

THE HIGH COURT OF JUDICATURE AT MADRAS

RESERVED ON: 10.12.2020

PRONOUNCED ON: 18.01.2021

CORAM:

THE HONOURABLE MR.JUSTICE C.V.KARTHIKEYAN

C.S.No.572 of 2003

M/s. K.A.S. Zainulabdin & Co.,
No.88, Angappa Naick Street
Chennai – 600 001.

A partnership Firm rep. by its
Partner, Mr.K.H.Zainulabdin

... Plaintiff

Vs

1. M/s. Murthy Lungi Company
37-B, Pillar Koil Street
North Gandhipuram
Komarapalayam – 638 183.

2. A.Dhakshinamurthy,
Partner
M/s. Murthy Lungi Company
37-B, Pillar Koil Street
North Gandhipuram
Komarapalayam – 638 183.

3. A.D.Shekar, partner
M/s.Murthy Lungi Company
37-B, Pillar Koil Street
North Gandhipuram
Komarapalayam – 638 183.

.. Defendants

PRAYER:- This Civil Suit is filed under Order VII Rule 1 of the Civil Procedure Code read with Section 105 7 106 of the Trade and Merchandise Marks Act 1958 and Sections 55 and 62 of the Copy Right Act, praying for a Judgment and Decree against the defendant for the following reliefs:

(a) granting a permanent injunction restraining the defendants, their men, servants, agents or anyone claiming through or under them from, in any manner, infringing the plaintiff registered Trade Mark 'Lock Brand'; and with the device of lock by using the offending Trade Mark 'Lock Brand' with the device of lock or any other mark or marks which are similar or in any way deceptively similar to or a colourable imitation of the plaintiff Trade Mark 'Lock Brand' either by manufacturing or selling or offering for sale or in any manner advertising the same;

(b) granting permanent injunction restraining the defendants, their men, servants, agents or anyone claiming through or under them from in any manner infringing the plaintiff Copy Right on the artistic work on the labels under the registered Trade Mark 'Lock Brand' with the device of lock by using the offending Trade Mark 'Lock Brand' with the device of lock or any other mark or marks which are similar or in any way deceptively similar to or a colourable imitation of the plaintiff Trade Mark 'Lock Brand' either by manufacturing or selling or offering for sale or in any manner advertising the same;

(c) granting a permanent injunction restraining the defendants, their men, servants, agents or anyone claiming through or under them from in any manner passing off their lungi products as that of the plaintiff by using the offending Trade Mark 'Lock Brand' with the device of lock as and those of the plaintiff under the registered Trade Mark 'Lock Brand' with the device of lock or by using any other Trademark which is similar or deceptively similar to that of the plaintiff trade mark 'Lock Brand';

(d) directing the defendants to render a true and faithful account of the profits earned by them through the sale of lungi products bearing the offending trade mark 'Lock Brand' with the device of lock and directing payment of such profits to the plaintiff by way of damages for passing off committed by the defendants;

(e) directing the defendants to surrender to the plaintiff the entire stock of unused offending goods with Trade Mark 'Lock Brand' with the device of lock together with cartons, lables, brochures, printing blocks, containers, boxes, etc., bearing the offending Trademark for destruction; and

(f) directing the defendants to pay the plaintiff the costs of the suit.

For plaintiff : Mr.Prasanna Venkatesh

For Defendants : Mr. A. Muthukumar

JUDGEMENT

Suit filed under Sections 105 & 106 of the Trade and Merchandise Marks Act, 1958 and Sections 55 and 62 of the Copy Right Act 1957 read with the relevant provisions of the Code of Civil Procedure, seeking a Judgment and Decree restraining the defendants from infringing the registered Trade Mark 'Lock Brand' with the device of lock by any other similar mark under the name 'Lock Brand' and for permanent injunction restraining the defendants from infringing the Copy Right of the plaintiff on the artistic work on the label of the registered Trade Mark 'Lock Brand' and for a permanent injunction restraining the defendants from passing off their Lungi products as that of the plaintiff and for accounts and consequential reliefs and for costs.

2. The plaintiff, M/s. K.A.S., Zainulabdin and Company is a partnership firm. The first defendant M/s. Murthy Lungi Company, is also a partnership firm. The second and third defendants are the partners of the first defendant.

3. In the plaint, it had been stated that the plaintiff is a leading and established manufacturer and marketer in Lungis and other textiles. They market their Lungi products under the brand 'Lock Brand'. It is a label containing the device of a lock and the word 'Lock Brand'. The plaintiff claimed that they have adopted this mark from the year 1950. They had also applied for registration under class 24 relating to Lungi and had obtained registration under No. 237944. It had been stated that the registration is still valid. It was also stated that they have spent considerable amount of money towards advertisement and their turnover reflected the reputation built by them.

