



(T)CMA(TM) No.80 of 2023

IN THE HIGH COURT OF JUDICATURE AT MADRAS

WEB COPY

Reserved on : 29.11.2024

Pronounced on : 07.01.2025

CORAM : JUSTICE N.SESHASAYEE

(T)CMA(TM) No.80 of 2023
(OA/8/2020/TM/CHN)

Paragon Polymer Products Private Limited
Previously M/s.Paragon Rubber Industries
PB No.61, Paragon Building
Opp.Bishop Jacob Memorial Hall
Srinivasa Iyer Road
Chalukkunnu, Kottayam
Kerala - 686 001.

... Appellant

Vs

1.Sumar Chand Nahar
Trading as : M/s.Paragon Engineers
#2, 3rd Floor, B.V.K.Iyengar Road
P.B.No.7927, Bangalore - 560 053.

2.The Joint Registrar of Trade Marks
Intellectual Property Office
Intellectual Property Office Building
G.S.T.Road, Guindy
Chennai - 600 032.

... Respondents

PRAYER : Appeal filed under Section 91 of the Trade Marks Act, 1999
praying to dismiss the order of the Joint Registrar of Trade Marks be



(T)CMA(TM) No.80 of 2023

dismissed and the impugned mark be denied registration, and any other further order this Court may deem fit and proper in the facts and circumstances of the case.

For Appellant : Mr.R.Sathish Kumar
for Mr.B.Karthick

For Respondent : Mr.Arun C.Mohan for R1
Mr.R.Rajesh R.Vivekananthan for R2

Amicus Curiae : Mr. Avinash Wadhwani

JUDGMENT

The appellant herein has lost its opposition against the registration of trade mark in an application filed by the first respondent for registering the device mark, which is a composite mark of a word 'PARAGON' + 'a flying bird' under Class-9. This Order is now under challenge.

2.1 The facts that led to the institution of this appeal may be briefly stated:

- (a) The appellant has been in the business of manufacture and sale of footwear under its trade name 'PARAGON', since 1975. It has registered its mark PARAGON under Class-25 and allied classes



associated with Class-25, on various dates.

WEB COPY

(b) The first respondent has been doing business in the manufacture and sale of electric motors etc., since 1977, under the trade name PARAGON with a flying bird as a device. It has registered its mark as 'PE' along with words 'PARAGON ENGINEERS' written beneath it under Class 7.

Appellant mark	Respondent mark
	

(c) Be that as it may, a certain D.M.Tea Corporation, represented by Mr.Kundan Sharma, filed an application before the Trade Mark Registry, for registration of the very word 'PARAGON' under Class 30, for its products which *inter alia* included '*blended tea and tea powder*'. The appellant herein had opposed the said registration successfully, and in its order dated 26.07.2017, the Trade Mark Registry had declared that the appellant's mark PARAGON is a well known mark.

(d) It is in these circumstances, the first respondent had applied for



WEB COPY



(T)CMA(TM) No.80 of 2023

registration of an identical mark PARAGON under Class 9, which relates to electric motor starters, etc. For the current purpose, it may be stated that Class 9 is closely associated with Class 7 category of goods, all of which fall within one common denominator of 'electric motors' broadly. (This distinction may not be very relevant for the current purpose).

(e) The first respondent had filed its application on 28.09.2001, and after examination, it came to be published in the Trade Mark Journal 1330 dated 01.05.2005.

2.2 On gaining knowledge about the application of the first respondent for the registration of the mark PARAGON under Class 9, the appellant herein entered appearance to oppose the registration of the said mark on the following grounds:

a) That the word PARAGON, was coined by the appellant, that it is being used by it uninterruptedly from 1975, and ever since the word 'PARAGON' has come to be associated with the appellant as a composite mark. It is registered under various classes including classes 1, 7, 17 and 25. The appellant has a pan India market for its



(T)CMA(TM) No.80 of 2023

WEB COPY

products. Therefore, allowing the first respondent to trade using the mark 'PARAGON' for its products' would cause confusion in the minds of the consumers and lead to dilution of the appellant's mark.

- b) The adoption of the mark “PARAGON” by the first respondent is not bonafide. The first respondent began to use the mark only 10 years after the appellant started using its mark, and in the same geographical location as the appellant.
- c) The mark of the appellant has been recognized as a well-known mark by the Trade Marks Registry, and it is associated with the products manufactured by the appellant. Therefore, even if the first respondent uses the mark to sell products belonging to a different classes, the public would still associate the same as that of the appellant.
- d) The registration of the proposed mark of the first respondent would violate Sections 9,11,12 and 18 of the Trade Marks Act.

