

IN THE HIGH COURT OF JUDICATURE AT MADRAS

Reserved on : 14.07.2021

Pronounced on : 22.07.2021

Coram:

THE HONOURABLE DR. JUSTICE G.JAYACHANDRAN

O.A.Nos.198 & 199 of 2021
in C.S.No.127 of 2021

1. M/s.Maxtherm (India) Pvt Ltd.,
Represented by its Managing Director,
Mr.Viswanathan Subra Mani,
Having its registered office at,
A.P. 207, 2nd Sector, 9th Street,
K.K.Nagar, Chennai – 600 079.

2. Mr.Viswanathan Subra Mani,
S/o.E.S.Viswanathan,
A.P.No.207, 2nd Sector, 9th Street,
K.K.Nagar, Chennai – 600 079.

... Applicants
in both cases

/versus/

M/s.Mechtherm Energy Pvt. Ltd.,
Represented by its Managing Director,
Mr.M.Shibu Kumar,
No.4 & 5, Door No.1C, Kavya Apartment,
3rd Street, Mogappari East,
Chennai – 600 037.

... Respondent
in both cases

Prayer in O.A.No.198 of 2021: Civil Suit is filed under Order XIV Rule 8 of Original Side Rules read with Order 39 Rule 1 and 2 of C.P.C and Section 134 of Trademarks Act, 1999.

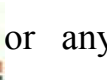
(a). This Application should not be treated as urgent?

(b). The grant interim injunction restraining the respondent by themselves, its legal representatives, successors in business, servants, agents, distributors, stockiest, representatives and/or all persons claiming under them or acting in concert with them or otherwise howsoever from manufacturing, selling, distributing, or offering for sale of Boilers/Said Goods under the trademark MECHTHERM and/or device  or any other trademarks deceptively similar thereto and thereby infringing  applicant's registered trademark pending disposal of the suit.

Prayer in O.A.No.199 of 2021: Civil Suit is filed under Order XIV Rule 8 of Original Side Rules read with Order 39 Rule 1 and 2 of C.P.C and Section 134 of Trademarks Act, 1999.

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distributing, or offering for sale of Boilers/Said Goods under the trademark MECHTHERM and/or device  and in any manner passing off or enabling others to pass off the respondent's Boilers/Said Goods as and for the Boilers/Said Goods of the applicant by use of the trademark  or any other mark similar to the trademark  of the applicants or  in any other manner whatsoever.

For Applicant : Mr. Vijay Narayan, Senior Counsel
in both cases for Mr.V.Suresh

For Respondent : Mr.T.Sathiyamoorthy
in both cases

ORDER

The applicant M/s.Maxtherm (India) Private Limited is the registered proprietor of the word mark and device “MAXTHERM”  for goods under class 11. The respondent M/s.Mechtherm Energy Private  Limited is the registered proprietor of the word mark and device “MECHTHERM”  for goods under class 11. Being aggrieved by the use of the word mark and device  “MECHTHERM” by the respondent, the applicant  has filed the suit for injunction alleging infringement and passing off.

2. The registration date, certificate date and number for the respective trade mark is as below:-

Parties	Trade Mark/Number	Date of Registration	Certificate Number
Applicant	MAXTHERM  4069050	28.01.2019	2553728
Respondent	MECHTHERM  4407134	13.01.2020	2497916

3. The applicant and respondent are in the same trade viz., to design, engineer and supply energy efficient thermal systems. To provide engineering consultancy services and to establish mini power plants upto 10 MW.

4. During the month of March 2020, the applicant came to know about the respondent company involved in manufacturing of boilers and selling it under the Brand name “MECHTHERM” and its registration of the trademark (word and device)  is deceptively similar to the applicant popular mark. 

5. On coming to know about the use of deceptively similar mark in

their products as logo by the respondent to exploit the applicant's hard earned reputation and it being an unequivocal attempt to deceive and mislead innocent consumers and members of trade/public, the applicant had sought for rectification before the Registrar of Trademarks under Section 57 of the Trademarks Act, 1999, and same is pending.

