

## **Kores (India) Limited vs Khoday Eshwarsa And Son, And Anr. on 3 March, 1984**

### **Equivalent citations: 1985(1)BOMCR423**

#### **JUDGMENT**

M.L. Pendse, J.

1. This is an appeal preferred under sub section (2) of section 109 of the Trade and Merchandise Marks Act, 1958 (hereinafter referred to as the "Act") to challenge the legality of the order dated January 1, 1977 passed by the Assistant Registrar of Trade Marks refusing registration of mark of the petitioners by upholding the objections raised on behalf of the respondents. The fact giving rise to the filing of this appeal are as follows.

2. On October 13, 1969, the petitioners-M/s. Kores (India) Limited preferred an application being Application No. 259975 in respect of Carbon papers, typewriting ribbons, stencils for duplicating machine, duplicating ink, ink tablets, drawing ink, stamp pad fluid, stamp pads glue (office), etc. in Class 16 for a trade mark consisting of device of a typist girl at the typewriter. An objection was raised to the registration of the mark under section 9 of the Act as an identical device of a typist girl and word "khoday" was registered under Application No. 91882 on January 28, 1944 in respect of typewriting ribbons in Class 16 in the name of the respondents. The application which was then converted for registration under Part B, amending the specification of goods, sets out in the application to read as "Carbon papers, typewriter ribbons, stencils for duplicating machines and duplicating ink". The application so amended was advertised before acceptance subject to disclaimer of a device of a woman typing on a typewriter. On July 18, 1973, Shri K. Lashmansa, K. Krishnasa, K.L. Swamy and others trading as Khoday Eshwarsa & Sons and also as Khoday R.C. Industries, Bangalore filed a notice of Opposition to the registration of the trade mark. The grounds of Opposition, inter alia, were that the respondents are the Proprietors of a trade mark consisting of the device of a lady in typing position on a typewriter and the word "KHODAY" and the mark is used continuously, extensively, widely and openly in respect of articles such as carbon papers, typewriter ribbons, stencils for duplicating machines, duplicating ink, etc. since about the year 1937-38 onwards. It is claimed that by virtue of continuous long and extensive user, the respondents' trade mark has acquired distinctiveness and great reputation, so much so that the stationary articles bearing the said trade mark have been associated in the minds of the public as goods manufactured by the respondents. The respondents, in order to safeguard the interest in the trade mark of the respondents have diligently taken all possible legal steps against infringement of the mark. The mark was deposited with the Registrar of trade marks under section 85 of the Trade Marks Act, 1940. The trade mark was duly registered under Application No. 91882 on January 28, 1944. The respondents also claimed that the proposed mark of the petitioners is identical and was deceptively similar in respect of the same goods or of the same description and, in fact, there is a triple identity

between both the trade marks, which if allowed to continue, is bound to put the public into great inconvenience, uncertainty and confusion leading also to deception. The respondents denied that the petitioners used the mark since the year 1959 and claimed that the user of the mark by the petitioners cannot be honest and is not entitled to registration under section 12(3) of the Act. On September 28, 1973, the petitioners filed a counter statement denying various allegations made in the notice of Opposition and claiming that the petitioners have used the trade mark extensively since the year 1959 and the mark has secured goodwill by reason of long, continuous and extensive user. The petitioners also claimed that the use of the mark is original, artistic and honest and, therefore, the petitioners are entitled to claim registration under sub-section (3) of section 12 of the Act.

