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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 29.02.2024

CORAM

MR.JUSTICE N.SESHASAYEE

(T)CMA(TM)/191/2023
(OA/SR.195/2020/TM/CHN)

Idamakanti Madhusudhana Reddy,
47-121/170, Srinivasanagar Colony,
Tenmple Alwal, Secunderabad,
Hyderabad – 500 010. ... Appellant

Vs.

The Registrar of Trade Marks,
Intellectual Property Building,
GST Road, Guindy,
Chennai – 600 032. ... Respondent

PRAYER: Transfer Civil Miscellaneous Appeal (Trade Mark) is filed under Section 91 of the Trade Marks Act, 1999, seeking the following prayer;

a) The present Appeal and consequently the Application No.4099149 filed by the Appellant be allowed;
b) The costs of the present proceedings be awarded to the Appellant; and

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c) Such other and further relief/s as the Hon'ble Tribunal may deem fit and proper be allowed to the Appellant.

For Appellant : Mr.M.V.Swaroof

For Respondent : Mr.M.Karthikeyan,
Central Govt. Standing Counsel

JUDGMENT

The appellant herein had applied for the registration of his device mark with words 'Doctor Reddys Path Labs' written beneath the device. The application was made on 25.02.2019 and the appellant claims user since 22.08.2011. The Registrar of Trade Marks raised a preliminary objection under Section 11(1) of the Trade Marks Act on the ground that the mark of the appellant is identical to another mark namely, Dr.Reddy's with a device attached, both of which are dealing with similar goods and services. The appellant has responded to it but, the Registrar of Trade Marks was steadfast in its objection and refused to register the appellant's mark Vide its order dated 20.11.2019 but, with a difference. While the preliminary objection raised Vide its notice dated 14.03.2019 was made under Section 11(1), the order cites 11(2) as the ground for refusal for registering the mark. This order is

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now under challenge.

2.Heard both sides. The learned counsel for the appellant made the following submissions:

- The appellant's mark, and the mark cited by the respondent are not strikingly similar, and they are not even in the same class of business.

- While the cited mark has been registered essentially under class 5, the appellant seeks registration only under class 44. The holder of the cited mark in class 44 is concerned, it has chosen not to use it in that class. In other words, while appellant's area of activity is in running the pathological lab, the cited mark confines its operation to pharmaceutical products in class 5.

- Placing reliance on ***Vishnudas Trading Vs Vazir Sultan Tobacco Co. Ltd.,*** [1997 4 SCC 201], the learned counsel submitted that even if a mark is registered in the same class but not used for identical goods or services, the Registrar can take no exception either under Section

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11(1) or under Section 11(2) and cannot refuse to register a mark. Proceeding further, the learned counsel argued that in ***Nandhini Deluxe Vs. Karnataka Coop. Milk Producers Federation Ltd.,*** the Hon'ble Supreme Court has held that 'Nandhini' is a generic term, and it represents that name of a Hindu Goddess and a cow, and it is not an invented or coined word of the respondent.

- In the instant case, the word Reddy is a generic word, that it is the name of a community, and hence, none can have a monopoly over using the mark. He added that without the device, even the cited mark could not have been registered.

4.The learned counsel for the respondent made two pointed submissions:

a) that the mark which the Registrar of Trade Marks has relied on, to refuse the appellant's mark is a well known mark and hence, it requires to be protected, which apparently has weighed with the Trade Mark Registry.

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b) Secondly, both the marks are essentially in the allied field of operation even though they are not in the same class. Dr.Reddy's has acquired considerable reputation in the pharmaceutical business, and since the appellant is keen to have the word Dr.Reddy's for its pathological labs or diagnostic center, a gullible consumer will easily be fooled that the appellant's lab is a sister concern of Dr.Reddy's. It is hence, under Section 11(1) and 11(2) of the Trade Marks Act, the Registrar of Trade Marks is empowered to refuse registration of the appellant's mark as it is deceptively similar to a well known mark.