6. Claiming that, they are prior user of the mark and had established reputation to restrain the respondent from the use of deceptively similar mark. The applicant has sought for interim injunction against the respondent from infringing the mark and pass off its products as that of the applicant.

7. The application for interim injunction is opposed by the respondent/defendant on the ground the respondent Company was promoted in the month of November – 2019 in the trade name “MECHTHERM”. This word was coined to describe the products viz. Boilers, pressure vessels being mechanical devices which generates steam by boiling water with fuel (flames) by joining the word “THERM” an English noun, used to described heat energy with the letter “MECH”. Similarly, the logo “MECHTHERM”  was also designed to

reflect the same by having a flame over the letter 'M', standing on horizontal stripes/lines and the word MECTHERM below that. The said trademark and the devices are unique and distinct. The products are not sold in counters or displayed in a showroom. The Boilers are used for the industrial purposes like:-

(1). Pharma Industries, (2). Food Industries – Milk Dairy and Rice Mill Industries (3) Chemical Industries (4) Tyre manufacturing Industries (5) Paper & Packaging Industries (6) Refinery & Oil Mills (7). Rubber Reclaim Industries (8) Automobile Industries (9) Common Effluent Treatment Plant (10) Textile Industries (11) Leather and Processing Industries.

8. Boilers are manufactured based on the specific technical requirement of the potential buyer. Before buying a boiler, the customers visit the factory suggest the design and finalise the deal, after being satisfied with the products. The sale of industrial boilers doesn't take place like a daily need consumer product sold across the counter.

9. The respondent was earlier a dealer under the applicant and latter



with their vast experience, had started the Company. The trademark used by the respondent is not similar in spelling or pronunciation as that of the applicant. The logo is also not similar except the flame on the top. Many of the boiler manufactures have flame in their logo and it is not an unique or exclusive right of the applicant to use the flame on the logo. The Trademark used by the respondent/defendant is not similar to that of the applicant/plaintiff much less deceptively similar. Further, the trademark MAXTHERM is not exclusive right of the plaintiff. The Proprietor of the Trade name MAXTHERM is Mr.Viswanathan Subra Mani, the 2nd plaintiff. The 2nd plaintiff was earlier exploiting the said trademark along with the other partners therefore, the 1st plaintiff company can have no exclusive right over the trade name MAXTHERM

10. Refuting the allegation that the trademark “MECHTHERM” and logo  is deceptively similar to that of the applicant's trademark “MAXTHERM” and its logo , the respondent sought for dismissal of the interim injunction application.

11. In the course of argument, the Learned Senior Counsel appearing

for the applicant produced the trademark, logo of the applicant and the respondent. Also compared the brochure of both the Companies and highlighted how identical the respondent had imitated the products, trademark and the literature of the applicant.

12. The Learned Senior Counsel appearing for the applicant submitted that, use of visually and phonetically similar trademark and device with intention to ride piggyback is manifested in the imitation of the respondent's brochure.

13. The Learned Counsel appearing for the respondent would submit that the customer for the industrial boilers are knowledgeable experts in the field and the products are not purchased through online or across the counter. There is a statutory inspection by Boiler Inspector and Inspector of Factories, visit the manufacturing site atleast 10 to 13 times during the manufacturing of each boiler. The purchasers also visit the factory before and after placing orders and also during the manufacturing process. Boilers are manufactured based on the specification of the purchasers and therefore deception by imitation is not at all

possible. Further, the Learned Counsel for the respondent would submit that there is no imitation of the trademark or the logo. They are unique in nature even a person of average intelligence and poor recollection will not get misled by the trademark, name and the device of the respondent to that of the applicant.

14. In support of their respective, the learned Counsel for the plaintiff would rely upon the following judgements.

(i). *S.M.Dyechem Ltd., vs. Cadbury India Limited* reported in (2000) 5 SCC 573.