4. In the plaint, the sales turnover for the financial year 2002-2003 had been given as Rs.7,60,000/- and the advertisement expenses for the same financial year had been given as Rs.13,840/-. In the year 1991, the plaintiff came to know about the Lungi products of the defendants which were also marketed under an identical Trade Mark 'Lock Brand'. The plaintiff therefore issued notices on 10.01.1991, 11.03.1991 and 16.03.1991 and it had been stated that the defendants stopped marketing the Lungi products under the Trade Mark of the plaintiff. In 1993, the plaintiff again came across the Lungi products of the defendants being

marketed under the name 'Lock Brand' and they again issued notices on 12.04.1993 and 06.05.1993. It had been further stated that the defendants again stopped marketing their products. It had been further stated that on 16.11.1997, the plaintiff came to know about a notice in the Trade Mark Journal regarding application for registration of an identical Trade Mark, Lock Brand under class 24. The plaintiff entered opposition for such registration proceedings. On the date of the institution of the suit, the issue was pending before the Registrar of Trade Marks.

5. It had been claimed that the defendants had encroached upon the reputation and goodwill of the plaintiff by using the very same identical Trade Mark 'Lock Brand' for the very same product Lungi. It was stated that this act of the defendants had caused much loss and damage to the reputation of the plaintiff. It was under these circumstances that the suit had been filed seeking the reliefs as stated above.

6. The defendants filed a written statement in which they have claimed that they have been marketing their Lungi products under the name Lock Brand from the year 1985 continuously. They have also given

their sales turnover figures from the year 1985 onwards and it is seen that their sales turn over for the financial year 2001-2002 was Rs.1,58,26,680/-. It was stated that the defendants have honestly adopted the Trade Mark 'Lock Brand'. It was stated that there are significant differences between the two labels. The lock shown in the defendants' label is a Godrej model while the plaintiff's had a Dindigul model. The lock of the plaintiff had been inserted in the middle of the label, while the lock of the defendants had been inserted at the left end of the label. The name of the Company is also clearly written at the bottom. It was stated that the defendants have honestly adopted the Trade Mark. The firm has also been registered with the Sales Tax authorities. It was stated that they received a notice dated 10.01.1991 from the plaintiff and it was only then that they came to know about the business of the plaintiff. They issued a reply on 04.02.1991 and in the said reply, they had rejected the demand to cease and desist from marketing Lungi products under the brand name 'Lock Brand'. This reply was also received by the plaintiff. The plaintiff however issued further notices on 11.03.1991 and 16.03.1991. They had suppressed in the plaint, the reply notice issued by the defendants. Thereafter, the plaintiff issued a further notices on 12.04.1993. Again the defendants issued reply notice dated 17.04.1993. The defendants pointed out that two years had lapsed

from the date of the previous notices and the defendants have been marketing their products continuously. It had been stated that the said reply has also been suppressed by the plaintiff in the plaint. A further notice was issued by the plaintiff on 20.07.1998 for which a reply was issued on 03.08.1998. The defendants had also applied for registration of the mark Lock Brand and the matter was also advertised in the Trade Mark Registry. The plaintiff had entered opposition proceedings and even while the said proceedings were pending, the plaintiff had filed the present suit.

7. The defendants denied that they had adopted the mark 'Lock Brand' to encroach upon the goodwill and reputation of the plaintiff. The defendants also complained about the inordinate delay in filing the suit in the year 2003. Notices were exchanged in the years 1991 and 1993. The defendants further denied that all other averments in the plaint and stated that they are doing their business honestly. They therefore stated that the suit should be dismissed.

8. On the basis of the above pleadings, the following issues were framed for trial:-

“(1) Whether the plaintiff is entitled to claim

exclusive right over the trademark “Lock Brand”?;

(2) Whether the use of the trademark “Lock Brand” by the defendant would cause deception and confusion among the public?;

(3) Whether the plaintiff is entitled for relief of infringement of the trademark?;

(4) Whether the plaintiff is entitled for permanent injunction restraining the defendant from passing off its goods as that of the plaintiff?;

(5) Whether the defendants are liable to render a true and faithful account of the profits earned by them through the sale of lungi products bearing the offending Trade Mark “Lock Brand” with the device of lock and directing payment of such profits to the plaintiff by way of damages for passing off committed by the defendants?;

(6) Whether the defendants are liable to surrender to the plaintiff the entire stock of unused offending goods with Trade Mark “Lock Brand” with the device of lock together with cartons, labels, brochures, printing blocks, containers, boxes, etc.,

bearing the offending Trade Mark for destruction;

(7) To whatever reliefs the plaintiff is entitled to?;

(8) Whether the plaintiff has given implied consent for the user of the Trade Mark by the defendants?;

(9) Whether this Court has jurisdiction to entertain the suit?; and

(10) Whether the defendants have infringed the plaintiff's Trade Mark?"

