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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 12.12.2023

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THE HONOURABLE MR.JUSTICE SENTHILKUMAR RAMAMOORTHY

(T)OP(TM)/176, 177 & 178/2023
(ORA/166,167& 168/2015/TM/CHN)

Kerala State Road Transport Corporation (KSRTC),
Transport Bhavan, Chief Office, East Fort,
Thiruvanthapuram - 695 023,
represented by their Secretary
Mr.Pradeep Kumar G.P.

... Petitioner in all OPs

-vs-

1.Karnataka State Road Transport Corporation,
Central Offices, K.H.Road,
Shanthi Nagar, Bangalore - 560 027.

2.The Registrar of Trade Marks, Chennai,
Intellectual Property Office Building,
GST Road, Guindy, Chennai.

... Respondents in all OPs

PRAYER in (T)OP(TM)/176/2023: Transfer Original Petition

(Trademarks) filed under Sections 57(2), 9, 11, 18(1) of the Trade



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Marks Act, 1999, praying to rectify the impugned entry relating to the trade mark KSRTC, ELEPHANT with no right to the exclusive use of the device of "Elephant" under Trade Mark No.1213897 in Class 12.

PRAYER in (T)OP(TM)/177/2023: Transfer Original Petition (Trademarks) filed under Sections 57(2), 9, 11, 18(1) of the Trade Marks Act, 1999, praying to rectify the impugned entry relating to the trade mark KSRTC under Trade Mark No.2327806 in Class 37.

PRAYER in (T)OP(TM)/178/2023: Transfer Original Petition (Trademarks) filed under Sections 57(2), 9, 11, 18(1) of the Trade Marks Act, 1999, praying to rectify the impugned entry relating to the trade mark KSRTC under Trade Mark No.2327805 in Class 16.

For Petitioner : Mr.Bovan Cherian Varkey
in all OPs for M/s.Marks and Rights

For Respondent 1 :Mr.P.V.S.Giridhar, Senior Advocate,
in all OPs assisted by Ms.Pooja Jain
for M/s.Giridhar & Sai

For Respondent 2 : Mr.S.Janarthanam, SPC
in all OPs



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COMMON ORDER

Background

The petitioner seeks rectification of the Register of Trade Marks in relation to the word mark “KSRTC”, which was registered as Trade Mark Nos.2327805 and 2327806, in Classes 16 and 37, respectively, and in relation to the device mark “KSRTC, ELEPHANT”, which was registered as Trade Mark No.1213897 in Class 12.

2. The petitioner asserts that the Kerala State Road Transport Corporation traces its origin to the Travancore State Transport Department, which was established in the year 1937. After the formation of the State of Kerala in the year 1956, it is stated that the Kerala State Road Transport Corporation was formed on 01.04.1965 pursuant to a policy decision of the State of Kerala to convert the State Transport Department into a corporation. After its formation,



the petitioner states that the Corporation adopted and used the abbreviation “KSRTC” as its trade mark. After using the mark for a considerable period, the petitioner states that it applied for and obtained registration of the trade mark KSRTC in Classes 37 and 39 with effect from 27.03.2015. After noticing that the first respondent obtained registration of the mark KSRTC in Classes 12, 16 and 37 by asserting use from 01.11.1973, by asserting that the petitioner has superior rights as the prior user, the present petitions were filed for rectification of the register.

Counsel and their contentions

3. Oral submissions on behalf of the petitioner were advanced by Mr.Bovan Cherian Varkey, learned counsel, and on behalf of the first respondent by Mr. P.V.S.Giridhar, learned senior counsel, assisted by Ms.Pooja Jain. The Registrar of Trade Marks was represented by Mr.S.Janarthanam, learned SPC.