5.Responding to the same, the learned counsel for the appellant would submit that in the search report besides Dr.Reddy's, there are several other registered marks with the word Dr.Reddy, and if they can exist, then the appellant's mark can also co-exist. This apart, *vis-a-vis* the use of a well known mark, the Trade Mark Registry can consider it only when there is an opposition under Section 11(5) of the Trade Marks Act.

6.The appellant's mark is as below:

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and the rival mark is as below;



7.It is very apparent that phonetically they may be similar but, when with the device is attached, there is an element of dissimilarity about it. This apart, both appears under two different class. In ***Vishnudas Trading Vs Vazir Sultan Tobacco Co. Ltd.,*** the Hon'ble Supreme Court has held as under:

> *"46.There is no manner of doubt that the varieties of articles made of tobacco are differently used and they have their distinctive quality and separate identity. These articles are also marketed as distinct articles of use in different manner. In the common trade channel such articles are not only held different and distinct articles but are marketed separately. It does not require any imagination to hold that snuff or quiwam are entirely distinct products and even though the said products and the cigarettes, bidis, cheroots are also made of tobacco and all such products may come under the broad classification "manufactured tobacco", each of the said products is always held as a distinct and separate article of use having its specific characteristics.*

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47.The respondent Company got registration of its brand name "Charminar" under the broad classification, "manufactured tobacco". So long such registration remains operative, the respondent Company is entitled to claim exclusive use of the said brand name in respect of articles made of tobacco coming under the said broad classification "manufactured tobacco". Precisely for the said reason, when the appellant made application for registration of quiwam and zarda under the same brand name "Charminar", such prayer for registration was not allowed. The appellant, therefore, made application for rectification of the registration made in favour of the respondent Company so that the said registration is limited only in respect of the articles being manufactured and marketed by the respondent Company, namely, cigarettes. In our view, if a trader or manufacturer actually trades in or manufactures only one or some of the articles coming under a broad classification and such trader or manufacturer has no bona fide intention to trade in or manufacture other goods or articles which also fall under the said broad classification, such trader or manufacturer should not be permitted to enjoy monopoly in respect of all the articles which may come under such broad classification and by that process preclude the other traders or manufactures from getting registration of separate and distinct goods which may also be grouped under the broad classification. If registration has been given generally in respect of all the articles coming under the broad classification and if its is established that the trader or manufacturer who got such registration had not intended to use any other article except the articles being

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used by such trader or manufacturer, the registration of of such trader is liable to be rectified by limiting the ambit of registration and confining such registration to the specific article or articles which really concern the trader or manufacturer enjoying the registration made in his favour. In our view, if by virtue of earlier registration will be be permitted to enjoy the mischief of trafficking the trade mark. Looking to the scheme of the registration of trade mark as envisaged in the Trade Marks Act and the Rules framed thereunder, it appears to us that registration of a trade mark cannot be held to be absolute, perpetual and invariable under all circumstances. Section 12 of the Trade Marks Act prohibits registration of identical or deceptively similar trade marks in respect of goods and description of goods which is identical or deceptively similar to the trade mark, already registered. For prohibiting registration under Section 12(1), goods in respect of which subsequent registration is sought for, must be (i) in respect of good or description of goods being same or similar and covered by earlier registration and (ii) trade mark claimed for such goods must be same or deceptively similar to the trade mark already registered. It may be noted here that under sub-section (3) of Section 12 of the Trade Marks Act, in an appropriate case of honest concurrent use and/or of other special circumstances, same and deceptively similar trade marks may be permitted to another by the Register, subject to such conditions as may deem just and proper to the Registrar. It is also to be noted that the expression "goods" and "description of goods" appearing in Section 12(1) of the Trade Marks Act indicate that

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registration may be made in respect of one or more goods or of all goods conforming a general description. The Trade Marks Act has noted distinction between description of goods forming a genus and separate and distinctly identifiable goods under the genus in various other sections e.g goods of same description in Section 46, Section 12 and 34 and class of goods in Section 18, Rules 12 and 26 read with Fourth Schedule to the Rules framed under the Act.