9. On the side of the plaintiff, K.M.Mahmood Sulaiman was examined as PW-1. He also marked Exs. P-1 to P-8. Ex.P-1 was the Legal User Certificate for the Trade Mark 'Lock Brand' under Registration No. 237944 under class 24. They also filed Exs. P-4, P-5, P-6 and P-7, legal notices issued to the defendants dated 16.09.1991, 12.04.1993, 20.07.1998 and 20.08.1998. Ex.P-2 was the Trade Mark Label of the plaintiff and Ex.P-3 was the Trade Mark label of the defendants. They also filed MO-1, the plaintiff's product, MO-2 - the defendants' product, MO-3 - the product of the plaintiff and MO-4 the cover of the plaintiff.

10. During cross examination of the plaintiff's witness, the defendants marked Ex.D-1 the reply notice dated 04.02.1991, Ex.D-2 the reply notice dated 17.04.1993, Ex.D-3 the legal notice issued by the plaintiff dated 06.05.1993 and also Exs. D-4 and D-5, the documents relating to the application for registration. The defendants did not examine any witness.

11. Heard arguments advanced by Mr.Prasanna Venkatesh, learned counsel for the plaintiff and Mr.A.Muthukumar, learned counsel for the defendants.

12. Mr.Prasanna Venkatesh, learned counsel for the plaintiff pointed out that the plaintiff had been in the business of manufacturing and marketing Lungi products from the year 1950 and had adopted an arbitrary brand name 'Lock Brand'. They had also registered the same and the Legal User Certificate and the renewal certificate of the Trade Mark had been filed as Ex.P-1 series. The learned counsel also stated that the plaintiff had issued a cease and desist notice in the year 1991. The defendants thereafter stopped marketing their products under the brand name 'Lock

Brand'. However, the defendants again commenced to market the product in the year 1993 and therefore a further notice was issued. It was stated that the plaintiff came to know that the defendants were again marketing the product when they came across an advertisement the notice in the Trademark Journal. The plaintiff had immediately opposed registration of the Trade Mark Lock Brand in the name of the defendants. The learned counsel stated that pending the suit, the defendants had abandoned the application for registration. The learned counsel stated that the plaintiff had registered the Mark and stated that any infringement of the same will have to be prevented and therefore stated that the Court will have to give necessary protection for the mark of the plaintiff.

13. Mr.A.Muthukumar, learned counsel for the defendants however stated that the defendants have been independently marketing their Lungi products under the Trade Mark 'Lock Brand'. The learned counsel stated that after they received a notice in the year 1991, they had actually issued a reply wherein they had stated that they had asserted their right to continue to mark their products under the name Lock Brand. This reply notice has been suppressed by the plaintiff. The learned counsel stated that the defendants had never stopped marketing their products. The learned

counsel stated that the reply to the notice issued in the year 1993 had also been suppressed by the plaintiff. With respect to the application for registration of Trade Mark, the learned counsel stated that since the plaintiff had instituted the suit, the defendants had not followed progress of the application, but stated that the defendants will have every right to pursue their registration. The learned counsel also pointed out the sales turnover of the defendants and stated that the defendants have independently gained much reputation. The learned counsel also pointed out that the differences in the marks between the plaintiff's label and the defendants' label and stated that there can be no confusion in the minds of the people. The learned counsel stated that the suit will have to be dismissed purely on the ground of suppression of material documents particularly the reply notices issued on behalf of the defendants and on the ground of delay. The notices were issued in the years 1991 and 1993 and the suit was actually filed only in the year 2003. The learned counsel therefore stated that the suit should be dismissed.

14. I have carefully considered the arguments advanced and the materials on record.

Issue Nos. 1, 2, 3, 8 & 10:-

15. Even before examining the contentions raised, the pictorial representation of the mark of the plaintiff and the mark of the defendants are shown below:-

16. Ex.P-2: mark of the plaintiff:-



17. Ex.P-3: mark of the defendants:



18. The learned counsel for the defendants invited the Court to compare both the marks and also pointed out the differences between the same and therefore stated that that can be no confusion in the minds of the general public with respect to the two marks. This is an aspect which I would examine at a later stage.

