefore, I am of the prima facie view that the registrations relied upon by the plaintiff do not establish the prima facie case of infringement under section 29 (1) and 29 (2) as I have already expressed doubts about the nature of goods being either non similar or similar which depends number tests discussed by me along with the facts to be proved in trial. Thus, it is more of a mixed question of law and fact. At this stage, suffice it to say that the registration of the plaintiff clearly do not cover beer, the said

registration are in Part B which are weak ones, the goods can be conclusively said to be similar goods, therefore, the infringement under section 29 (1) (2) and (3) cannot be established. So far as grounds under section 29(4) is concerned, the other surrounding factors like extensive user of the numeral 8 by the other parties, observations that 8 has a role in liquor industry and other factors discussed above prevents the numeral 8 to be categorized as reputed mark of the plaintiff and the user of the same is protected under section 30 of the Act. Therefore, I am prima facie of the view that no case is made out in view of statutory provision of Sections 28 and 29 in order to establish the case of infringement. The surrounding factors like no infringement of Part B registration under the old act, 8 is not per se registered in view of section 17 of the Act, registration of someone else in relation to beers also act as special circumstances which militate against the grant of injunction."

The issue relating to passing off has also been dealt with in the above cited decision and in the case on hand, such a claim has also been made by the respondent/plaintiff. It is also relevant to extract the following portions of the said judgment:

"63. Thus, in the present case, the contention that the Court is precluded from seeing the third parties use is also not correct as two sets of goods/products of the parties are not same. All the decisions referred to by the plaintiff are those cases wherein the goods of the parties are same. In the present case, the defendant has not only to show extensive third party user of numeral 8 in relation to whisky, the goods used by the plaintiff but also to show the prima facie evidence that some of the third parties are prior in time than the plaintiff. The defendant has also to produce some original samples of third parties user before the Court during the course of hearing. Thus, the third parties user in the present case has become relevant factor to decide the interim application.

....

68. The goods more specifically beers and whisky are not identical and again they are either same description of the goods or allied or cognates or different. The judicial opinion in this respect is also not consistent as to whether the said goods are actually the goods of the same description. It is noteworthy that the alcoholic drinks like whisky wines, spirits are falling in class 32 and beers, water and other aerated drinks are falling in class 33.

69. Although I am aware that the classification is not material for measuring the likelihood of confusion and deception. But the same cannot be completely overlooked in the present circumstances. The -alcoholic drinks? may be a very wide classification wherein there may be goods including whisky, Rums, spirits, wines, Jins of different price ranges. The same may also include the drinks which are not purely alcoholic ones but are dilutions like beers which contain the alcolohic content. If one may apply the test of identity of composition, identity of consumers, price ranges, consuming public as tests, the said goods seem to be goods of different description as composition wise the beers and whisky are not the same, price wise, there is a great price variation as beer may be cheaper and whisky may be expensive, consuming public wise people are discerning as to whether they want beer or whisky."

In paragraph No.70, the Delhi High Court has referred to Khoday Distilleries Limited v. Scotch Whisky Association and Ors. [(2008) 10 SCC 723] and observed that "Thus, unless the Plaintiff is exclusively registered for 8 per se, it cannot be said to enjoy the proprietary rights over the part of the mark as per Section 17 of the Act. Prima facie, it appears that the numeral 8 cannot be exclusively enjoyed by the Plaintiff". Ultimately, the High Court of Delhi concluded that the defendant is not liable to be refrained from using the numeral '8', as the plaintiff therein failed to make out any prima facie case.

43. The respondent/plaintiff, in order to sustain their case, had filed Exs.P1 to P12 and examined PW1. In the considered opinion of the Court, none of the documents would satisfy the requirements of Section 29(4) (a), (b) and (c) of the Trade Marks Act, 1999.

44. This Court, while answering Question Nos.1 an 2, had given findings that the plaintiff cannot claim to be an innovator of the word "TechNova" and the adoption of the said mark is unique to the plaintiff alone and also held that Exs.D14 to D24 would amply sustain the defence of the appellant/defendant that very many companies throughout the world are using the very same mark and further pointed out that PW1, in his cross examination, has admitted that litigations were instituted against some of the parties in India from using the trademark "TechNova" and one party in Turkey, but he did not file proof in that regard and that apart, no Balance Sheet or other document evidencing sales volume as well as advertisement expenditure incurred by the plaintiff to probablise their case

that their

trademark has got reputation in India and the oral evidence of PW1 in that regard is also of no help to the plaintiff.

