



(T) OP (TM) Nos.190 & 191 of 2023

IN THE HIGH COURT OF JUDICATURE AT MADRAS

Reserved on: 25.07.2024

Pronounced on:13.09.2024

CORAM:

THE HON'BLE MR.JUSTICE P.B.BALAJI

(T) OP (TM) Nos.190 & 191 of 2023

LEGO Juris A/S,
Koldingvej 2,
DK-7190 Billund,
Region of Southern Denmark

... Petitioner in the above OPs

..Vs.

1.Gurumukh Singh,
Iqvinder Kaur, Kamal Preet Kaur,
Trading as LEO FOODS,
24-60/9, Industrial Area,
Uppal, Hyderabad (A.P).

..1st respondent in the above OPs

2.The Deputy Registrar of Trade Marks,
Trade Marks Registry, Chennai,
Intellectual Property Office,
G.S.T. Road, Guindy,
Chennai – 600 032

.. 2nd Respondent in the above OPs

Common Prayer: These Petitions came to be numbered by transfer of O.R.A.Nos.278 & 287/2015/TM/CHN, from the file of the Intellectual Property Appellate Board, Chennai, the mark LEGO CUTEHEART (label) under Registration No.1073754 in Class 30 and the mark LEGO COFFYBOND (label) under Registration No.999049 in Class 30 be removed/cancelled from the Register of Trade Marks.



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For Petitioner : Mr. Sathish Parasaran,
Senior Counsel for
Mr.Rajkumar Jabak in both OPs

For Respondents : Mr.K.Mohankumar for R1 in both OPs
Mr.S.Janarthanam,
Senior Panel Central Government
Standing Counsel for R2
in (T) OP (TM) No.190 of 2023
Mr.K.Subburangabharathi,
Central Government Standing Counsel
for R2 in (T) OP (TM) No.191 of 2023

COMMON ORDER

These Rectification Petitions have been filed under Section 57 of the Trade Marks Act, 1999 (in short 'Act'), seeking rectification in the register of the 2nd Respondent, by cancelling the registered mark of the 1st Respondent.

I. Case of the Petitioner:

2. The Petitioner is a world-renowned leader in manufacture and sale of toys, games etc. The Petitioner was founded way back in the 1930s' and the LEGO mark was adopted for the first time in 1934. According to the Petitioner, LEGO is coined from two Danish words 'leg' and 'godt' which literally means play well.

3. The Petitioner employs around 27000 employees globally and has



presence in more than 40 countries across the globe. The LEGO mark has been used in India ever since 1987 and in 1994, the manufacturing and selling division of the Petitioner entered into association with a Company for sale of their products in Mumbai and Delhi. Subsequently, the Petitioner has expanded its sale in various other parts of the country and their products are available in many premium toy stores as well as online platforms like Amazon, Flipkart etc.

4. The Petitioner also claims to have been a recipient of several accolades and recognitions and enjoys enormous goodwill and reputation in India as well as abroad. Their sales is also very high and in India alone, as of March 2023, it was to the tune of about 61.7 crores of rupees.

5. The Petitioner has also been declared as well-known trade mark in Taiwan, South Korea, Portugal, England, Germany, France etc. and has also been recognised as the #1 reputable company in the world as per the report of RepTrak. The Petitioner has secured registration of its mark even as early as in 1967 in India in Registration No.240430 and in other parts of the world, they have secured registrations for LEGO mark, dating back to 1954.



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6. The grievance of the Petitioner is that the 1st Respondent started using the very same LEGO mark for its confectionary products, LEGO CUTEHEART and LEGO COFFYBOND, clearly infringing the Petitioner's mark. The Petitioner has already filed a suit in O.S.No.105 of 2003 before the City Civil Court at Secunderabad and the Court held that the Petitioner enjoys a transborder reputation and the LEGO mark is a well known mark. The 1st Respondent has preferred an Appeal before the Telangana High Court and the same is pending. Hence, the Rectification Petitions have been filed.

II. Case of the 1st Respondent:

7. The 1st Respondent states that it is dealing with manufacturing and marketing confectionary goods under their trade name, LEO FOODS and in the course of their business, they have adopted LEGO as their trademark on 31.12.2000. According to the 1st Respondent, LEGO has been coined and invented by them by combining the expression LE which means take in Hindi and GO meaning 'to leave'. It is the specific case of the 1st Respondent



that they have not copied the mark of the Petitioner and that they even conducted a search/survey including the database of the Trade Marks Registry and did not find any person, manufacturer or trader using LEGO in respect of confectionaries.

8. The further case of the 1st Respondent is that they have adopted LEGO as their flagship brand in various adaptations and they are honest and bona fide adopters of the mark LEGO. They further contend that the injunction granted by the Civil Court has been suspended in appeal and that the suit was only laid in respect of the word, LEGO and not the mark impugned in the present proceedings, which are composite label marks.