19. The case of the plaintiff is that they have registered the mark Lock Brand in certificate No. 237944 under class 24. They have been in continuous business from the year 1950. The certificate had been originally issued in the year 2002. The renewal certificate has also been produced as a document. These documents have been filed as Ex.P-1 series. The fact that the plaintiff is having a registered Trade Mark 'Lock Brand' cannot be denied or disputed. The defendants are also marketing an identical product, namely Lungis also under the name 'Lock Brand'. The defendants however claim that their usage of the mark is bona fide. They also claim that the plaintiff first knew about the defendants' usage of the mark 'Lock Brand' in the year 1991, but the suit was actually filed only in the year 2003 after more than 12 years. It is their contention that this delay has not been explained by the plaintiff. According to the defendants, the plaintiff has given a false explanation and had also suppressed material

documents. Ex.P-4 is the copy of the legal notice issued by the plaintiff to the defendants dated 16.03.1991. By this notice, the plaintiff had called upon the counsel for the defendants to desist forthwith the use of the registered Trademark 'Lock Brand'.

20. The defendants on the other hand had produced Ex.D-1 which is dated 04.02.1991 and addressed by their counsel Sir Kirthi and Company to Mr.P.N.Havanur in which they have stated that they had adopted the mark honestly and have been using it for more than six years and that they cannot accede to the demand of the plaintiff to cease and desist from using the mark. The defendants have very categorically rejected the demand not to use the Trade Mark. This document had not been produced by the plaintiff. The plaintiff had actually issued a notice dated 10.01.1991 which was replied by the defendants by Ex. D-1 on 04.02.1991 and the rejoinder to such reply is Ex.P-4 dated 16.03.1991. The plaintiff had not marked or produced the notice dated 10.01.1991 or the reply Ex.D-1 dated 04.02.1991. Explanation has not been given for not producing Ex.D-1 along with the plaint or atleast during trial.

21. On the other hand, it is seen the plaintiff has given an incorrect

statement in the plaint stating that the defendants, on receipt of the notice had stopped marketing their (defendants') products under the name 'Lock Brand' in the year 1991. This statement is obviously not correct. Again in the year 1993, the plaintiff had issued a notice which had been marked as Ex.P-5. The defendants, on their part, produced Ex.D-2 dated 17.04.1993 which is the reply given to Ex.P-5. This reply by the defendants, Ex.D-2, had also not been produced by the plaintiff. In the plaint however, it had been stated that after the notice was issued in 1993, the defendants had again stopped marketing the products. This statement is not a correct statement.

22. The defendants in their written statement, have filed the sales figures of their product and it is seen that in the year 1991-1992 they had effected sales to an extent of Rs.58,65,064.55. They had also given their sales figures for the subsequent financial years and in the year 1993-1994, they had effected sales to an extent of Rs.1,00,28,144/-. Therefore, the contention of the plaintiff that the defendants had stopped marketing the products in the year 1991 and again in the year 1993 cannot be accepted as correct statements. If the plaintiff wanted to challenge this particular statements of the defendants regarding the sales turn over, even though the

defendants had not voluntarily come forward to tender evidence, the plaintiff could have issued summons calling upon the defendants to come forward to depose evidence. Even otherwise the plaintiff could have issued a notice calling upon the defendants to produce documents to substantiate the figures reflected in the sales turn in manner known to law by legally admissible documents. The plaintiff, for reasons best known had not taken any such steps.

23. The plaintiff had also filed the suit only in the year 2003. Their cause of action had arising in the year 1991. They had instituted the suit after 12 years.

24. In this connection, the learned counsel for the plaintiff relied on **(1994) 2 SCC 448 [Power Control Appliances Vs. Sumeet Machines Pvt. Ltd.,]**, and stated that delay is immaterial. Reliance was placed on paragraphs 26 & 31. The said paragraphs are extracted below:-

“26.Acquiescence is sitting by, when another is invading the rights and spending money on it. It is a course of conduct inconsistent with the claim

*for exclusive rights in a trade mark, trade name etc. It implies positive acts; not merely silence or inaction such as is involved in laches. In **Harcourt v. White** [(1860) 28 Beav 303 : 54 ER 382] Sr. John Romilly said: "It is important to distinguish mere negligence and acquiescence." Therefore, acquiescence is one facet of delay. If the plaintiff stood by knowingly and let the defendants build up an important trade until it had become necessary to crush it, then the plaintiffs would be stopped by their acquiescence. If the acquiescence in the infringement amounts to consent, it will be a complete defence as was laid down in **Mouson (J. G.) & Co. v. Boehm** [(1884) 26 Ch D 406]". The acquiescence must be such as to lead to the inference of a licence sufficient to create a new right in the defendant as was laid down in **Rodgers v. Nowill** [(1847) 2 DE GM&G 614: 22 learned Judge KCH 404]. "*