3. The respondents in support of their Opposition filed affidavits and the petitioners also filed large number of affidavits in support of their claim and the main affidavit filed on behalf of the petitioners is sworn by Shri S.R. Bhattacharjee, the General Sales Manager of the petitioner Company and is sworn on April 7, 1975. It is not necessary, at this stage, to recite the contents of this affidavit. The Assistant Registrar heard the Counsel of both the sides at length and ultimately by the impugned order dated January 1, 1977 upheld the Opposition and refused the registration. The Assistant Registrar came to the conclusion that the respondents established that the registered mark was used by them on an extensive scale right from the year 1937-38 onwards and the respondents have acquired reputation by virtue of such user and certain amount of goodwill. The Assistant Registrar further held that the mark proposed to be registered by the petitioners is similar to that of the respondents and confusion will inevitably result from simultaneous use of the identical marks and would calculate to deceive purchasers or other persons with whom the respondents have business relations. The Assistant Registrar further held that the objection under section 12(1) of the Act is also valid as the two marks both of which consist the device of a typist girl would lead to confusion. The Assistant Registrar recorded a finding that the petitioners failed to establish the honest concurrent user from the year 1959 onwards to enable the petitioners to claim advantage of concurrent registration under sub-section (3) of section 12 of the Act. The Assistant Registrar found that the petitioners have copied the mark of the respondents and the petitioners have also not used the mark in the form in which the registration is sought and have not claimed any exclusive right to the device of typist girl. The Assistant Registrar gave about 9 reasons for declining to exercise discretion under sub-section (3) of section 12 of the Act in favour of the petitioners. In view of this conclusion, the application for registration was refused and that order is under challenge.

4. Shri Mehta, learned Counsel appearing on behalf of the petitioners, submitted that the Assistant Registrar was in error in not exercising the discretion under sub-section (3) of section 12 of the Act in favour of the petitioners. The learned Counsel urged that the conditions requisite for exercise of jurisdiction were clearly present and on the strength of the evidence produced on record, the Assistant Registrar ought to have granted concurrent registration. The learned Counsel urged that neither the objection under section 12(1), nor under section 11(a) of the Act should have been upheld because the two marks are not deceptively similar. Shri Tulzapurkar, learned Counsel appearing on behalf of the respondents, on the other hand, urged that the evidence on record unmistakably establishes that the respondents had adopted the mark i.e. the device of typist girl in the year 1937-38 and have used it for over several years and have acquired reputation. The learned Counsel

urged that the prohibition under sub-section (1) of section 12 of the Act squarely applies to the facts of the present case and the mark sought by the petitioners could not be registered as the goods or the description of the goods are identical and the mark is deceptively similar to the trade mark of the respondents which is already registered in the year 1948. Shri Tulzapurkar also urged that the petitioners are not proprietors of trade mark proposed to be registered and as such the application for registration filed under sub-section (1) of section 18 is not maintainable. Finally, it was urged that the evidence on record clearly leads to the inference that the use of the mark by the petitioners, even assuming from the year 1959, is neither honest, nor concurrent and, therefore, the Assistant Registrar was justified in declining to exercise the discretion to register the trade mark under sub-section (3) of section 12 of the Act. It was further urged that as the Assistant Registrar did not exercise his discretion, it is not appropriate or necessary to disturb the order in exercise of appellate jurisdiction.

5. In view of the rival submissions, the first question which requires determination is whether the application filed by the petitioners under sub-section (1) of section 18 of the Act was maintainable. The respondents raised the question of maintainability of the application on the ground that the petitioners are not the proprietors of a trade mark used or proposed to be used by the petitioners. Sub-section (1) of section 18 of the Act reads as under :---

"Any person claiming to be the proprietor of a trade mark used or proposed to be used by him, who is desirous of registering it shall apply in writing to the Registrar in the prescribed manner for the registration of his trade mark either in Part A or in Part B of the register."

The plain reading of this sub-section makes it clear that an application can be lodged by any person claiming to be a proprietor of a trade mark. The essential requirement is that the applicant should have legitimately claimed the proprietorship of the mark. It was urged on behalf of the respondents that the mark of the respondents i.e. the device of the typist girl was registered in respect of typewriting ribbons on January 28, 1944. It was claimed that the petitioners have appropriated the trade mark of the respondents which has acquired reputation by extensive and open user. It was urged that the petitioners have infringed the statutory right in the registered trade mark and have merely copied the trade mark of the respondents and the claim of the petitioners that the mark was conceived in the year 1954 and was used from the year 1959 onwards is not true. Shri Tulzapurkar submitted that once a mark is registered, then it is not open for any person to make application under sub-section (1) of section 18 of the Act for registration of the identical mark because such person could not claim the right of proprietorship in the same.