9 The 1st Respondent further states that the Petitioner enjoys a registration only in Class 28, whereas the 1st Respondent is totally unconnected and the impugned marks are registered under Class 30. Further, the Petitioner is engaged only in the trade relating to toys and the 1st Respondent's business is in the food industry, totally alien to the line of business of the Petitioner.

10. The 1st Respondent also contends that the Petitioner's mark has



not been declared as 'well known' as contemplated under Section 11(6) of the Trade marks Act, 1999 (in short 'Act') as well as envisaged under Section 2(1)(zg) of the Act. It is also stated that the marks should be taken as a whole and if done so, there is no possibility of confusion or deception. The Petitioners are also not aggrieved in any manner and consequently, the petitions are liable to be dismissed.

11. The learned counsel representing the parties informed the Court that they do not intend to lead any evidence and that they would only be arguing the petitions.

III. Issues :

1) Whether the impugned marks of the 1st Respondent are liable to be removed from the register of the 2nd Respondent?

2) Whether the Petitioner is entitled to claim 'well-known' mark in India ?

3) Whether the impugned marks of the 1st Respondent are near identical marks likely to cause confusion and deception in the minds of the consumer ?

4) Whether the adoption of the impugned marks, by the 1st Respondent is honest and bonafide?

12. I have heard Mr.Sathish Parasaran, learned Senior Counsel for

Mr.Rajkumar Jhabak, learned counsel for the Petitioner and



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Mr.K.Mohankumar, learned counsel for the 1st respondent and Mr.S.Janarthanam, learned Senior Panel Central Government Standing Counsel for the 2nd respondent in OP No.190 of 2023 and Mr.K.Subbu Ranga Bharathi, learned Central Government Standing Counsel for the 2nd Respondent in O.P.No.191 of 2023.

IV. Submissions of the learned counsel on either side:

13. Mr.Sathish Parasaran, learned Senior Counsel appearing for the Petitioner would, besides putting forth the facts narrated in the rectification petitions in a nutshell, would submit that the target audience of both the Petitioner's as well as 1st Respondent is the same, viz, children and therefore a very likely chance of they being confused by the two marks.

14. He would further elaborate his submissions contending that the 1st Respondent has not challenged the claim of the Petitioner to being a prior user of the mark and he would also bring it to my notice that pending the above proceedings, the Petitioner's marks have also been declared as well-known and it would relate back to the date of the petition and consequently



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entitle the Petitioner to rectification as prayed for. He would further state that fraud and deceit is also writ large on the conduct of the 1st Respondent by the mere fact that they claim to have searched in the Registry only for traders in the field of confectionaries, using LEGO.

15. He would further contend that when the 1st respondent has adopted a near identical mark, wholly incorporating the Petitioner's prior, distinctive, registered and well-known LEGO mark, the Petitioner is bound to succeed. Turning to Section 11(2) of the Act, the learned Senior Counsel would state that the Petitioner is entitled to protection across all classes of goods and services. In this regard he would place reliance on *Bata India Limited v. Pyare Lal and Company, Meerut City and others*, reported in *AIR 1985 All 242* and *Daimler Benz Aktiegesselschaft and another v. Hydo Hindustan*, reported in *1993 SCC OnLine Del 605*.

16. The learned Senior Counsel would also place reliance on the following decisions:-

i) *Ishi Khosla v. Anil Aggarwal & another*, reported in *ILR (2007) I Delhi 615*;



ii) *R.Gopalakrishnan v. M/s.Venkateshwara Camphor Works*,

reported in 2000(4) CTC 222; and

iii) *P.Duraiswamy v. R.Subhayam*, reported in 1991 (January) IPLR

11.

17. Per contra, the learned counsel for the 1st Respondent would submit that on the date of filing of the Rectification Petitions, the Petitioner's mark had admittedly not been declared as well-known and therefore, the arguments of the learned Senior Counsel appearing for the Petitioner based on the presumption that the Petitioner's mark enjoys the status of a well-known mark has no merit.

18. The learned counsel would further contend that the 1st Respondent's adoption has been properly explained and the 1st Respondent sells its flagship brand sweets in every nook and corner and there is no occasion for any confusion or deception as alleged by the Petitioner. He would further state that the Petitioner, by its own documents, has shown sales only in major cities and thus, has not shown extensive use in order to claim any protection under the statute.