*31 In **Electrolux LD. v. Electrix** [1954 RPC 23, 34] at pp. 32 and 33 it was held thus:*

"I now pass to the second question, that of acquiescence, and I confess at once that upon this matter I have felt no little sympathy for the defendants, and have been not a little envious of

the good fortune which has attended the plaintiffs, though no doubt they may justly attribute it to the astuteness of their advisers; but, as has already been said, the defendants have traded openly and (as the Judge found) honestly, beyond any question, in the ordinary course and substantially under this name 'Electrix' for a very long period of time, since early 1930's. During that time, they have built up (I doubt not) a valuable goodwill associated with that name. If the possibility that the mark 'Electrolux' was infringed is out of the way, and if I disregard for the moment (as I do) the point taken by Mr Kenneth John stone that in any event for use of 'Electrolux' was a sufficient use for the purpose of Section 26(1) of 'Electrix' (seeing that the two marks were associated). I have no doubt that if the plaintiff had challenged in the courts the right of the defendants to use 'Electrix' before they have effect to their decision to apply the word 'Electrix' to their cheaper model in lieu of 'Electrolux', they would in all probability have failed, because the defendants' motion to strike the word 'Electrix' off the Register would have succeeded, but the fact is that when the battle was joined, 'Electrix' was no longer vulnerable on

that account, unless the defendants can establish that the use was not bona fide, a matter to which I shall come presently. It is, however, said that by the defendants that the plaintiffs have deprived themselves of their legal right or, at least, of any right to the equitable remedy of injunction.

*Upon this matter, a great deal of learning has been referred to, and we have also had our attention drawn to a number of cases. The latter include the well-known statement in **Willmott v. Barber**[(1880) 15 Ch D 96 : 43 LT 95] by Fry, J. (as he then was) at p. 105. He said this: 'It has been said that the acquiescence which' will deprive a man of his legal rights must amount to fraud, and in my view that is an abbreviated statement of a very true proposition. A man is not to be deprived of his legal rights unless he has acted in such a way as would 'make it fraudulent for him to set up those rights'. Let me pause here to say that I do not understand that, by the word 'fraudulent', the learned Judge was thereby indicating conduct which would amount to a common law tort of deceit. 'What, then, are the elements or requisites necessary to constitute*

fraud of that description?' In the first place 'the plaintiff must have made a mistake as to his legal rights'. Secondly, the plaintiff must 'have expended some money or must have done some act (not necessarily upon the defendant's land) on the faith of his mistaken belief. Thirdly, the defendant, the possessor of 'the legal right, must know of the existence of his own right which is inconsistent with 'the legal right, must know of the existence of his own right which is inconsistent with' the right claimed by the plaintiff. If he does not know of it he is in the same position 'as the plaintiff, and the doctrine of acquiescence is founded upon conduct with a knowledge' of your legal rights. Fourthly, the defendant, the possessor of the legal right, must know 'of the plaintiff's mistaken belief of his rights. If he does not, there is nothing which' calls upon him to assert his own rights. Lastly, the defendant, the possessor of the legal 'right, must have encouraged the plaintiff in his expenditure of money or in the other acts which he has done, either directly or by abstaining from asserting his legal right'. In reading that passage, it is perhaps necessary to note (because it makes it at first sight a little more difficult to follow) that the

positions of plaintiff and defendant as they are usually met with are there transposed, and that one of the parties who is there spoken of as the plaintiff corresponds with the present case with the defendants, and vice versa."

25. An examination of the ratio laid down shows that there is a distinction between negligence and acquiescence. It had clearly stated as follows:-

*"If the plaintiff stood by knowingly and let the defendants build up an important trade until it had become necessary to crush it, then the plaintiffs would be stopped by their acquiescence. If the acquiescence in the infringement amounts to consent, it will be a complete defence as was laid down in **Mouson (J. G.) & Co. v. Boehm** [(1884) 26 Ch D 406]".*

26. In the instant case, the plaintiff had come to know about the defendants' marketing Lungi products under the name 'Lock Brand' in the year 1991. They had called upon the defendants to cease and desist from marketing the products. The Defendants refused. The plaintiff has merely

brushed aside this assertion of the defendants, but stated in the plaint that the defendants had stopped marketing their Lungi products under the name 'Lock Brand'. I am not able to detect *bona fide* in the stand of the plaintiff.

