

IN THE HIGH COURT OF JUDICATURE AT MADRAS

Reserved on: 05.02.2020

Pronounced on: 11.02.2020

Coram::

The Honourable Dr.Justice G.Jayachandran

C.S.No.1020 of 2009

M/s.K.R.Devandrier & Son,
No.176, Main Road,
Shevapet, Salem – 636 002.
Rep. by its Partner K.R.Ramesh ... Plaintiff

/versus/

1. A.S.Murali,
trading as Sarojini Jewellery,
No.45, Panakkal Street,
Kaveripattinam – 635 112.
2. Ramesh Babu,
trading as New Jewellery,
No.154, Panakkal Street,
Kaveripattinam – 635 112. ... Defendants

Prayer: Complaint is filed under Order VII Rule 1 of C.P.C., read with Order IV Rule 1 of Original Side Rules read with Sections 27, 28, 29, 134, 135 of the Trademarks Act, 1999.

a. A permanent injunction restraining the defendants, their partners, men, agents, servants, assigns, successor-in-business, legal representatives or anyone claiming through or under them from in any manner infringing the plaintiff's registered trade mark **RS.*** under no.1259056 in class 14 by use of 'RS./RS*' as a trademark and/or by use

of any other trade mark/trade name containing RS or any letters identical/similar thereto or in any other manner whatsoever;

b. A permanent injunction restraining the defendants, their partners, men, agents, servants, assigns, successor-in-business, legal representatives or anyone claiming through or under them from in any manner passing off or enabling others to pass off the defendants' goods, services, jewellery etc., by use of trademark/tradename 'RS', oval shaped device, device of dot or star which is identical/similar to plaintiff's well established trademark **RS.*** or in any manner whatsoever;

c. The defendants be ordered to surrender to the plaintiff all blocks dyes, stationery, labels, dyes, screen prints, packing materials, pouches, bags, advertising material etc., containing the mark 'RS', which is identical to the plaintiff's trademark RS.*.

d. A preliminary decree be passed in favour of the plaintiff directing the defendants to render account of profits made by use of trademark 'RS' and a final decree be passed in favour of the plaintiff for the amount of profits thus found to have been made by the defendants after the latter have rendered accounts;

e. The defendants be ordered and decreed to pay to the plaintiff a sum of Rs.10,05,000/- as damages for acts of infringement of trade mark and passing off.

f. For costs of the suit; and

g. Pass such further or other reliefs as this Hon'ble Court may deem fit and necessary in the circumstances of the case.

For Plaintiff : Mr.Arun C.Mohan

For D1 & D2 : Mr.S.Subbiah, Senior Counsel,
for R.Shyamla,

J U D G M E N T

This is a suit under Trademark Act for injunction alleging infringement and passing off of the plaintiff's registered trademark **RS.*** and for direction to the defendants to surrender the impugned materials and render accounts.

2. The case of the plaintiff is that, they are carrying on business in manufacturing and selling silver anklets and silver jewellery. They established the business in the year 1974 at Salem, in the name M/s.K.R.Devendra Iyer & Son. In the course of their business, in the year 1983, the plaintiff adopted the distinctive trademark **RS.*** in an oval shaped device, for manufacturing and selling silver anklets and silver jewellery. In order to protect its common law rights, the plaintiff sought registration of the mark **RS.*** in an oval shape device in class 14 on 2nd January 2004 with claim of user since 31st December 1983. The said

mark was subsequently registered on 12.07.2006. The essential features of the plaintiff's mark are the letters RS followed by the device of a dot (.) and a device of star (*) placed after the device of dot. Since 1983, the plaintiff is openly, extensively and continuously using the trademark **RS.*** in respect of silver anklets and silver jewellery. The said trademark is used by the plaintiff in its invoices/bills, correspondents, letter head, advertisements packing materials, pouches, labels, etc. The plaintiffs silver anklets and silver jewellery bearing the mark **RS.*** are very much in demand among the trade and public in Tamilnadu. In view of its superior quality, the plaintiff trademark has acquired tremendous reputation and goodwill in the jewellery trade. The plaintiff trademark **RS.*** has attained secondary meaning among the trade and public.