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4. Learned counsel for the petitioner submitted that the prior user has superior rights under trade mark law. By virtue of adopting and using the mark from 1965, learned counsel submits that the petitioner is entitled to prevent the later user from using the mark. The next contention of learned counsel is that the first respondent originally adopted the mark with the device of *gandabherunda*. Subsequently, he submits that the first respondent changed the device and adopted the device of an elephant, and that such adoption should not be permitted in view of the prior adoption of the device of an elephant by the petitioner.

5. As regards the registration in Class 12 by the first respondent, learned counsel submits that the first respondent does not manufacture vehicles and that the entry relating to registration under Class 12 is liable to be removed on account of non-use. Similarly, as regards the registration under Class 16, learned counsel



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submits that Class 16 is limited to stationery; that the use of the mark in relation to a printing press by the first respondent does not qualify as use under Class 16; and that the said entry is also liable to be removed for non-use.

6. According to learned counsel for the petitioner, the plea of acquiescence by the first respondent is not valid because Section 33 of the Trade Marks Act, 1999 (the Trade Marks Act) is not applicable. With regard to the interpretation of Section 33, learned counsel submits that the period of five years prescribed therein should be reckoned from the date of registration of the first respondent's trade mark and not from the date of use of the relevant mark. As regards Section 12 of the Trade Marks Act, without prejudice to earlier submissions, learned counsel submits that it enables the imposition of conditions and limitations. Therefore, he contends that the scope of registration should be limited to the use of the mark in relation to goods or services within the State of Karnataka.



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7. In response to these contentions, learned senior counsel for the first respondent submitted that the petitioner's registrations are only in Classes 37 and 39. Consequently, he submits that the petitioner does not have the *locus standi* to challenge the registration of the first respondent in Classes 12 and 16. As regards the registration in all three Classes, learned senior counsel submits that the petitioner has acquiesced in the use of the mark by the first respondent. By relying on Section 33 of the Trade Marks Act, learned senior counsel submits that if the proprietor of the earlier trade mark has acquiesced in the use of a registered trade mark by the later user of the mark, in spite of being aware of such use, he is no longer entitled to apply for a declaration that the registration of the later mark is invalid or to oppose the use of the later mark in relation to the goods or services in respect to which it is applied. By submitting that the first respondent has used the mark KSRTC from about March 1974, learned senior counsel submits that the petitions are



liable to be rejected as per Section 33 of the Trade Marks Act.

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8. In order to establish use of the mark, learned senior counsel invited my attention to several documents. With reference to the document at page 31 of the paper book filed by the first respondent, i.e. the Memorandum of Settlement signed on 18.03.1974, he submitted that it indicates that it was published by the Chief Labour and Welfare Officer, KSRTC. Similarly, by referring to the certificate of registration issued by the Commercial Tax Department on 07.07.1976, he submits that the rubber stamp on the relevant page contains the mark KSRTC. He also referred to the annual reports of the first respondent for the financial years 1991-1992, 2001- 2002 and 2013-2014 and pointed out that the report uses the mark KSRTC. Apart from the plea of acquiescence, learned senior counsel submitted that the first respondent is also entitled to use the impugned marks as an honest and concurrent user. Learned senior counsel next pointed out that the petitioner describes itself not as



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KSRTC but as Kerala State RTC for administrative purposes and uses the e-mail address keralartc@billdesk.com. By relying on the judgment of the Hon'ble Supreme Court in *Khoday Distilleries Limited v. Scotch Whisky Association and Others*, (2008) 10 SCC 723, learned senior counsel concluded his submissions by contending that both on the grounds on acquiescence and on the ground of the first respondent being an honest and concurrent user, these petitions are liable to be rejected.

Discussion, analysis and conclusions

9. On the basis of the rival contentions discussed above, it is evident that two main issues arise for consideration. The first of these issues relates to whether the petitioner has acquiesced in the use of the marks by the first respondent. Section 33 of the Trade Marks Act, which deals with acquiescence, is as under:

"33. Effect of acquiescence. - (1) Where the proprietor of an earlier trade mark has acquiesced for a continuous period of five



years in the use of a registered trade mark, being aware of that use, he shall no longer be entitled on the basis of that earlier trade mark -

(a) to apply for a declaration that the registration of the later trade mark is invalid, or

(b) to oppose the use of the later trade mark in relation to the goods or services in relation to which it has been so used, unless the registration of the later trade mark was not applied in good faith.