27. It is thus seen that delay in instituting the suit in the instant case is fatal to the case of the plaintiff. There is absolutely no reason for not instituting the suit in the year 1991 or atleast in the year 1993. The plaintiff had issued a further notice in the year 1993. The defendants again replied stating that they would not comply with the demands of the plaintiff. The replies issues by the defendants have been suppressed from the purview of the Court. In the plaint, it had been merely stated that the defendants have stopped manufacturing and marketing Lungi Products under the name 'Lock Brand', This statement in the plaint is not correct. The plaintiff is in the very same business. They should be aware of their trade rivals and the brand names under which they are marketing their products. The plaintiff cannot claim innocence and ignorance and seek indulgence. I hold that the suppression of a material fact and the delay by the plaintiff in instituting the suit have to be considered as major factors to non suit the plaintiff.

28. The learned counsel for the defendants had relied on **(1994)1 SCC 1 / S.P.Chengalvaraya Naidu (dead) Vs. Jagannath (dead) and Others**, for the proposition that deliberate suppression of material facts should be viewed very seriously by the Court. The Hon'ble Supreme Court had stated as follows:-

“6. A litigant, who approaches the court, is bound to produce all the documents executed by him which are relevant to the litigation. If he withholds a vital document in order to gain advantage on the other side then he would be guilty of playing fraud on the court as well as on the opposite party. ”

29. In the instant case, the plaintiff had not even whispered about the reply notice issued by the defendant. This is very crucial since the defendants had asserted a right to market their Lungi products under the name 'Lock Brand'. They had rejected the call of the plaintiff to cease and desist from using the said name. I hold that the suppression of the said stand of the defendants, taken in juxtaposition with the averment in the plaint that the defendants had stopped marketing their products under the

name 'Lock Brand', which averment is obviously false, are significant aspects to reject the reliefs sought by the plaintiff.

30. During the cross examination of PW-1, he admitted that he knew about the business of the defendants. Infact he admitted that the defendants did not stop their business even after the notices were issued. The cross examination was as follows:-

“The plaintiff came to know of the business of lungi in the name of LOCK brand by the defendants in the year 1991. From the year 1991 onwards we are continuously issuing notices to the defendants. Even then the defendants did not stop their business and continuously doing the business. Even after receipts of our several notices also the defendants were doing business continuously in lungi under the brand name LOCK brand. There was no response even after issuance of notice to the defendants. We have not filed the suit in the year 1991 or subsequently under the hope that the defendant would stop their business in selling lungi under the brand name LOCK brand. In Ex.P5, we have stated that

inspite of infringement notices the defendants are doing business scruplessly and dishonestly. Evenafter Ex.P5 notice we have not immediately filed the suit. ”

31. It is thus clear that though the plaintiff had knowledge about the business of the defendants and the fact that the defendants were marketing their Lungi Products under the name 'Lock Brand', they had not taken any steps to institute a suit to protect their Trade Mark.

32. A comparison of the two marks would also show that there are differences between the two. The mark of the plaintiff is red in colour and the mark of the defendants is entirely different, namely, Green. The picture of Murthy Babu and the company address have also been given. I hold that even the guidelines if stated in (1972) 1 SCC 618 [*Parle Products Pvt. Ltd., Vs. JP and Co., Mysore*] are to be followed, the plaintiff would fail. It had been stated by the Hon'ble Supreme Court in paragraph 9 as follows:-

“It is therefore clear that in order to come to the conclusion whether one mark is deceptively

similar to another, the broad and essential features of the two are to be considered. They should not be placed side by side to find out if there are any differences in the design and if so, whether they are of such character as to prevent one design from being mistaken for the other. It would be enough if the impugned mark bears such an overall similarity to the registered mark as would be likely to mislead a person usually dealing with one to accept the other if offered to him. In this case we find that the packets are practically of the same size, the color scheme of the two wrappers is almost the same; the design on both though not identical bears such a close resemblance that one can easily be mistaken for the other. The essential features of both are that there is a girl with one arm raised and carrying something in the other with a cow or cows near her and hens or chickens in the foreground. In the background there is a farm house with a fence. The word "Gluco Biscuits" in one and "Glucose Biscuits" on the other occupy a prominent place at the top with a good deal of similarity between the two writings. Anyone in our opinion who has a look at one of the packets to-day may easily mistake the other if shown on another day as

being the same article which he had seen before. If one was not careful enough to note the peculiar features of the wrapper on the plaintiffs goods, he might easily mistake the defendants' wrapper for the plaintiffs if shown to him some time after he had seen the plaintiffs'. After all, an ordinary purchaser is not gifted with the powers of observation of a Sherlock Holmes. We have therefore no doubt that the defendants' wrapper is deceptively similar to the plaintiffs' which was registered. We do not think it necessary to refer to the decisions referred to at the Bar as in our view each case will have to be judged on its own features and it would be of no use to note on how many points there was similarity and in how many others there was absence of it. "

33. In the instant case, except for the name 'Lock Brand' every other feature is totally different. After looking at the mark of the plaintiff, the mark of the defendants would never draw the memory back to the mark of the plaintiff. The colours are different. The defendants have an exclusive photograph of Murthy Babu. The locks are different. The mark of the plaintiff is also given in Tamil, while the mark of the defendants is given additionally in Hindi. I hold that if the tests as stated by the Hon'ble

Supreme Court in *Parle Products Pvt. Ltd.*, referred supra is applied, there can be no confusion in the minds of anybody over the two marks.