(ii). *Cadila Heath Care Limited. vs. Vadila Pharmaceuticals Limited* reported in (2001) 5 SCC Page 73.

(iii). *Lakshmikant V.Patel vs. Chetanbhai Shah and another* reported in (2002) 3 SCC Page 65.

(iv). *Clinique Laboratories LLC and ors Vs. Gufic Limited and others* reported in Manu/DE/0797/2009 – High Court of Delhi.

(v). *Kirorimal Kashiram Marketing and Agenices Private Limited vs. Shree Sita Chawal Udyog Mill* reported in Manu/DE/2307/2010 – High Court of Delhi.

(vi). *Rajkumar Prasad and another vs. Abbott Healthcare Private Limited* reported in CDJ 2014 DHC 2168.

(vii). ***FDC Limited vs. Mr.Anuj Pareek and others***
reported in 2016 SCC Online Del 6009.

(viii). ***Imagine Marketing Private Limited vs. Exotic***
Mile reported in 2020 SCC Online Del 201.

(ix). ***Nishi Gupta vs. Cattle Remedies reported in 2021***
SCC Online Del 3032.

15. In support of this case, the learned Counsel for the defendant would rely upon the following judgement.

(i). ***Cadila Health Care Limited -vs- Cadila Pharmaceuticals***
Limited reported in (2001) 5 SCC 73.

16. From out of the plethora of judgments cited, some of the guiding principles necessary for the court to decide the case in hand are:

i) A registered proprietor of a trademark can sue another registered proprietor of a trademark alleging deceptive similarity, in view of Section 124 (5) of the Act, which have the overriding effect on Section 28 (3) of the Act. (***Rajkumar Prasad and another -vs- Abbott Healthcare Pvt Ltd*** reported in ***CDJ 2014 DHC 2168***)

ii). The plaintiff must prove that essential features of his registered mark have been copied. A mark is to be infringed by another trader if, even without using the whole of it, the latter uses one or more of its 'essential features'. The marks, names or get-up concerned must always be considered as the whole thing, as the true test is whether the totality of the impression given both orally and visually is such that it is likely to cause mistake, deception or confusion. (***S.M.Dyechem Ltd -vs- Cadbury (India) Ltd*** reported in 2000 (5) SCC 573)

iii). In an infringement action, it is sufficient if there was 'overall similarity' as would mislead a person usually dealing with one to accept the other if offered to him. The marks should not be kept side by side and compared. (***Parle Products (P) Ltd -vs- J.P & Company Limited*** reported in AIR 1972 S2 1359)

iv). For judging whether the later mark was deceptive, it was sufficient if the similarity was so close visually, phonetically or otherwise. If the essential features had been proved to be adopted by the opposite party, that was sufficient. (***Durga Dutt Sharma -vs- Navarathna Pharmaceutical Laboratories*** reported in

AIR 1965 SC 980)

v). In deciding whether a particular trade mark is likely to deceive or cause confusion, it is not sufficient merely to compare it with the trade mark which is already registered and whose proprietor is offering opposition to the registration of the former trade mark. What is important is to find out what is the main feature or the main idea underlying that trade mark, and if it is found that the trade mark whose registration is sought contains the same distinguishing or essential feature or conveys the same idea, then ordinarily the Registrar would be right if he come to the conclusion that the trade mark should not be registered. (*The Royal Bank of Scotland Group PLC -vs- Sharekhan Limited* reported in *2015 SCC Online Del 8477*)

vi). In an action for infringement, the plaintiff must make out that the defendant's mark is so close either visually, phonetically or otherwise and the court should reach the conclusion that there is an imitation. If the essential features of a trade mark of the plaintiff have been adopted by the defendant, the fact that the get up, packing and other writing or marks on the goods or on

the packets in which he offers his goods for sales show marked differences, or indicate clearly a trade origin different from that of the registered proprietor of the mark would be immaterial.

vii). In an action for passing-off on the basis of unregistered trademark, the class of purchasers who are likely to buy the goods bearing the marks they require, on their education and intelligence and a degree of care they are likely to exercise in purchasing and/or using the goods is one of the factor to be considered to the question of deceptive similarity. (*Cadila Health care Ltd -vs- Cadila Pharmaceutical Ltd* reported in 2001(5) SCC 73).