(2) Where sub-section (1) applies, the proprietor of the later trade mark is not entitled to oppose the use of the earlier trade mark, or as the case may be, the exploitation of the earlier right, notwithstanding that the earlier trade mark may no longer be invoked against his later trade mark"(emphasis added).

10. From the text of Section 33, it is evident that it applies when the proprietor of an earlier trade mark has acquiesced for a continuous period of five years in the use of a registered trade mark in spite of being aware of such use. The contention of learned



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counsel for the petitioner that the five year period prescribed in Section 33 runs from the date of registration and not from the date of use cannot be countenanced because it is contrary to the text of the provision, as is evident from the portion emphasized in bold font. In an appropriate case, the date of registration may, however, be relevant for purposes of determining constructive knowledge of the person assailing the registration. The first respondent asserts use from 18.03.1974 and has placed a number of documents to corroborate such use. The petitioner does not deny knowledge of use of the mark by the first respondent. Indeed, both parties agree that as public sector transport corporations, each has extensive operations to the knowledge of the other.

11. The rectification petitions were filed in mid-2015, in the above facts and circumstances, before the erstwhile Intellectual Property Appellate Board. All three trade marks of the first respondent are admittedly registered trade marks. Since the later



marks are registered trade marks, Section 33 becomes applicable.

The first respondent asserts use of such registered trade mark from 18.03.1974. In spite of being aware of such use, the first respondent has chosen to file the petitions in mid-2015. Therefore, the petitioner is not entitled to either seek a declaration that the registration of the first respondent's trade mark is invalid or to oppose the use of the first respondent's trade mark in relation to the goods or services to which it is being applied. Equally, as per sub-section (2) of Section 33, the first respondent is not entitled to oppose the use of the earlier mark. Thus, the solution is for both public sector undertakings to co-exist peacefully and run their respective businesses. From a public interest standpoint, there are sufficient markers of identity such as the use of the Malayalam and Telugu scripts on their buses by the petitioner and first respondent, respectively.

12. Since submissions were also made on Section 12 of the Trade Marks Act, I propose to deal briefly with the same. Section 12



is as under:

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"12. Registration in the case of honest concurrent use, etc. - In the case of honest concurrent use or of other special circumstances which in the opinion of the Registrar, make it proper so to do, he may permit the registration by more than one proprietor of the trade marks which are identical or similar (whether any such trade mark is already registered or not) in respect of the same or similar goods or services, subject to such conditions and limitations, if any, as the Registrar may think fit to impose."

As per Section 12, the Registrar is entitled to permit the registration by more than one proprietor of identical or similar trade marks in respect of similar goods or services in case of honest concurrent use or other special circumstances. In this case, the Registrar has permitted registration of the first respondent's trade marks. Both the petitioner and the first respondent carry on transportation services as their primary business. Therefore, the mark is being applied to identical services. The documents on record disclose that the first



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respondent has used the mark from the year 1974. Section 12 does not require neck-to-neck concurrency and it is sufficient if the relevant trade marks have been used concurrently over a material length of time. Even otherwise, for reasons discussed, this case would fall within the scope of “other special circumstances” in Section 12. Given the fact that the first respondent's marks are in use from about 1974, even if Section 33 did not apply, the first respondent would be entitled to the benefit of Section 12 of the Trade Marks Act.

13. For the reasons aforesaid, the petitioner is not entitled to rectification of the register in respect of the impugned marks. Therefore, (T)OP(TM)/176, 177 and 178/2023 are dismissed without any order as to costs.

12.12.2023

Index : Yes / No
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SENTHILKUMAR RAMAMOORTHY,J

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