34. For all the above reasons, I hold that (1) the plaintiff is not entitled to claim exclusive right for Trade Mark 'Lock Brand'; (2) the Trade Mark 'Lock Brand' by the defendants would not cause deception and confusion among the public; (3) The plaintiff is not entitled to the relief of infringement of Trade Mark; (4) The plaintiff had given implied consent for using of the Trade Mark by the defendants; and (5) the defendants have not infringed the plaintiff's Trademark.

35. The issues are answered accordingly in favour of the defendants.

Issue No.4:

36. This is an issue relating to passing off. The plaintiff has not produced any document to show that the defendants are doing business in Chennai.

37. It is the case of the defendants that they manufacture their Lungi products at Komarapalayam and the competent Court would be only be the District Court at Namakkal.

38. At any rate, a casual glance of the two marks also show that they are totally different and there can be no confusion in the minds of the public. Moreover the delay would directly affect the case of the plaintiff. In **2001 (21) PTC 797 (Del)(DB) [B.L. and Co. and others Vs. Pfizer Products Limited incl.,]** a Division Bench of Delhi High Court while examining the delay in institution of a suit in a passing off action held as follows:-

“7. As regards the delay in institution of the suit and its effect for the purpose of grant of ex parte restraint, the settled legal position is that while the delay in institution of a suit for an action for passing off may not be fatal, it is one of the important and relevant considerations before granting an ex parte/ interlocutory injunction. Reference in this regard is invited to the 'THE LAW OF PASSING-OFF' by Christopher Wadlow. Learned Author while dealing with the motions of interlocutory relevance has observed

as under:-

"Delay in applying for interlocutory reliefs is a very serious matter. As a rule of thumb, delay of up to about a month, or perhaps six weeks, generally has no adverse effect on an inter partes application and delay of up to twice that period need not be fatal if it can be explained and the plaintiff's case is otherwise strong. On an ex parte application even delay of a few days can be critical. Unjustified delay of more than a few months is almost always fatal to the plaintiff's case, even though delay of this order has no effect on the plaintiff's rights at trial. Unlike many of the issues which can arise on motion, the existence of delay does not normally admit or much argument. Delay, if present, is therefore a short, safe and simple basis for refusing relief. This means that applications for interlocutory injunctions in which there is significant delay are unlikely even to get as far as a hearing, and those that do are quite likely to be refused without going into the merits or the balance of convenience."

39. In the instant case, the delay of nearly 12 years in instituting the suit is still glaring even after the evidence has been recorded. It is seen that the plaintiff had actually stated that the defendants had stooped marketing the products when they were actually marketing the products under the name 'Lock Brand'. I therefore hold that the plaintiff cannot get any relief with respect to passing off also. Accordingly, this issue is answered against the plaintiff.

Issue Nos. 5 & 6:

40. In view of the above reasonings I hold that the defendants are not obliged to render accounts or to surrender to the plaintiff their products. This is a conclusion reached on the basis of the reasons given on the issues discussed above.

41. These issues are answered against the plaintiff.

Issue No.9:

42. This issue is with respect to the jurisdiction of this Court to

entertain the suit.

43. In the plaint, it had been stated that the cause of action for the suit arose within the jurisdiction of this Court, where the office of the Trade Mark Registry is situated and where the plaintiff had registered the Trade Mark 'Lock Brand' under certificate No. 237944. It was also stated that the plaintiff is carrying on business within the jurisdiction of this Court. This issue has been framed primarily because the defendants have stated that they are carrying on business at Komarapalayam and that they are not carrying on business within the jurisdiction of this Court.

44. The suit had been instituted taking advantage of Sections 105 and 106 of the Trade and Merchandise Marks Act, 1958. Section 105 is as follows:-

***“Section 105. Suit for infringement, etc. To be instituted before district court
No suit-***

(a) For the infringement of a registered trade mark: or

(b) Relating to any right in a registered trade mark; or

(c) For passing off arising out Of the Use by the defendant of any trade mark which is identical with or deceptively similar to the plaintiff's trade mark whether registered or unregistered,

Shall be instituted in any Court inferior to a District Court having jurisdiction to try the suit.”