6. In support of this submission, reliance is placed on the decision of this Court in the case of Consolidated Foods Corporation v. Brandon and Co. Private Ltd., . The learned Single Judge, after considering the judgment of Sir John Romilly in the case of Hall v. Barrows, reported in (1862) 32 L.J. Ch. 548, and the judgment of Justive Leving in the case of Ewing and Company v. Grant Smith and Company, reported in (1864) 2 Hyde's Rep. 185, observed in Paragraph 22 that in case of a distinctive mark within the meaning of the Act, right to the exclusive use thereof can be acquired immediately on the mark being used as a trade mark i.e., used by the trader in his business upon or

in connection with his goods and it is not necessary to prove either the length of the user or the extent of the trade. The learned Judge further observed :

"It may be noted that the word "Monarch" in this case, as conceded by the Counsel at the Bar, is a distinctive mark and therefore, it follows that if it is shown that this mark was used by the petitioners corporation as a trade mark in this country upon or in connection with its food products even for once prior to the use of that mark by the respondent company in 1961, and if there is no evidence to show that this mark was abandoned by it, it would be entitled under section 18 of the Act to apply for registration of that mark as its trade mark and also to oppose an application made by any other trade for the purpose of registering that mark in his name."

Relying on this observation Shri Tulzapurkar submitted that once the trade mark of the respondents was registered, then the respondents had a right to the exclusive use thereof, and it is not permissible for any other person to make an application under sub-section (1) of section 18 of the Act for registration of the mark which similar. It is not possible to accept such a wide submission. In case, such submission is accepted, it would make the provisions of sub-section (3) of section 12 of the Act entirely redundant. Sub-section (3) of section 12 of the Act enables the Registrar, in case of honest concurrent use to permit the registration by more than one proprietor of trade marks which are identical or nearly resemble each other in respect of the same goods. In my judgment, it is impossible to accept the submission that the application filed by the petitioners was not maintainable because the trade mark of the respondents was earlier registered and the mark proposed to be registered is either identical or nearly resemble the mark of the respondents.

7. Shri Tulzapurkar then submitted that the petitioners have not established how they have adopted the mark which they propose to register and urged that the petitioners have bodily lifted the mark of the respondents. It was urged that the affidavit filed by Shri Bhattacharjee on April 7, 1975 does not disclose how the petitioners have adopted the mark. The respondents in their affidavit challenged the petitioners to disclose how the petitioners commenced use of the mark and Shri Bhattacharjee filed another affidavit dated September 3, 1975, inter alia, stating that he was responsible for adopting the trade mark which was conceived by another Kores Organisations abroad. Shri Bhattacharjee further stated that the mark was adopted in the year 1954 and the mark is identical with similar trade mark of other Kores Organisations abroad. It was also claimed that one such trade mark is registered under No. 208094 in the international Register of Trade Marks maintained by the Organisation Mondiale De La Propriete Intellectuels. Shri Tulzapurkar submitted that this affidavit does not disclose as to how the petitioners are connected with the Kores International Organisation and it is not sufficient for Shri Mehta to state across the Bar that the petitioner Company is a subsidiary of Kores Organisation. Shri Tulzapurkar also urged that there is no material on record to indicate that the Kores Organisation abroad had adopted the identical mark in the year 1954 and even assuming it to be so, it is not permissible for the petitioners to copy the same and claim proprietorship for its use in India.

8. Shri Mehta, on the other hand, urged that the mark was registered in the year 1954 by the Kores Organisations abroad and the petitioners have merely adopted the same for use in India from the

year 1959. In my judgment, there is no reason to discard the claim of Shri Mehta that the petitioner Company is the sister concern of Kores International. Shri Mehta submitted that even assuming that the petitioner Company has copied a foreign mark, that by itself, does not amount to a false claim to proprietorship when the owner of the foreign mark has not claimed proprietorship of the mark in India and in support of this submission reliance was placed on the decision in the case of Tm(1974) RPC 692 Shri Tulzapurkar did not dispute that proposition but submitted that in such cases it is necessary for the petitioners to establish that it has made reasonable enquiries as to whether any other person had made claim to the proprietorship. In my judgment, the submission urged on behalf of the respondents that the petitioner Company is not proprietor of the mark and, therefore, cannot maintain the application under sub-section (1) of section 18 of the Act is without any merit and deserves to be repelled. It is possible that the contention was not very seriously pressed before the Assistant Registrar and, therefore, not been dealt with by the Assistant Registrar in the impugned order. In any event, I am not inclined to accept the submission that the application is not maintainable.