45. In Cable News Network LP, LLLP (CNN) v. Cam News Network Limited [2008 (36) PTC 255 (Del.)], the issue pertains to infringement and passing off the trademark 'CNN International' and the defendant was in the business of publication business and the Delhi High Court having found that CNN is a 24 hours Global News Television Network, recorded a finding that the plaintiff was much prior in the market and analyzed the reputation in respect of the goods and services and in the light of the said fact, has granted an order of ad-interim injunction in favour of the plaintiff.

46. In Bengal Waterproof Ltd. v. Bombay Waterproof Mnfg. Co. [1997 (17) PTC 98], the plaintiff sought to file a Suit for passing off in relation to sale of products under the registered trademark "Duck Back" and whereas defendant has adopted a deceptively similar mark "Dack Back" and taking into consideration of the same, the Hon'ble Supreme Court has reversed the judgment of the lower Court and decreed the Suit.

47. In Express Bottlers Services Pvt. Ltd. v. Pepsi Inc. & Others [1989 (9) PTC 14 (Cal)], the application filed for rectification of registered trade mark "Pepsi Cola" was sought and was rejected. The learned counsel relied upon the said judgment for the proposition that "if proprietary of the mark is expected to pursue each and every insignificant infringer to save his mark, the business will come to a standstill..... The mere use of the name is irrelevant because a registered proprietor is not expected to go on filing suits or proceedings against infringers who are of no consequence".

48. In Dr.Reddy's Laboratories Ltd. v. Reddy Pharmaceuticals Limited [2004 (29) PTC 435 (Del.)], the plaintiff is marketings it's products under the trademark "Dr.Reddy's" and the defendant, who was a trader in bulk drugs, started using the mark "Reddy" and an order of restrain was granted for using the trademark. The Delhi High Court observed in paragraph No.27 that the pleadings and documents prima facie establish that the plaintiff has acquired substantial trade reputation and goodwill and the use of trademark "Reddy" by the defendant on its pharmaceuticals products is neither concurrent nor honest user and the same has been adopted by the defendant with a view to mislead the customers and the intention to practice deceit is writ large and citing the said reasons, had granted an order of ad-interim injunction.

49. In Walter Bushnell Pvt. Ltd. & Ors. v. Miracle Life

Sciences & Anr. [2014 (59) PTC 339 (Del.)], the use of trademark "DROTIN" was said to have been infringed by the defendant by using in relation to some other goods. The Delhi High Court having found that three parties are actually using the similar trademark and in the light of the fact that deceptively similar trademark is having same goods, has negatived the case of the defendant and sustained the order of injunction granted in favour of the plaintiff.

50. In Toyota Jidosha Kabushiki Kaisha v. Prius Auto Industries Ltd., and Others [2018 (5) CTC 784], the Hon'ble Supreme Court of India observed as under:

"21. At the very outset, certain principles that govern the law of passing off may be usefully noticed. Such principles, in fact, have been considered by this Court in its decision in S. Syed Mohideen v. P.Sulochana Bai [2016 (2) SCC 683], though in a somewhat different context, i.e., the right of a registered owner of a particular mark to bring an action for passing off against another registered owner of an identical or largely similar trade mark. In S. Syed Mohideen (supra), this Court on a collective reading of the provisions of the Act held "that the action for passing off which is premised on the rights of prior user generating a goodwill shall be unaffected by any registration provided under the Act," which proposition actually stood approved in an earlier decision of this Court in N.R. Dongre v. Whirlpool Corporation [1996 (5) SCC 714]. The trinity test laid down in Reckitt and Colman Ltd. (supra) was reiterated by this Court in S. Syed Mohideen (supra) by holding that to prove and establish an action of passing off, three ingredients are required to be proved by the plaintiff, i.e., his goodwill, misrepresentation and damages.

....

31. Whether the second principle evolved under the trinity test, i.e., triple identity test laid down in Reckitt and Colman Ltd. [1990 (I) All E.R.873] would stand established on the test of likelihood of confusion or real/actual confusion is another question that seems to have arisen in the present case as the Division Bench of the High Court has taken the view that the first test, i.e., likelihood of confusion is required to be satisfied only in quia timet actions and actual confusion will have to be proved when the suit or claim is being adjudicated finally as by then a considerable period of time following the initiation of the action of passing off might have elapsed. Once the claimant who has brought the action of passing off

establishes his goodwill in the jurisdiction in which he claims that the defendants are trying to pass off their goods under the brand name of the claimant's goods, the burden of establishing actual confusion as distinguished from possibility thereof ought not to be fastened on the claimant. The possibility or likelihood of confusion is capable of being demonstrated with reference to the particulars of the mark or marks, as may be, and the circumstances surrounding the manner of sale/marketing of the goods by the defendants and such other relevant facts. Proof of actual confusion, on the other hand, would require the claimant to bring before the Court evidence which may not be easily forthcoming and directly available to the claimant. In a given situation, there may be no complaints made to the claimant that goods marketed by the defendants under the impugned mark had been inadvertently purchased as that of the plaintiff/claimant. The onus of bringing such proof, as an invariable requirement, would be to cast on the claimant an onerous burden which may not be justified. Commercial and business morality which is the foundation of the law of passing off should not be allowed to be defeated by imposing such a requirement. In such a situation, likelihood of confusion would be a surer and better test of proving an action of passing off by the defendants. Such a test would also be consistent with commercial and business morality which the law of passing off seeks to achieve. In the last resort, therefore, it is preponderance of probabilities that must be left to judge the claim."