45. Section 106 is as follows:-

“Section 106. Reliefs in suits for infringement or for passing off

(1) The relief which a court may grant in any suit for infringement or for passing off referred to in Sec. 105, includes an injunction (subject to such terms, if any, as the Court thinks fit) and the option of the plaintiff, either damages or an account of profits, together with or without any order for the delivery-up of the infringing labels and marks for destruction or erasure.

(2) Notwithstanding anything contained in sub-section (1), the Court shall not grant relief by way of damages (other than nominal damages) or an account of Profits in any case-

(a) Where in a suit for infringement of a trade mark, the infringement complained of is in relation to a certification trade mark; or

(b) Where in a suit for infringement the defendant satisfies the Court-

(i) That at the time he commenced to uses the trade mark complained of in the suit he was unaware and had no reasonable ground for believing that the trade mark of the plaintiff was on the register or that the plaintiff was registered user using by way of permitted use; and

(ii) That when he became aware of the existence and nature of the plaintiffs right in the trade mark, he forthwith ceased to use the trade mark in relation to goods in respect of which it was registered; or

(c) Where in a suit for passing off the defendant satisfies the Court-

(i) That at the time he commenced to use the trade mark complained of in the suit he was unaware and had no reasonable ground for believing that the trade mark of the plaintiff was in use; and

(ii) That when he became aware of the existence and nature of the plaintiff's trade mark, he forthwith ceased to use the trade mark complained of."

46. The defendants have very clearly stated that they have no branch office or any other office within the jurisdiction of this Court. The plaintiff has also not produced any invoices to show the sale of the products of the defendants within the jurisdiction of this Court. Even in the cause of action paragraph, the only ground urged is the fact that the Trade Mark of the plaintiff has been registered at Chennai. However, when the plaintiff also seeks the relief of passing off, then, the act of passing off the products of the defendants should have taken place within the jurisdiction of this Court. No evidence has been produced on this aspect. In view of that fact,

I also hold that this Court does not have jurisdiction to examine the issues raised in the plaint and the suit is dismissed on that ground also.

47. This issue is answered against the plaintiff.

Issue No. 7:

48. In the result, the suit is dismissed with costs. Costs to be paid in accordance with the amended Section 35 of the Code of Civil Procedure.

49. The Registry is delegated and directed by this Court to determine the costs and the defendants are permitted to file their Bill of Costs relating to legal fees and expenses; and any other expenses incurred in connection with the proceedings. On the filing of the Bill of Costs, the Registry may determine the quantum of the costs.

18.01.2021

Index: Yes/No

Web: Yes/No

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Speaking/Non Speaking Order

1. List of Witnesses Examined on the side of the Plaintiff:-

1. P.W.1 – K.M.Mahmood Sulaiman

2. List of Exhibits Marked on the side of the Plaintiff:-

1. Ex.P1 = the trademark certificate for use in legal proceedings in respect of the trademark 'Lock Brand' registered under No. 237944 in class 24.
2. Ex.P2 = the original label of the plaintiff's 'Lock Brand';
3. Ex.P3 = the original label of the defendant's 'Lock Brand';
4. Ex.P4 = the office copy of the legal notice dated 16.03.1991 by the plaintiff's counsel to the defendants;
5. Ex.P5 = the office copy of the legal notice dated 12.04.1993 by the plaintiff's counsel to the defendants;
6. Ex.P6 = the office copy of the legal notice dated 20.07.1998 by the plaintiff's counsel to the defendants; and
7. Ex.P7 = the office copy of the legal notice dated 20.08.1998 by the plaintiff's counsel to the defendants.

3. List of Witnesses Examined on the side of the defendants:-

Nil

4. List of Exhibits Marked on the side of the defendants:-

1. Ex.D-1 = the reply notice referred to para 1 of Ex.P4 dated 04.02.91;

2. Ex.D-2 = The reply notice issued by the defendant's counsel to the plaintiff's counsel dated 17.04.1993;
3. Ex.D-3 = The legal notice issued by the plaintiff's counsel to the defendants' counsel and to the defendants dated 06.05.1993;

C.V.KARTHIKEYAN, J.

vsg

4. Ex.D-4 = the copy of the trademark journal pages 1563 & 1564 dated 16.11.1997;
5. Ex.D-5 = The copy of the affidavit and also the copy of Form 1 submitted by the defendants for registration of the trademark under application No. 509508; and
6. Ex.D-6 = the letter sent by the defendant which was referred to in Ex.P7 dated 03.08.98.

18.01.2021

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Pre-Delivery Judgement in

C.S.No.572 of 2003