2.3 The first respondent rebutted the opposition of the appellant by stating:

- a) The first respondent company was established in the year 1966, and is involved in the manufacture of a wide range of electrical products.
- b) In 1986, it honestly adopted the mark PARAGON for selling its



(T)CMA(TM) No.80 of 2023

electric motor starter and other allied products falling under Class 9.

WEB COPY

- c) In 2001, to statutorily protect its mark, it made an application under Class 9 before the Registrar of Trade Marks. Previously, it has also obtained registration of a similar mark under Class-7, which remained unopposed by the appellant.
- d) The appellant has acquiesced to the mark of the first respondent and is estopped from questioning the registration of the present mark.
- e) The word “PARAGON” has acquired a secondary meaning and is associated by the public with the first respondent as far as electrical products are concerned.
- f) The mark of the appellant is well-known in the industry of footwear and other cognate products alone. However, the mark of the first respondent is well-known in the field of electrical pumps.
- g) The mark of the first respondent has acquired distinctiveness due to long usage in the field of electric motors and pumps.
- h) The purchasers of the product of the first respondent and the appellant are not the same. Therefore, there is no possibility of confusion.
- i) The marks on the whole are different (applicant’s mark has the word



(T)CMA(TM) No.80 of 2023

WEB COPY

PARAGON + bird device, whereas the opponent's mark is characterized by the word PARAGON alone).

- j) Paragon is a dictionary word, and the appellant cannot claim any exclusive right over the same.

2.4 Vide its Order, dated 18.06.2019, the Trade Marks Registry has rejected the opposition filed by the appellant. Its line of reasoning are:

- a) The applicant/first respondent is the first adopter of the mark PARAGON with a bird logo in Class 9, and due to the long usage of this mark in products falling under Class 9, the applicant satisfies the test of 'acquired distinctiveness'.
- b) The word PARAGON is not a coined word as it a common English word with a dictionary meaning, and the opponent/appellant herein cannot claim exclusive right over the word.
- c) The marks on the whole are different (applicant's mark has the word PARAGON + bird device, whereas the opponent's mark is characterized by the word PARAGON alone). And, products in which they deal are also different and public will not be confused .
- d) Even otherwise, the applicant is entitled to Section 12 of the Act for



(T)CMA(TM) No.80 of 2023

honest and concurrent use.

WEB COPY

3.1 Describing that the impugned order of Registrar of Trademarks is bristled with several factual inaccuracies, the learned counsel for the appellant would submit that the Registrar has not addressed the grounds of opposition of the appellant against registering the mark of the first respondent nor has it considered its own order passed on 26.07.2017, vis-a-vis the opposition it offered in the matter of M/s.D.M.Tea Corporation, wherein its opposition was allowed, and its mark was declared to be a well known mark.

3.2 Developing his argument further, the learned counsel submitted that :

- a) The second respondent has got the date of registration, category of registration, date of user as well as the Trade Mark journal, all wrong in its order;
- b) On merits, it ignored its own finding that the appellant trade mark has been recognised as a well known mark; and
- c) It has referred to Section 12 in its order, but does not discuss how Section 12 will apply to factual situations.

In effect, the impugned order is an amalgam of errors, inaccuracies and



(T)CMA(TM) No.80 of 2023

confusion, and takes the matter nowhere.

WEB COPY

4. The counsel for the first respondent made the following submissions which is more in alignment with the line of reasoning of the second respondent. It is as below:

- a) The first respondent honestly adopted the composite mark comprising of the word PARAGON with a device of a bird for selling its electric motor starter and other allied products falling under Class 9 in 1986. The mark of the first respondent, unlike that of the appellant, is not a word mark for it also has a bird device, and it has been continuously and uninterruptedly used in the sale of electrical pumps and other cognate products since 1986.
- b) Though the mark of the appellant is well-known in the industry of footwear, the mark of the first respondent is equally well-known in the field of electrical pumps. Therefore, the first respondent's mark has acquired distinctiveness due to long usage and is associated by the public with the first respondent as far as electrical pumps are concerned.
- c) Even otherwise, the word PARAGON is a dictionary word, and the



(T)CMA(TM) No.80 of 2023

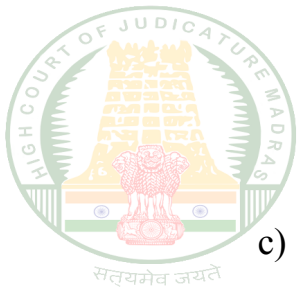
appellant cannot claim any exclusive right over the same.

WEB COPY

- d) Further, the first respondent has also obtained registration of a similar mark under Class-7, which remained unopposed by the appellant. Therefore, the appellant is estopped from questioning the registration of the impugned mark on the ground of acquiescence of the first respondent's mark by the former.
- e) Finally, the purchasers of the product of the first respondent and the appellant are not the same, hence there is no possibility of confusion.