17. Based on the above guiding factors and the law in force, this Court now proceed to analyse the facts to arrive at a decision.

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18. In the instant case, both the applicants as well as the respondent have their mark registered and possess valid trademark. In normal circumstances,

under Section 28 (3) of the Act, the parties are legally entitle to use their respective trademark and co-exist. The applicant herein, beside filing the rectification petition challenging the validity of the respondent's trade mark had also filed the suit for infringement of the applicant's trade mark. Law under Section 124 and 125 of the Act permits such action. However, if the validity of any one or both the trademark/s is questioned before the Registrar or the Appellate Board, the suit for infringement may be stayed pending disposal of the rectification application. The suit under consideration is not stayed and even if there is any reason for granting stay, under Section 124 of the Trade Mark Act, such stay will not preclude the court from making any interlocutory order (Sub-Section (5) of Section 124). Therefore, there is no legal impediment to hear and decide the interlocutory application for interim injunction.

19. The defence of the respondent in brief are:

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i). The marks of the parties are not identical or similar. Use of the word 'Therm' or the flame on top in the device are not unique to the applicant.

ii). The word 'MECHTHERM'  not an adoption of the applicants mark "MAXTHERM".  The word was coined by the respondent relating the product and its usage. It is in accordance with honest practises in the boiler industry. There are many boiler industries with the word "MAX" or "THERM" prefixed or suffixed. The applicant cannot claim exclusive right over the word as a whole or in part.

iii). The products are not sold across the stores. They are made to order for the given specification. The customers are not general public but industrialists with knowledge. In most of the case, the purchase orders are placed only after several visit to the site and negotiation. Therefore there is no possibility for confusion over marks which call for judicial scrutiny.

iv). The respondent after obtaining the trade mark registration had started production and is in the market. The suit is filed due to trade rivalry and any interim order without trial will jeopardy the lawful right of the respondent to trade.

v). The contention that the respondent imitates the applicant's trade mark to ride piggy back will be found false, If comparative strength test and weightage test to the factors like the class of purchasers and the dissimilarity in the essential features of rival marks is applied.

vi). The applicant had coined and devised the trademark "MAXTHERM" by using the trademark and device mark of leading Industrial Boiler manufacturer "THERMAX". The flame in the logo is copied from another manufacturing Company by name "Maxima". The applicant's trademark "MAXTHERM" is only a modification of the trademark of the above two companies. Hence, applicant is debarred from claiming exclusive right over the word mark "THERM" in isolation or with prefix and the flame logo as part of the device.

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20. In *Kirorimal Kashiram Marketing and Agencies Pvt. Ltd -vs-*

Shree Sita Chawal Udyog Mill reported in *MANU/DE/2307/2010*, it is observed that,

“Copying of a prominent part of a trade mark leads to deceptive similarity especially when the product of both the parties is the same and therefore, copying of a prominent part of a trade mark of a person is prohibited”

“An Appellate Court is entitled in certain circumstances to interfere with the order in such matters where the discretion has been exercised by the lower Court arbitrarily, capriciously, perversely or where the court has ignored the settled principles of law regulating the grant of refusal of interlocutory injunctions.”

22. The allegation of the applicant that the flame on the top of the logo is deceptively similar and copied by the respondent is found to be true. Flame may be common in the boiler trade but the site of placing the logo, matters for the Court to apply the test of comparative strength.