9. It is now necessary to ascertain whether the order passed by the Assistant Registrar holding that there is a bar under section 11(a) and section 12(1) of the Act to the registration of the mark is correct or otherwise. Shri Mehta made a faint submission to urge that the conclusion recovered by the Assistant Registrar on this point is not accurate because the two marks are not similar. It was urged that in the trade mark No. 91882 which is registered under the name of the respondents, only the hand of the typist girl is shown, whereas in the mark applied for by the petitioners, two hands of the typist girls are shown. The typist girl in the mark of the respondents wears a hair bun at the back of her neck, where as in the mark applied for, the typist girl wears bobbed hair at the back of her neck and the hair are also turned up. The typist girl in the mark applied for wears of bow, while it is absent in the mark registered. The back rest of the typist's chair in the trade mark registered is absent from the trade mark applied for by the petitioners. Shri Mehta submitted that in view of these differences, the finding of the Assistant Registrar that the two marks are likely to cause deception and confusion amongst substantial number of persons is not correct. It is not possible to accept this submission. It is true that the two marks are not exactly identical but it is difficult to hold that the two marks are not similar marks. It is not necessary that the two marks must be exactly identical but it is sufficient if the two marks are similar and have deceptive resemblance and deceptive similarity. The goods sold under the two marks are identical and the goods sold are carbon papers, typewriting ribbons and other stationary articles. The goods are sold on a large scale and are available in any stationary shop. Shri Tulzapurkar is right in his submission that the goods are known by the customers and the traders as bearing the mark of the typist girl and, therefore, the similarity in the device of the typist girl is bound to cause deception and confusion in the mind of the customers. In my judgment, the conclusion recorded by the Assistant Registrar on this aspect is correct and deserves to be upheld.

10. The principal submission urged in support of the appeal by Shri Mehta is about the applicability of sub-section (3) of section 12 of the Act to the facts of the case. Sub-section (3) of section 12 of the Act reads as under :

"In 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 trade marks which are identical or nearly resemble each other (whether any such trade mark is already registered or not) in respect of the same goods or description of goods, subject to such conditions and limitations, if any, as the Registrar may think fit to impose."

It is now well-settled by the decision of the Supreme Court in the case of London Rubber Co. Ltd. v. Durex Products Incorporated and another, that a mark which comes within the scope of section 12(3) is not disentitled to protection in a Court by reason of its being similar to another trade mark, whether registered or unregistered. It is also well-settled that section 12(3) of the Act permits the registration of identical or similar trade marks in respect of same or same description of goods and it is an exception to the prohibition of registration of similar marks contained in sections 11(a) and 12(1), and it over-rides the generality of prohibitions contained in these sections. Shri Mehta referred to the well known decision in (Alex Pirle & Sons Ltd.)<sup>5</sup> application reported in 49 R.P.C. 195. The appeal Court consisting of Master of the Rolls and Lord Justices Lawrence and Romar, while considering the ambit of section 21 of the Trade Marks Act of England which is identical to sub-section (3) of section 12 of the Act observed :

"The first thing to be borne in mind, in approaching that section, is that in cases of honest concurrent user an application is being made to register a Mark which so nearly resembles a Mark already on the Register that it is impossible to say that there is no reasonable probability of it causing deception".

It was further observed :

"It must also be borne in mind that, if the Mark, as the applications are applying to register, it might cause deception, but by the imposition of conditions and limitations all risk of deception would be removed, the learned Registrar could impose such conditions and limitations under section 12".

The appeal Court strongly deprecated any attempt to limit by rigid Rules the exercise of the discretion that is conferred upon the Registrar. The decision was carried in appeal before the House of Lords and was upheld. Shri Mehta also cited the decision of the Comptroller-General in 61 R.P.C. 31.

11. From the decided cases, it can be gathered that the facts which are to be taken into account to determine whether the mark is entitled to registration under sub-section (3) of section 12 of the Act are as follows :

(1) The honesty of the concurrent use, (2) The quantum of concurrent use shown by the petitioners having regard to the duration, area and volume and trade and to goods concerned, (3) the degree of confusion likely to follow from the resemblance of the applicants' mark and the opponents' marks.