3. While so, during the month of October 2009, the plaintiff became aware that the defendants have adopted identical mark 'RS/RS.*' for selling silver anklets. The trademark **RS.*** is wholly embossed in the silver anklets manufactured/sold/dealt with by defendants. The defendants have deliberately infringed the trademark of the plaintiff by copying the mark and device of the plaintiff. The defendant has failed to reply to the cease and desist notice dated 08.11.2009 sent by the plaintiff. Hence, the present suit.

4. The case of the defendants is that, the 1st defendant is carrying on business in the name and style "Sarojini Jewellery" at Kaveripattinam, and the 2nd defendant is carrying on business in the name and style of "New Jewellery" at Kaveripattinam. The defendants are not concern with the plaintiff's composition or its trademark **RS.***. The 1st defendant is using the mark "SARO" and the 2nd defendant is using the mark "NEW" in their products, handbags, purses, cloth, bags, and plastic bags used for keeping the jewels. The defendants products are well known among the women folks in their locality and they have build an excellent goodwill and image in the public. The plaint averments are false and there is no proof that the defendants are infringing the plaintiff trademark **RS.***. To create confusion among the public and to gain false publicity, the plaintiff has filed this vexation suit. No cease and desist notice dated 06.11.2009 was received from the plaintiff.

5. Stating that, they have not infringed the plaintiff's trademark or passing off their products as that of the plaintiff and they are trading their products with different trademark, the defendants have sought for dismissal of the suit besides reserving their right to sue for compensation/damages against the plaintiff for giving false publication

and allegation to create negative impression about the defendants.

6. On considering the plaint, written statement and the additional written statement, this Court framed following issues:-

(i). Whether the defendants have infringed the plaintiff's trademark RS. registered under No.1259056 in class 14 by use of the mark 'RS./RS*' or any other mark containing RS or any letters identical/similar thereto?*

(ii). Whether the defendants have passed off or enabled others to pass off defendant goods, jewellery etc by use of trademark/trade name 'RS' oval shaped device, device of dot or star' which is identical/similar to plaintiff's well established trademark 'RS'?*

(iii). Whether the plaintiff is entitled for permanent injunction as prayed for in the suit?

(iv). Whether the plaintiff is entitled for cost?

(v). Whether the plaintiff is entitled for any damages for infringement and passing off trademarks?

(vi). Whether the plaintiff is entitled to any other reliefs as prayed for in the suit?

7. P.W.1 K.R.Ramesh, partner of the plaintiff firm had deposed in support of the plaintiff firm and relied on 12 documents, which are marked as Ex.P-1 to Ex.P-12. D.W-1 Ramesh Babu the 2nd defendant, D.W-2 Narendiran (Accountant), D.W-3 Nizar Ahamed (gift articles manufacturer) and D.W-4 E.Venkatachalam (silver articles designer) were examined on behalf of the defendants. Ex.D-1 to Ex.D-5 were marked through them.

8. The Learned Counsel for the plaintiff relying upon the deposition of P.W-1 and the exhibits marked as 'P' series would submit that, the plaintiff is the proprietor of the registered trademark **RS.*** duly registered under the Trade Marks Act, 1999, since 02.01.2004 for silver anklets and silver jewellery, which fall under class 14 (Ex.P-1). When the plaintiff came to know about the infringement of the above trademark by the defendants through the letters of M.Salim and Thiruvengadam, Ex.P-7 and Ex.P-8 respectively, issued the cease and desist notice dated 06.11.2009, Ex.P-10 to the defendants. The letters Ex.P-7 and Ex.P-8 along with the invoices and quotations (Ex.P-5 and Ex.P-6) of the defendants clearly show that, the defendants are using the plaintiff's registered trademark **RS.*** in the silver products sold by them. The mark RS and the percentage of purity is admittedly written by D.W-1

in the invoices. Also, the sample fitness certificate Ex.P-9 issued by the Swami Ragavendra Refinery, Salem clearly indicate the silver articles sold by the defendants bear the mark **RS***. Therefore, the plaintiff having established infringement of its trademark **RS.*** by the defendants, the relief sought in the plaint ought to be granted.