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19. The learned counsel for the 1st Respondent would also contend that the trade channels of the petitioner and the 1st Respondent are entirely different and relying on *Vishnudas Trading as Vishnudas Kishendas v. Vazir Sultan Tobacco Company Limited*, reported in 1996 PTC (16), the learned counsel would fortify his contentions that even in the same class of goods there is a possibility of both marks co-existing. The learned counsel would also highlight the aspect of the cost of the respective products stating that the Petitioner's products are very expensive and sold only in major cities whereas the 1st respondent's goods are sold for a mere Rs.5 to Rs.10/- in even small shops and therefore, there is no likelihood of any confusion arising in the minds of the customers.

20. The learned Counsel for the 1st Respondent would also contend that the intention of the legislature in classifying the goods and services into different Classes was only to give statutory right and it did not mean that a person is given a right in rem once registration of the mark is accorded.

V. Discussion and Decision:

21. The issues being related are taken up together and adjudicated



hereunder. The Petitioner's prior use of the mark, LEGO is not disputed by the 1st Respondent. The bone of contention of the 1st Respondent is that on the date of the filing of the petitions, the Petitioner did not enjoy the status of a well-known mark in India and hence cannot seek to cut across a different class altogether and seek rectification. In this regard, it is to be seen that the Petitioner's mark, no doubt was not declared as a well-known mark as on the date of the filing of the rectification petitions. However, on such date, the Petitioner's status of a well-known mark had already been declared across various other jurisdictions, all over the world.

22. It is a larger question as to whether the status of well-known' trade mark accorded to the Petitioner's mark pending the above petitions would relate back to the date of filing of the petitions. Admittedly, the Petitioner enjoys this status in many other countries already and admittedly, the said status has been conferred on the Petitioner, pending these OPs.

23. Section 2(zg) of the Act, defines 'well-known trade mark' as being in relation to any goods or services, means a mark which has become so to the substantial segment of the public which uses such goods or receives such



services that the use of such mark in relation to other goods or services would be likely to be taken as indicating a connection in the course of trade or rendering of services between those goods or services and a person using the mark in relation to the first-mentioned goods or services.

24. Section 11(2) of the Act sets out a relative ground of refusal of registration viz., a trade mark which,

- a) is identical with or similar to an earlier trade mark; and*
- b) is to be registered for goods or services which are not similar to those for which the earlier trade mark is registered in the name of a different proprietor,*
shall not be registered if or to the extent the earlier trade mark is a well-known trade mark in India and the use of the later mark without due cause would take unfair advantage of or be detrimental to the distinctive character or repute of the earlier trade mark.

The Explanation to Section 11 states that for the purposes of Section 11, earlier trade mark means-

- (a) a registered trade mark or an application under section 18 bearing an earlier date of filing or an international registration referred to in section 36E or convention application referred to in section 154 which has a date of application earlier than that of the trade mark in question, taking account, where appropriate, of the priorities claimed in respect of the trade marks;]*
- (b) a trade mark which, on the date of the application for registration of the trade mark in question, or where appropriate, of the priority claimed in respect of the application, was entitled to protection as a well-known trade mark.*



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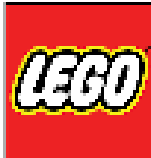
25. This Explanation clearly clarifies the statutory/legal position that an earlier trade mark would also include a trade mark which was entitled to protection as a well-known mark even on the date of the Application for registration. This exemplifies the position that where the earlier trade mark was entitled to protection as a well-known mark even on the date of the Application for registration, then sub-section (2)(b) to Section 11 would kick in and the earlier trade mark would be entitled to protection even if the goods are not similar, as in the present case.

26. Thus, on an over all circumspection of the facts of the present cases, the petitioner is clearly entitled to the benefits of Section 11(2) of the Act. Of course, the test would be whether the goods which are not similar to that of the Petitioner's is likely to cause confusion and detriment to the distinctive character or reputation of the Petitioner's mark. Even though this may be normally available only to a case falling under Section 11(1), in view of Section 11(3)(c) read with the Explanation to Section 11, as discussed herein above, if the later mark is used without due cause and is detrimental to the distinctive character or reputation of the earlier trade mark, then even



an action of passing off being available to the proprietor of the earlier trade mark would be a relative ground for refusal of registration of a later mark.

27. Though as rightly contended by the learned counsel for the 1st Respondent, the trade channels of the Petitioner and the 1st Respondent are totally different, it is not to be forgotten that both the goods of the Petitioner and the 1st Respondent cater to young minds, as in children across ages. Let us now examine the rival marks:

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28. The above clearly shows that there is an almost identical adoption of the Petitioner's mark LEGO, including the style and to some extent even the colours. There is no satisfactory explanation as to such a close identity to the Petitioner's mark. Even, the explanation sought to be offered by the 1st Respondent for adopting LEGO appears to be only on second thoughts and not acceptable. The over all reproduction of the Petitioner's mark clearly suggests a dishonest intention on the part of the 1st Respondent. More so, it is so because of the statement in the counter that the 1st Respondent made a thorough search in the trade mark registry for any earlier adoption/use of the mark LEGO only in relation to confectionaries.