22. In the case in hand, while the applicant has placed the flame on the top of inverted “M”, the respondent has placed the flame on the top of “M”. The class of purchaser may be elite, well informed and may place orders after

several inspection, but then, when similarity is deceptive both through eyes and ears, the adoption cannot be taken as honest adoption. The dishonest intention to exploit goodwill of the applicant is very obvious not only by coining the word and imitating the logo found in registered device, even the brochure issued by the respondent is verbatim to that of the applicant's brochure. Though, the brochure is not the subject matter of the infringement of trademark, the intention of the parties could be inferred from this conduct.

23. The Learned Counsel for the respondent strongly rely upon the facts that the industrial boilers are not sold across stores and therefore, the allegation of deceiving the customers by deceptive adoption of the applicant's trademark is unsustainable. Though, at the first instance, this Court was impressed upon the submission, later, on perusing the profile of the respondent Company, this Court finds that the respondent Company is involved in providing engineering consulting service, manufacturing of apparatus and installations for lighting, heating, cooling, steam generating, cooking, drying, ventilating, water supply and sanitary purposes. They are goods covered under Class – 11. The infringement alleged not confined to industrial boilers alone but also includes consultation

services.

24. Therefore, this Court holds that the applicant is entitled for the relief of injunction as prayed for. Hence, the ***Original Application Nos.198 & 199 of 2021 are allowed.*** No order as to costs.

22.07.2021

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

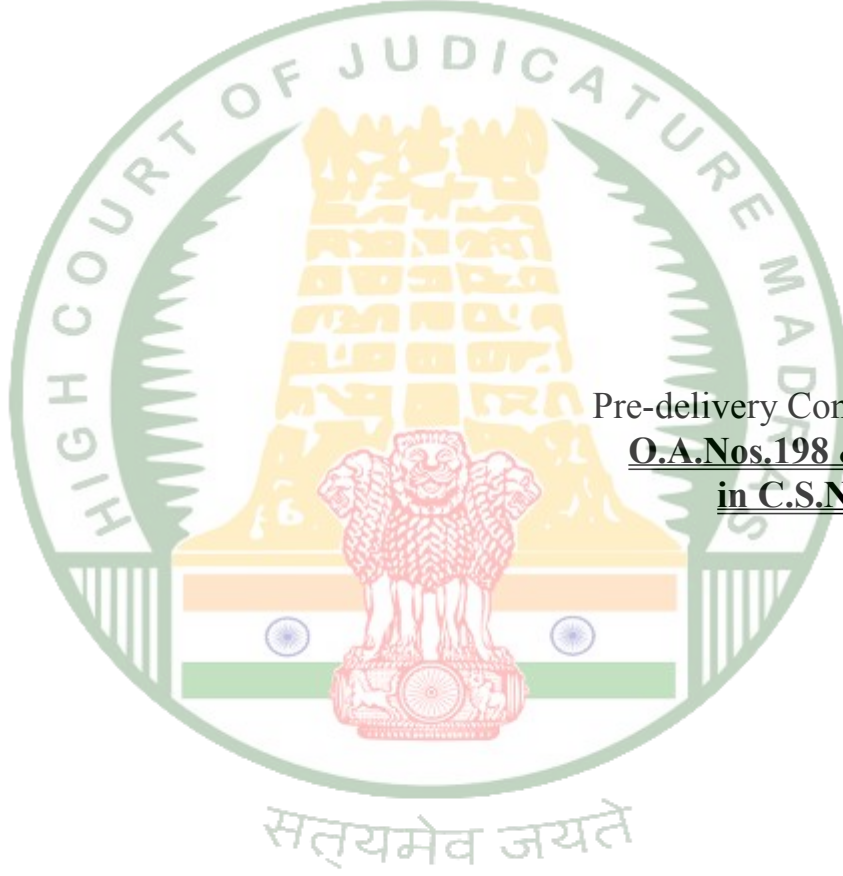


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Dr.G.Jayachandran,J.

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Pre-delivery Common Order in
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