9. Per contra, the Learned Senior Counsel for the defendants would submit that, in law, the suit is not maintainable before this Court since no cause of action has arisen within the jurisdiction of this Court. This Court is not empowered to try suit when no cause of action arisen within its jurisdiction. The plaintiff and the defendants are carrying on business outside the territorial jurisdiction of the Original side jurisdiction of this Court. Though, leave has been granted under Clause 12 of Letters Patent since the defendants are carrying on business outside the Original Side territory, in the absence of cause of action within the territory, this Court is not empowered to try the suit.

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10. On facts, the Learned Counsel submits that, the plaintiff has failed to prove any infringement of its trademark **RS.***. The plaintiff has not produced any material evidence to prove infringement. Contrarily, the defendants have examined its accountant and designer to

prove that the 1st and 2nd defendants product carry the mark 'SARO' and 'NEW' and not the plaintiff's trademark '**RS.***'. The plaintiff has also failed to prove that the cease and desist notice was really issued and served on the defendants as alleged in the plaint. Having failed to prove infringement, the suit has to be dismissed with costs.

Finding of the Court:-

11. The plaintiff has obtained leave to sue, based on the statement at paragraph No.19 of the plaint which reads as below:-

"The plaintiff states that the cause of action for the present suit arose at Chennai within the jurisdiction of this Hon'ble Court in 1983 when the plaintiff stated its jewellery business under the trade mark RS.; on 2nd January 1984, when the application for registration of the trade mark RS.* under no.1259056 in class 14 is filed before the Trade Marks Registry, Chennai and subsequently registered; when the plaintiff has built up its reputation and goodwill in the trademark RS.*, on 6th November 2009 when the plaintiff issued a cease and desist notice to the defendants calling upon them not to use 'RS./RS*' and when the defendants continue to use the mark 'RS./RS*' and continue to arise each and every day de die in diem until restrained by an order of this Hon'ble Court."*

12. As per the plaint averments, the plaintiff and the defendants are carrying on business at Salem and Kaveripattinam respectively. The cease and desist notice alleged to have been sent from Chennai is not a connecting factor to confer jurisdiction to this Court. Further, the defendants denies the receipt of this notice. The plaintiff has not filed any document to show that this notice was sent to the defendants and received by them. Though it is pleaded in the plaint that the defendants have acknowledged the receipt of this notice, there is no piece of evidence to prove the same.

13. Be it as it may, regarding the jurisdiction, it is by now well settled that situs of registration of trademark will not confer jurisdiction of Court at situs. Full Bench of this Court in **Duro Flex Pvt Ltd Vs. Duroflex Sitzings System** reported in **(2014 (6) CTC 577)**, has reiterated this principle as below:-

"We are in agreement with the submission for the learned Counsel for the respondents that the mere registration of the Trade Mark at Chennai would not create the complete cause of action at Chennai. The registration of the mark is a fact, but cause of action would consist of a bundle of facts. Thus, more than one fact would have to be taken into account to

determine the location of a particular Trade Mark which connects the Trade Mark to the place."

*We do believe that the course of action suggested by the Learned Counsel for the respondents of applying the "Connecting Factors" Test as enunciated in **Canda V. Folster's** reported in **1997 Can LII 6344 (FCA)**, would be the appropriate course of action. In terms of the said pronouncement, the weight given to each factor should be related to the purpose for which the situs was being determined and thus, mere registration of a Trade Mark at a particular place would not be finally determinative of the situs of the trademark. The situs would depend upon the facts of each case and the factor that connect the Trade Mark to that place."*

Clause 12 of Letters Patent reads as below:-

12. Original jurisdiction as to suits:-

"And We do further ordain that the said High Court of Judicature at Madras, in the exercise of its ordinary original civil jurisdiction, shall be empowered to receive, try, and determine suits of every description, if, in the case of suits for land or other immovable property, such land or property shall be situated, or in all other cases if the cause of action shall have arisen, either wholly, or in case the leave of the Court shall have been first obtained, in part, within the local limits of the ordinary original jurisdiction of the said High

Court or if the defendant at the time of the commencement of the suit shall dwell or carry on business, or personally work for gain, within such limits; except that the said High Court shall not have such original jurisdiction in cases falling within the jurisdiction of the Small Cause Court at Madras, in which the debt or damage, or value of property the sued for does not excited hundred rupees.”

