2024:MHC:3923

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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : **21.11.2024**

CORAM

THE HON'BLE MR. JUSTICE ABDUL QUDDHOSE

CMA (TM) No.16 of 2024

AB & T LIFESTYLE SPACES LLP,
represented by Dasarath Abhishek Reddy .. Appellant

-vs-

The Registrar of Trade Mark,
Trade Mark Registry, Chennai,
Anna Salai, Guindy Industrial Estate,
Tamil Nadu - 600 032. .. Respondent

Prayer: This Civil Miscellaneous Appeal filed under Section 91 of the Trade Marks Act, 1999 read with Section 151 of C.P.C. and Rule 2(4) of the Madras High Court Intellectual Property Rights Division Rules, 2022 to set aside the order of refusal dated 24.05.2024 by the Trade Mark Registry, Chennai and consequently direct that the subject mark (ARC) with Application No.5171639 be accepted and advertised in the Trade Marks Journal.

For appellant : Mr.R.Sathish Kumar

For respondent : Mr.M.Karthikeyan,
CGSPC

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JUDGMENT

This appeal has been filed, challenging the impugned order dated 24.05.2024 passed by the respondent, refusing to register the appellant's Trade Mark 'ARC - A GATEWAY TO YOUR FUTURE' on the ground that the said mark is objectionable under Section 11(1) of the Trade Marks Act, 1999 and also on the ground that the appellant's Trade Mark has not acquired distinctiveness by way of long use as mentioned in the proviso to Section 9 of the Trade Marks Act.

2.The appellant has challenged the impugned order on the ground of violation of principles of natural justice and on the ground of arbitrariness. Learned counsel for the appellant drew the attention of this Court to the cited marks reflected in the examination report of the respondent dated 09.11.2021 and would submit that similar device marks have been allowed to be registered by the respondent and therefore, there cannot be any discrimination with regard to the appellant's Trade Mark alone. He also drew the attention of this Court to the impugned order and would submit that arbitrarily and without any evidence, the respondent, under the impugned

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order, has observed that the cited marks reflected in the examination report are in use. He would submit that despite the registration of Trade Mark in respect of the cited marks, they may not be put to use. He would submit that under the impugned order, the respondent has not stated as to how they got the information that the cited marks are in use. Learned counsel for the appellant drew the attention of this Court to the respective cited marks and would submit that as seen from the same, their operation is for a particular territory and the territories and the said territories does not fall within the territory, where the appellant is operating namely, the State of Karnataka.

3.Learned counsel for the appellant, on instructions, would submit that the appellant is willing to use the mark 'ARC - A GATEWAY TO YOUR FUTURE', restricted only to the State of Karnataka. Learned counsel for the appellant would submit that under the impugned order, despite the fact that there is no disclosure in the examination report of the respondent that the appellant's mark is hit by the proviso to Section 9 of the Trade Marks Act, 1999 (absolute grounds for refusal of registration), the respondent, without giving an opportunity to the appellant to raise objections, has refused to register the appellant's trade mark under the impugned order.

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4.On the other hand, the learned Standing Counsel appearing for the respondent would reiterate the contents of the impugned order and only in view of the fact that the cited marks, as reflected in the examination report, are in use, the appellant's Trade Mark Application in respect of its Trade Mark 'ARC - A GATEWAY TO YOUR FUTURE' has been refused to be registered under the impugned order. He would submit that the respondent has rightly refused to register the appellant's Trade Mark as there are other similar registered marks and if the appellant's mark is allowed to be registered, it will create confusion in the minds of the public. According to him, the respondent has rightly refused to grant registration in favour of the appellant under Section 11 of the Trade Marks Act 1999.

5.As seen from the impugned order, it does not disclose as to how the respondent got information that the cited marks, reflected in the examination report, are in use in the market. The appellant categorically contends that the cited marks are not being put to use in the state of Karnataka, where the appellant is presently operating its business activity. Learned counsel for the appellant, on instructions also submitted that the appellant if granted registration, will restrict its operation by using the Trade Mark 'ARC - A

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GATEWAY TO YOUR FUTURE' only within the territory of the State of Karnataka. No opportunity has been granted to the appellant as seen from the impugned order to refute the contentions of the respondent that the cited marks are in use. As only for the first time under the impugned order, the appellant has been informed by the respondent that the cited marks, as reflected in the examination report, are is use. As seen from the cited marks for which registration has been granted by the respondent, though they may be similar marks, the area of their operation has been restricted only to those territories disclosed in the Trade Mark Registration Certificates. The said territory does not include the territory, where the appellant operates namely, the State of Karnataka. The appellant has also undertaken as seen from the submission made by the learned counsel for the appellant, on instructions that they will restrict their business operation by using the mark 'ARC - A GATEWAY TO YOUR FUTURE' only to the State of Karnataka alone.

6.It is not one similar mark that has been registered, but the cited marks are four in number, which according to the appellant, are similar marks and identical marks to that of the appellant's trade mark. The appellant has categorically contended that arbitrarily, despite the fact that

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there are four other cited marks, the appellant alone has been discriminated and not allowed to get its trade mark 'ARC - A GATEWAY TO YOUR FUTURE' registered. Learned counsel for the appellant contended that once the appellant is permitted to publish its mark in the Trade Mark Journal, any third party, who intends to oppose the appellant's claim for registration, is always having the liberty to oppose the registration of the appellant's trade mark by filing an Opposition Petition.

7.Therefore, the learned counsel for the appellant contended that no prejudice will be caused to the respondent as well as to any third party if the appellant is allowed to publish its trade mark in the Trade Marks Journal. In the examination report of the respondent, wherein they have cited marks, which according to them, are identical to that of the appellant, they have not disclosed the second reason for rejection of the appellant's application, i.e. that the appellant's mark has not acquired distinctiveness by way of long use. Only for the first time, in the impugned order, the said reason has been given as the respondent has held that the appellant's trade mark has not acquired distinctiveness by way of long use and therefore hit by the proviso to Section 9 of the Trade Marks Act, 1999. Section 9 of the Trade Marks

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Act deals with absolute grounds for refusal to register the Trade Mark.

8.For the foregoing reasons, this Court is of the considered view that the impugned order is a non speaking order with regard to the contentions of the appellant as raised in this appeal and is also an order passed in violation of the principles of natural justice as no opportunity was granted to the appellant to refute/rebut the contentions of the respondent that the cited marks (four of which are registered) are in use even today. The respondent has also not taken into consideration the appellant's undertaking that they will restrict their operation only to the State of Karnataka and the respondent has also for the first time through the impugned order has given a new reason for refusing to register the appellant's Trade Mark on the ground that the trade mark has not acquired distinctiveness by way of long use.

9.It is settled law that only through speaking orders and by adhering to the principles of natural justice, the respondent can refuse granting trade mark registration. However, in the instant case as seen from the impugned order, it is a non-speaking order and the respondent has not adhered to the principles of natural justice.

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10.In the result, the impugned order passed by the respondent is hereby quashed and this appeal is allowed by directing the respondent to publish the appellant's trade mark 'ARC - A GATEWAY TO YOUR FUTURE' in the Trade Mark Journal and in case any Opposition Petition is filed opposing the registration of appellant's trade mark, the respondent is directed to consider the same, on merits and in accordance with law, after affording a fair hearing to the appellant as well as the third party, who opposes the registration of the appellant's trade mark. It is made clear that the publication has to be effected by placing restriction on the appellant to use their trade mark to the State of Karnataka alone. No costs.

21.11.2024

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Index : Yes/No
Speaking/Non Speaking Order
Neutral Citation Case : Yes/No

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To

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

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