(4) Whether any instance of confusion have in fact been proved, and (5) the relative inconvenience which would be caused to the parties and the amount of inconvenience which would result to the public if the applicants' mark is registered.

It is obvious that the honesty in adoption and the user in sin-qua-non for considering the applicability of sub-section (3) of section 12 of the Act. The knowledge of the registration of the identical mark may be important factor but is not conclusive on the point of honesty of user. The honesty of user is a commercial honesty and the circumstances which led to the adoption of the trade mark in the first instance are of considerable importance to consider whether the use of the mark is honest or otherwise. If the user from its inception was tainted then it would be difficult to purify it subsequently. With these well-settled principles, it is now necessary to examine whether the petitioners establish the claim for registration under sub-section (3) of section 12 of the Act.

12. As mentioned hereinabove, the Assistant Registrar, in the impugned order, has relied upon 9 circumstances while refusing to exercise discretion to register the mark under sub-section (3) of section 12 of the Act and it is necessary to examine each of the circumstances to determine the issue as to what relief the petitioners are entitled to. The first circumstance relied upon by the Assistant Registrar is that the petitioners have failed to establish user of the mark i.e. the device of the typist girl since the year 1959. The petitioners produced "samples for test" and folders marked as "samples for trial classic series" before the Registry to establish the claim that the said samples and folders depicting the device of typist girl was introduced in the year 1959. The Assistant Registrar held that the samples do not contain the device of typist girl and the carbon paper folders are referred to as "Kores Carbon Papers" on samples. The observation of the Assistant Registrar is clearly faulty and contrary to the evidence on record. At the hearing of the appeal, I directed the Registrar to produce the original record and on perusal of the relevant documents it becomes clear that the samples contained the device of typist girl so also the carbon paper folders and the carbon papers. The Assistant Registrar has also observed that the petitioner Company is selling various products under different trade marks such as "Kores lable" and the word "Kores" and the device of typist girl with the word "Kores" are common features of the mark. In my judgment, the observation of the Assistant Registrar that visual representation of the typist girl is not available on the samples and the folders is clearly contrary to record and the conclusion is clearly erroneous and cannot be sustained by a mere look at the samples and folders produced by the petitioners. The first ground given by the Assistant Registrar for not exercising the discretion in favour of the petitioners is clearly erroneous.

13. The second ground given by the Assistant Registrar is that the evidence led by the petitioners to establish the user from the year 1959 is not acceptable and Shri Mehta very seriously challenged this conclusion complaining that it is contrary to clear cut evidence on record. There is considerable merit in the submission of the learned Counsel. The petitioners produced before the Assistant Registrar the advertisement published in "Times of India" on May 13, 1959 and another advertisement published on June 13, 1959 and the advertisements clearly establish that the device of the typist girl was used by the petitioners in the year 1959. The petitioners also furnished the figures of annual sales turn-over from the year 1959 till-October 1974 in the affidavit of Shri Bhattacharjee sworn on April 7, 1975. The annual sales turn-over of the petitioner Company in the year 1959 was

Rs. 1,10,41,515/-, while in October 1974 it rose to Rs. 7,64,05,106/-. The affidavit also sets out the advertisement expenses incurred during the year 1959 to October 1974. The advertisement expenses for Company's products in the year 1959 were Rs. 58,270/-, while in October 1974, the expenses jumped up to Rs. 1,51,421. The Assistant Registrar declined to place any reliance on these figures solely on the ground that the figures of the sales and the figures of the advertisement expenses are in respect of products of the petitioner Company and the petitioner Company has failed to give break-up in respect to sales and advertisement expenses for the goods for which the mark is proposed to be registered. It is true that Shri Bhattacharjee in his affidavit stated that out of the figures of sales, approximately, 25% represents the total value of the sales of the goods under the trade mark in question and in paragraph 14, it was claimed that about 50% to 75% of the advertisement expenses related to advertisement of the trade mark "Typist Girl". Shri Tulzapurkar submitted that the failure of the petitioner Company to give break-up in respect of sales and advertisement expenses of goods sold under the trade mark with the device of typist girl is fatal to the claim to get the mark registered under sub-section (3) of section 12 of the Act. It is not possible to accept such a broad proposition. It is true that it would have been better if the petitioners could have supplied the break-up of the sales and advertisement expenses but the conclusion of the Assistant Registrar that the figures given on percentage basis are not admissible and, therefore, should be ignored is not accurate. There is ample evidence on record in the shape of affidavits of various traders and dealers to indicate that the goods of the petitioner Company under the mark of typist girl were sold on large scale. The reference can be conveniently made to the affidavits of (1) Ram Khanna of M/s. B.K. Khanna and Company Stationers, Delhi, (2) Shashi Mody of M/s. Imperial Stationery Mart, Bombay, (3) L.S. Sreekanta Rao of M/s. Sesha & Company, Bangalore and (4) Bhimraj Rathi of M/s. Sakhai Maniklal of Calcutta to establish that the petitioner Company was trading under the mark of typist girl on large scale and the approximate amount suggested by Shri Bhattacharjee cannot be branded as without any substance.