14. Therefore, undoubtedly, the *lis* is not within the territorial jurisdiction of this Court. However, under Section 21 of C.P.C., any objection of jurisdiction should be taken at the earliest possible opportunity and in the Court at first instance. As far this case, the defendants have submitted to the jurisdiction of this Court and had participated in the trial. The word 'empowered' engaged in clause 12 of Letter Patent, cannot be read in isolation. It has to be read in conjunction with section 21 of C.P.C. Till the issue, whether the situs of registering the trademark will confer jurisdiction on the Court of situs settled by the the Full Bench of this Court in *Duro flex* case cited supra, on 04.12.2014, the uncertainty was looming large. As observed by this Court in ***A.S.Hameed (A.S Photo Beedi) Vs. P.Maharajan, Raja Beedi Company (per Justice M.Sundar)*** reported in **2019 (1) LW 634**, a judgment is always prospective unless there is a specific

rendering in the judgment that it would be retrospective. On the date of presentation of the suit and on the date of granting leave to sue, the principle of Duro Flex was not in operation, therefore, having accepting the jurisdiction and participated in the trial, after 11 years of institution of the suit, the objection regarding jurisdiction is not sustainable.

15. Adverting to the merits of the facts, the specific case of the plaintiff is that, they came to know about the infringement of their trademark from the complaint received from Salim and Thiruvankadum. The complaint letters are marked as Ex.P-7 and Ex.P-8. The authors of those two letters were not examined by the plaintiff. The refinery certificate Ex.P-9 is issued by one Vigneshwar, Proprietor Swami Ragavendra Refinery, Salem. Ex.P-12 is the photograph of a silver anklets bearing the seal **RS.*** alleged to have been sold by the defendant. Based on these documents, the plaintiff alleges that, its trademark is infringed by the defendants. Though these documents gives an impression that the product sold by the defendants bear the seal **RS.***. Unfortunately, whether really the said product was sold by the defendants and whether really the product so sold by the defendants bear the seal **RS.***, not proved in the manner known to law. None of the authors of the documents marked as Ex.P-7 (Salim), Ex.P-8

(Thiruvengadam) and Ex.P-9 (Vigneshwar) were examined by the plaintiff. These self serving documents stand untested. Contrarily, the defendants categorical case is that, they are using the trademark "SARO" and "NEW", they don't use the trademark **RS.*** and there is no necessity for them to use the said trademark since their mark "SARO" and "NEW" has its own reputation among the public and no need to exploit the trademark of the plaintiff by deceit. To prove the same, they have examined the silver designer D.W-4, who has deposed in unambiguous term that, he used to design silver articles for the defendants for the past 17 years and they do not use any other symbol except "SARO" and "NEW".

16. Having failed to prove infringement of the trademarks by the defendants, the suit is liable to be dismissed, for want of proof and evidence.

17. The plaintiff has miserably failed to prove by preponderance of probability that it has a cause of action to sue the defendants for infringement. In the absence of evidence that the defendants are trading imitating the trademarks **RS.***, the suit is liable to be dismissed. Accordingly, the suit is dismissed.

Issue Nos.1 to 5:

There is no proof that the defendants have infringed the trademarks **RS.*** registered under No.1259056 in class 14 by use of the mark 'RS./RS*' or any other mark containing RS or any letters identical/similar thereto. Hence, issue Nos. 1 to 5 are held against the plaintiff.

18. In the result, the suit is **dismissed** with costs.

11.02.2020

Index :Yes
Internet :Yes/No.
Speaking order/Non-speaking order.

List of Witness examined on the side of the Plaintiff:-

K.R.Ramesh – (P.W.1)