29. Thus, the 1st Respondent was conscious and alive to the fact that there is a possibility of LEGO having been applied in other classes and mischievously, the 1st respondent claims to have made a search only for traders dealing in confectionaries. Such a conduct does not exhibit any bona fides, but only exposes the mala fides on the part of the 1st Respondent.

30. The Petitioner's global reputation and good will are not even questioned by the 1st Respondent and to claim that the use of LEGO was honest and concurrent can never merit acceptance, especially in view of the conduct of the 1st Respondent, discussed herein supra.

31. The 1st Respondent's falling back on Section 28 regarding rights conferred by registration under Class 30 to the specified class of goods is also of no avail.

32. Reading Explanation to Section 11 along with Section 11(2) and Section 11(6), it is clear that the Petitioner is entitled to protect its registered trade mark across different classes as well. It is not open to the 1st Respondent to contend that their registration is only under Class 30 and not



under Class 28. It is settled law that registration under different classes is only for the convenience of the Registry of Trade Marks and it cannot be extended as a defence in an action for infringement or passing off.

33. Under Section 29 of the Act, it is not even mandatory to show actual instances of confusion and what is relevant is only the likelihood of a confusion. As already discussed, the target consumers are children and their recapitulation to their favourite goods is mainly visual and since the 1st Respondent has copied dominant features of the Petitioner's mark as well, leave alone the identical LEGO word mark, it is highly likely that children would easily fall prey, taking the 1st Respondent's confectionaries to also be goods of the Petitioner. In *R. Gopalakrishnan's* case, (referred herein supra), this Court relied on the ratio laid down in *Slazenger v. Feltham*, reported in (1889) 6 RPC 531, which runs thus:

'where an intention to deceive is found, it is not difficult for the Court to infer that the intention has been, or in all probability will be, effective.'

34. In *Ishi Khosla*, (referred herein supra) the Delhi High Court held that dishonest adoption of somebody else's trade mark and trying to ride on



the good will of a competitor who entered the market prior in time is to be discouraged. The intention becomes manifest when the adoption is of the same style and label/packaging etc.

35. In *P.Duraiswamy's* case (referred herein supra), this Court held that once it is held that the Plaintiff is the proprietor of a registered trade mark, it is not open to the Defendant to contend that he is entitled to the user of the impugned mark in any particular area. In the present case, a similar contention has been raised by the 1st Respondent that it sells its confectionaries only in the state of Telengana. Having found that the adoption of the mark LEGO by the 1st Respondent is in bad faith, it is not open to the 1st Respondent to contend that they are entitled to retain their registration as their area of business is restricted to only the city of Hyerabad/state of Telangana.

36. Insofar as reliance being placed on *Charminar's (Vishnudas Trading v. Vazir Sultan)* case (referred herein supra), the statutory position has underwent a major change with the amendments introduced to Section 11 by extending protection including the law of passing off which was not



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available when the decision came to be rendered by the Supreme Court in 1996, under the then Trade Marks Act, 1958. Thus, the plea of both marks co-existing without any confusion can no longer be countenanced.

37. Even though the petitioner's declaration of 'well-known' status was pending the OPs, it will not relate back to the date of filing of the OP and would only have a prospective effect. At the same time, for all the reasons and discussions made hereinabove, the Petitioner having established that it was entitled to be granted the status of 'well-known' mark on the date of its Application and also in view of the mandate of Section 11(2) being read along with the Explanation to Section 11, the petitioner is entitled to protection of its mark.

38. In view of the above discussions and ratio laid down in the cases referred and dealt with hereinabove, it is clear that the Petitioner has shown to be entitled to rectification of the register by removing the impugned marks.

VI.Result:-

39. For all the foregoing reasons and discussions, the Issues are



answered in favour of the Petitioner. In fine, the Original Petitions are allowed and the impugned trademarks are liable to be removed and the 2nd

Respondent shall take steps to remove the impugned marks viz.,



LEGO CUTEHEART (label) under Registration No.1073754

in Class 30 and the mark LEGO COFFYBOND (label)



under Registration No.999049 in Class 30 from the register.

However, there shall be no order as to costs.

13.09.2024

Index : Yes/No
Speaking/Non-speaking order
rkp

To
The Deputy Registrar of Trade Marks,
Trade Marks Registry, Chennai,
Intellectual Property Office,
G.S.T. Road, Guindy, Chennai – 600 032



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P.B.BALAJI, J.

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**Pre-delivery Common Order in
(T) OP (TM) Nos.190 & 191 of 2023**

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