5. Certain basic facts are not in dispute:

- a) That the appellant began using its word mark 'Paragon' as its trademark for marketing its footwear-products since 1975 and has its registration in Class 25.
- b) The first respondent is stated to be in business since around that time, but is not a competitor to the appellant as he has been involved in the manufacturing and marketing of electric motors etc under the trademark Paragon with a device of bird attached. He has his registration in Class 7 which he had obtained in 1986. And the appellant has no qualms over it.



(T)CMA(TM) No.80 of 2023

WEB COPY

c) Then the first respondent has applied for registering his trademark in Class 9. Now, the appellant became conscious to protect the commercial interest which its trade mark has given it and opposed the registration of trademark.

6. The principal argument which echoed strongly during the hearing was that since the appellant's word mark has been declared as a Well Known Mark, it is entitled to protect it across classes, and hence the first respondent can no more have a fresh registration of his old mark in another class, which to remind, does not bear any proximity to foot wears which the appellant markets, but is more close to its own line of business in electric motors, in Class 9.

7.1 According to appellant its mark has been declared as a Well Known Mark only in 2017. And it has no dispute that the first respondent has registered its own mark Paragon with a bird device attached to it even in 1986, but is only worried about invasion of its intellectual property rights when a known mark in class 7 is attempted to be registered again in class 9. In other words, the first respondent only seeks registration of its own



(T)CMA(TM) No.80 of 2023

established mark for a certain class of goods in another class which is associated with the former class of goods. He therefore, is not a new entrant to business who tries to steal the word Paragon, the registered mark of the appellant, but only attempts to expand his business activity to his allied business in Class 9 and tries to use the very mark which he has been using since 1986.

7.2 To state the issue differently, by virtue of the declaration of Well Known Mark which the appellant has obtained for its word mark Paragon, it intends to give retrospectivity to it and tries to ensure that even a trademark which is already in currency and in active use can be ejected from the market. This takes the Court to the next question: Whether declaration of Well Known Mark gives the owner thereof a right to eliminate those who have been using a similar mark, or even identical mark and who have developed a certain level good will for it through their honest and continuous use from future use?

8. Given the intricacy of the question, this Court requested Shri. Avinash Wadhwani to assist the Court as *amicus curiae*. Shri. Wadhwani made the



(T)CMA(TM) No.80 of 2023

following submissions:

WEB COPY

- a) The protection given to intellectual property in the trademark is the recognition of the intangible efforts exerted by the creator or inventor to commercialize or economically exploit the property.
- b) The concept of simultaneous use of a trademark is intrinsically linked to the honesty of the user balanced with the likelihood of confusion that may arise in the mind of the public. It must be borne in mind that the genesis of the law of trademark was not to enable monopolization but to protect the public from unscrupulous traders who look to profiteer at the expense of the goodwill generated by the owner of the trademark.
- c) Intellectual Property of which trademark is a part, is intangible property, and was protected earlier under Article 19 (1)(f) and now is protected under Article 300A of the Constitution Vide ***KT Plantation Pvt Ltd Vs State of Karnataka*** [AIR 2019 SCC1].
- d) Constitutionally, any prohibition on the use of a mark as a trademark must be construed as an aspect of public interest, and hence it may not be read within fundamental right to trade under Article 19 (1) (g) of the Constitution. And any restriction imposed on the user of the



(T)CMA(TM) No.80 of 2023

WEB COPY

mark therefore, has to be considered as part of the reasonable restriction under 19(6) of the Constitution.

- e) Set in the context, any decision to permit more than one user of the same mark must be considered as an exception to the rule of protection accorded to the trademark, and it is achieved through an act of balancing within the scheme of the statute.
- f) The registration of a trademark is only a statutory reiteration of the common law right. Consequently, any statutory privilege attached to a trademark as a well known mark is only statutory in nature.
- g) The concept of 'well known trademark, is an outlier to the entire law of trademark. The evolution of the law of trademark was to protect the consumers from identical or deceptively similar marks - to protect the public, whereas the concept of a well known trademark focuses on the protection of the mark on behalf of the user.
- h) A Well-Known Trademark is defined under Section 2(1)(zg) of The Trademarks Act, 1999 as *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*



(T)CMA(TM) No.80 of 2023

WEB COPY

*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”, See: **Addely Bourne Vs Swan** [].*

- i) While Sec.11(6) delineates the the parameters for guiding the Registrar to declare a mark as a well-known trade mark, Sec.29(4)(c) of the Act underscores the need for registration of a trademark that has a reputation in India. Therefore for a mark to be declared as a well known mark it must have to be registered.
- j) The added protection to a well known mark is the ability to cut across classes. It must however be borne in mind that the added protection to a well known trademark, especially the right to cut across classes, can only be deemed to be prospective in nature and not retrospective. See: **M/s VANS Inc USA Vs. FCB Garment Tex India &Anr** [Delhi High Court-C.O. (Comm. IPD-TM) 161/2021 & I.A. 15763/2022] and **VANS Vs. Fateh Chand Bhansali &Anr. [Delhi High Court-C.O. (Comm. IPD-TM) 416/2022]**.