8.1.In ***Nandhini Deluxe Vs Karnataka Coop. Milk Producers Federation Ltd.,*** the Hon'ble Supreme Court has held as under:

"26.2.Though the respondent is a prior user, the appellant also had been using this trade mark "NANDHINI" for 12-13 years before it applied for registration of these trade marks in respect of its products.

26.3.The goods of the appellant as well as the respondent fall under the same Classes 29 and 30. Notwithstanding the same, the goods of the appellant are different from that of the respondent. Whereas the respondent is producing and selling only milk and milk products, the goods of the appellant are fish, meat, poultry and game, meat extracts, preserved, dried and cooked fruits and vegetables, edible oils and fats, salad dressings, preserves, etc. and it has given up its claim qua milk and milk products.

26.4.Insofar as application for registration of the milk and milk products is concerned, it was not granted by the Trade Marks

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Registry. In fact, the same was specifically rejected. The appellant was directed to file the affidavit and Form 16 in this behalf to delete the goods "milk and milk products" which affidavit was filed by the appellant. Further concession is already recorded above.

26.5. NANDINI/NANDHINI is a generic term, it represents the name of goddess and a cow in Hindu mythology. It is not an invented or coined word of the respondent.

26.6. The nature and style of the business of the appellant and the respondent are altogether different. Whereas the respondent is a Cooperative Federation of Milk Producers of Karnataka and is producing and selling milk and milk products under the mark "Nandini", the business of the appellant is that of running restaurants and the registration of mark "NANDHINI" as sought by the appellant is in respect of various foodstuffs sold by its in its restaurants."

8.2.This case has some similarity to the facts involved in both the cases cited above. While in ***Vishnudas Trading Vs Vazir Sultan Tobacco Co. Ltd.,*** case, the dispute was over the trademark Charminar, while one used Charminar for cigarettes, the other used the trademark Charminar for other tobacco products and both fell under the broad classification "manufactured tobacco", yet the Hon'ble Supreme Court has held that in the market they are

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differently sold and the consumers will not be confused by the use of similar mark. In ***Nandhini Deluxe Vs Karnataka Coop. Milk Producers Federation Ltd.,*** case, the Hon'ble Supreme Court has held that Nandhini is a generic name. If the facts of the present case is tested on the plane of the ratio of this case, it becomes evident that (a) Dr.Reddy is a generic name since Reddy being a name of a community; (b) that they are in different class of services.

9.If rival contentions are weighed for their respective merits, this Court finds that there is substantial merit in the contention of the learned counsel for the appellant. Firstly, the respondent has refused registration presumably under Sec.11(2) even at the preliminary stage, when it would have been advisable for it to go to the stage of publication and waited for it to evoke any opposition from anyone who holds a similar mark or a well known mark, as the case may be. Secondly, Section 11(1) is subject to Section 12 and hence, the Trade Mark Registry is not without powers to impose such suitable conditions, which may include any disclaimer to be tagged to the appellant's mark, if it deems it necessary to distinguish the appellant's mark. However,

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it has not even let itself to go to that stage and summarily rejected it without going to the subsequent stages of the application for registration of the Trade Mark.

10.In view of the same, this Court deems it appropriate to set aside the order of the Registrar of Trade Marks and remands the matter back to the Registrar of Trade Marks for a *de novo* consideration uninfluenced by the view earlier expressed in the impugned order and in so doing, it is specifically required to take into account the user particulars provided by the appellant. The Registrar of Trade Marks is also required to bare in mind the effect of Section.12 while considering the appellant's mark, even in the eventuality of it receives any opposition from any proprietor of a well known mark, to which the appellant's mark may share any similarity. The Registrar of Trade Marks is further required to dispose of the appellant's application, within a period of four(4) months from the date of receipt of a copy of this order. No costs.

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