List of Witness examined on the side of the Defendants :-

1. Ramesh Babu (D.W.1)
2. T.A.Narendiran (D.W.2)
3. Nishad (D.W.3)
4. E.Venkatachalam (D.W.4)

List of the Exhibits marked on the side of the Plaintiff:-

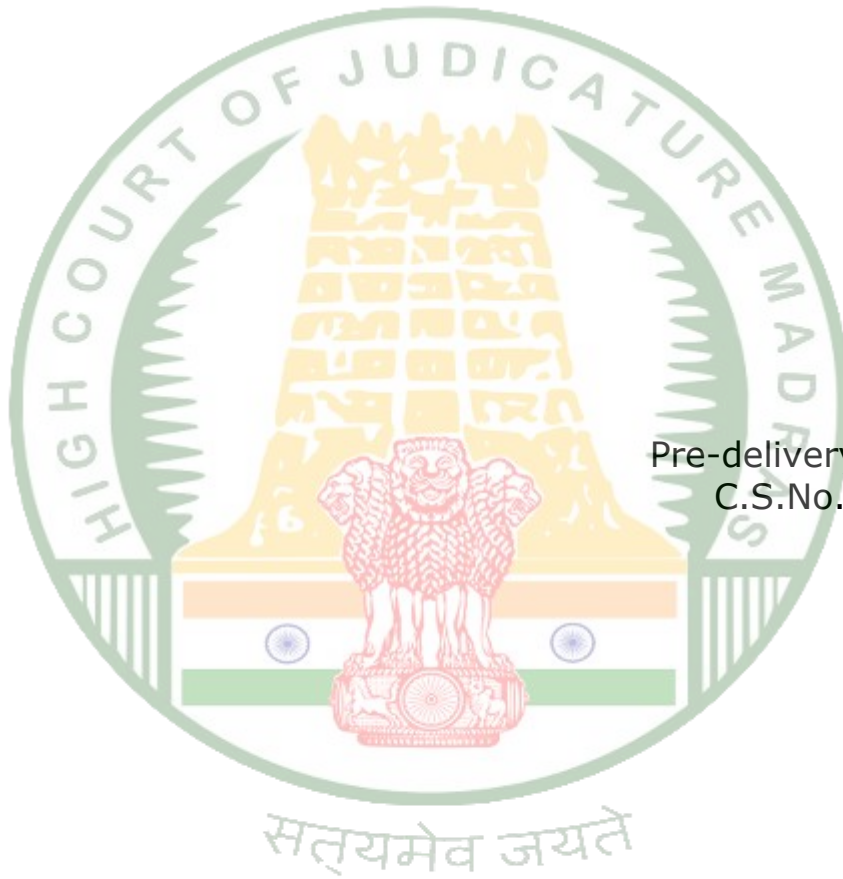
Sl.Nos.	Exhibits	Description of documents
1.	Ex.P.1	Certified copy of the trademark registry dated 19.11.2007.
2.	Ex.P.2	True copy of the sample invoices from 2003 to 2009.
3.	Ex.P.3	Original Chartered Accountant's certificate of plaintiff's sale turnover from 1991 to 2009
4.	Ex.P.4	(3 Nos.) Original caution notices in newspaper issued by the plaintiff regarding the trademark.
5.	Ex.P.5	(2 Nos.) Original invoices of 1 st defendant for sale of anklets dated 31.10.2009. Nos.268 and 269.
6.	Ex.P.6	Original invoice dated 12.11.2009 issued by the 2 nd defendant
7.	Ex.P.7 & Ex.P.8	Complaint letters given by the customers dated 13.09.2009 and 02.11.2009 to the plaintiff. (marked with objection raised by learned Counsel D1 and D2)
8.	Ex.P.9	Sample fitness certificates issued after testing defendant's products. (marked with objection raised by learned counsel D1 and D2)
9.	Ex.P.10	Office copy of the notice issued by the plaintiff to the defendants dated 06.11.2009.
10.	Ex.P.11	Scanned of the plaintiff's products bearing mark RS.*
11.	Ex.P.12	Scanned copies of the 1 st and 2 nd defendant's products bearing the marks RS./RS*.

List of the Exhibits marked on the side of the Defendants:-

Sl. Nos.	Exhibits	Description of documents
1.	Ex.D.1 series	Xerox copy of the grand of Bureau of Indian Standards Certification marks License. (Compared and verified with original and return of the defendant)
2.	Ex.D.2	Original Sample of the 2 nd defendant's Business Trade Mark
3.	Ex.D.3	Original Sample of the 1 st defendant's Business Trade Mark.
4.	Ex.D.4 series	Authorisation letters (2 Nos) both dated 12.06.2014 given by the defendants 1 and 2 and along with the xerox copy of my voter's identity card.
5.	Ex.D.5	Defendant's Logo (4 Nos.)

Dr.G.Jayachandran,J.

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Pre-delivery judgment in
C.S.No.1020 of 2009

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11.02.2020