Discussion & Decision

9. The point is whether the appellant, by virtue of the declaration of its



(T)CMA(TM) No.80 of 2023

mark PARAGON as a well known mark in class 25 for foot-wears can obstruct the first respondent from registering its existing mark which has already been registered under class 7 in 1986 after its honest and concurrent user since 1977, in class 9? The answer is a plain No.

10. No mark is born as a well known mark. It is only an acquired status which a registered mark is accorded with. It is a recognition given to a mark that satisfies all or any of the parameters which are broadly delineated in Sec.11(6) of the Act. The adage 'born great' will not apply to well known mark. It has to be earned. Necessarily it can, and at all times has to be only prospective in operation. The rule is simple: for an advantage earned today, credit cannot be given to it yesterday.

11. If however, a well known mark is given a retrospective operation, then it may date back to the very date on which the mark was registered, and that would be inconsistent with the scheme envisaged under Sec.11(6) of the Act. And, if retrospective operation is ever permitted, it will be a licence to stamp on the honest and concurrent user of similar trademark of other proprietors in the same class or in different classes. That never has been the



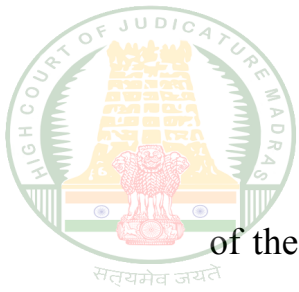
(T)CMA(TM) No.80 of 2023

legislative intent enabling declaration of marks as a well known mark. Here

WEB.COM this Court agrees with the ratio of the Delhi High Court in the *Vans* case

12.1 There is one aspect which this court however, would like to clarify. As rightly argued by the learned *amicus*, while registration of a trade mark aims to protect the consumers of goods and services, declaration of a mark as a well known trademark goes to protect the user thereof. He however, made a statement that while trademark is a property within the meaning of Article 300A of the Constitution, it still will not be entitled to any protection as a fundamental right within Article 19(1)(g), since it aims to protect the consumers and not the owner.

12.2 This Court considers that there is an element of hypocrisy the trademark jurisdiction accommodates. Let the plain truth be stated in a plainer language. While glorifying the objective behind protecting a trademark as something aimed to protect the consumers of goods and services, yet the owner thereof aims to protect his mark not because he worries for the consumer, but because he worries over his profit, for, if any attempt is made by a third person to pass off his goods and services as that



(T)CMA(TM) No.80 of 2023

of the owner of the mark, it may affect the profit of the owner of the mark.

WEB COPY

Therefore, it is time a trademark is also recognised as associated with the market-sustenance of the business of the owner of the mark. After all when passing off is enabled, it will lead to fall in profits, and eventually a successful business may become a liability. While a trade mark per se may not qualify to be protected as a fundamental right under Article 19(1)(g), its violation can impact business adversely to interfere with the right under under Article 19(1)(g). Therefore, while interpreting a statute providing for declaration of well known mark, it is necessary to ensure that the right of an honest and concurrent user of a similar mark is not affected as it may have a telling effect on his fundamental right to do business.

13. What can the appellant now expect? Obviously it cannot claim any retrospective privilege for its well known mark and cannot bulldoze the first respondent from using his mark which he has been using since before 1986. Therefore, it cannot oppose the first respondent registering its mark under Class 9.

14. Ideally both the appellant and the first respondent must be restricted to



(T)CMA(TM) No.80 of 2023

use their mark in the class of goods that they deal in. The second respondent therefore has a job at hand as he may now have to conceive such conditions or limitations to enable both the appellant and the first respondent to co-exist using their respective marks.

15. This appeal is allowed and the matter is remanded back to the second respondent to impose such necessary conditions or limitation on the use of the mark by both the appellant and the first respondent, after affording both the parties an opportunity of being heard in the matter. No costs.

07.01.2025

Index : Yes / No

Speaking order : Yes / No

Neutral Citation : Yes / No

ds

To:

The Joint Registrar of Trade Marks
Intellectual Property Office
Intellectual Property Office Building
G.S.T.Road, Guindy
Chennai - 600 032.



WEB COPY



(T)CMA(TM) No.80 of 2023

N.SESHASAYEE.J.,

ds

Pre-delivery Judgment in
(T)CMA(TM) No.80 of 2023

07.01.2025