51. As already pointed out, though the plaintiff in the pleadings would claim that it is offering full range of products to the customers and its trademark/house mark is globally recognized by the trade and industry as well known, has miserably failed to probablise their case by adducing oral and documentary evidence. Admittedly, the products manufactured by the plaintiff and the defendant are altogether different and the plaintiff may be entitled to relief only if they are able to bring the case within the ambit of Section 29(4) of the Trade Marks Act, 1999 and once again they have failed to establish the requirement of Section 29(4)(c). It is also to be noted at this juncture that it is not (a) or (b) or (c) of Section 29(4) and it is Section 29(4)(a), (b) and (c) in total/combined together.

52. A perusal of Ex.D8 would disclose that the Bangalore Telephonic Directory contains the name of the plaintiff, namely, Technova Imaging Systems Ltd., Technova Tapes India Limited (defendant company) and it also reads that apart from the same, two other companies having the name Technova viz., Technova Enterprises and Technova Plate Making Systems Pvt. Ltd., and the

said Telephone Directory is of the year 1995.

53. Section 29(1) of the Trade and Merchandise Marks Act, 1958 reads as follows:

"29. Infringement of Trade Marks - (1) A registered trade mark is infringed by a person who, not being the registered proprietor of the trade mark or a registered user thereof using by way of permitted use, uses in the course of a trade mark which is identical with, or deceptively similar to, the trade mark, in relation to any goods in respect of which the trade mark is registered and in such manner as render the use of the mark likely to be taken as being used as a trade mark."

The said provision deals with user of the mark which is identical with or deceptively similar to the trade mark, in relation to any goods in respect of which the trade mark is registered.

54. No doubt, the plaintiff is having the benefit of the registration of the trademark and the goods manufactured and marketed by the defendant is not in respect of which the trademark is registered and if it is so, Section 159(5) of the Trade Marks Act, 1999 would come to the aid of the defendant for the reason that the products manufactured by the defendant is not in respect of the goods for which the plaintiff has obtained the registration of the trademark and if it is so, the continued use of the trademark "TechNova" by the defendant cannot be considered as infringement under the Trade Marks Act, 1999. The plaintiff has also miserably failed to establish that the defendant is using the trademark with dishonest intention and the same has been done only with a view to exploit the goodwill of the plaintiff and that apart, Ex.D8 would disclose that the defendant, by changing its name from "Reflex Auto Products Pvt. Ltd.," to "TechNova Tapes (India) Pvt. Ltd." and came to be incorporated in the year 1995 and manufacturing it's products and only in the year 2004, the plaintiff came forward to file the present Suit.

55. The learned Judge, in paragraph No.37 of the judgment, has recorded a finding that the defendant has no satisfactory explanation as to how they came to adopt the trade marks, which are registered in the name of the plaintiff, which have a worldwide market. As pointed out above, the plaintiff has failed to establish that it had a worldwide market and the oral evidence let in by them did not help/advance their case and the plaintiff did not take any action for nearly 9 years i.e., from the year 1995 and as such, he has acquiesced the conduct of the defendant.

56. It is once again to be pointed out at this juncture that neither the oral evidence nor the documentary evidence help/advance the case of the plaintiff and the plaintiff has failed to probablise their case. The plaintiff, except the self serving statement, did not adduce any quality or sufficient evidence to sustain their claim. Therefore, the appellant/defendant is entitled to succeed in this appeal and Question No.4 is answered accordingly.

57. In the result, this Original Side Appeal is allowed and the judgment and decree dated 15.12.2016 made in C.S.No.860 of 2004 is set aside and consequently, the Suit in C.S.No.860 of 2004 is dismissed. However, there shall be no order as to costs. Consequently, connected miscellaneous petition is closed.

Sd/-

Assistant Registrar (CS-VI)

//True Copy//

Sub Assistant Registrar

Jvm

TO

1.The Sub Assistant Registrar,
Original Side,
High Court, Madras

+1cc to Mr. A.K.Balaji, Advocate, S.R.No. 23505

+2cc to Mr. Daniel & Gladys, Advocate, S.R.No. 23717

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O.S.A.No.59 of 2017

GP (CO)

GN(14/06/2019)

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