14. The next ground given by the Assistant Registrar is that the evidence on record is not sufficient to establish the correct nature of trade mark as actually used by the petitioners. The Assistant Registrar proceeded on the assumption that the petitioner Company did not produce a single instance of the use of proposed trade mark, but, as mentioned hereinabove, the observation is clearly erroneous. The Assistant Registrar observed the evidence on record shows that the mark used by the petitioners represents a device of a typist girl clad in sari at the typewriter with the word "Kores" within the circle appearing as a prominent feature of the mark. This observation of the Assistant Registrar is contrary to the evidence on record and it is clear that the Assistant Registrar has misread the evidence. The petitioners, in support of their case, have relied upon orders given by various traders for the goods manufactured by the petitioners and the original orders written on the letter-heads of various traders were produced. The letter head of R.M. Jasjee Mohammed Ali & Brothers, Paper Merchants, Quilon, State of Kerala, booking order on March 12, 1960, the letter head of S. Kadharsa Rowther, General Merchant, Tiruchirapalli, booking order on November 3, 1960, the letter head of A.B. Abdul Gafoor & Bros., General Importers and Wholesale Dealers, Dindigul, ordering the goods of the petitioners on March 25, 1960, and the letter head of C.R. Natarajan & Son, Booksellers, Stationers & Paper Merchants, Coimbatore, booking order on December 2, 1960 indicate that on the letter heads a device of the typist girl clad in Sari and sitting at the typewriter is printed with the word 'Kores'. It is not in dispute that the picture of the typist girl



clad in Sari sitting at the typewriter is on the letter heads of various traders and the petitioners had nothing to do either with the letter heads or with the device of the typist girl clad in sari. The orders written on letter heads of various traders were produced by the petitioners in support of their claim that the petitioners were selling the goods from the year 1959 to various traders all over the country and the Assistant Registrar was clearly in error in assuming that the device of the typist girl clad in Sari on these letter heads was used by the petitioners themselves. The assumption of the Assistant Registrar clearly indicates that the evidence was misread and Shri Tulzapurkar could not dispute this position. The Assistant Registrar sounded a suspicion that the mark could not have been used from the year 1959 as otherwise the petitioners would not have waited for a period of 10 years to make the application. The suspicion voiced by the Assistant Registrar is entirely contrary to the clear-cut evidence on record. As mentioned hereinabove, the petitioners produced the advertisement published in the Times of India in the year 1959 itself and the sales figures from the year 1959 onwards and the affidavits of the traders and the orders booked by them from time to time, leaving no manner of doubt that the mark was used by the petitioners right from the year 1959.

15. The next ground relied upon by the Assistant Registrar for declining to exercise discretion under sub-section (3) of section 12 of the Act is that the petitioners had filed the application for registration of the mark consisting of the word "Kores" and the device of a typist girl vide Application No. 271040 in which the petitioners claimed user since the year 1968. The Assistant Registrar felt that the petitioners have disclaimed in the said application of the user of the device of a typist girl and have also claimed the user only from the year 1968. The reasoning of the Assistant Registrar in this connection is entirely faulty and the Assistant Registrar has not properly appreciated the effect of filing of the application in the year 1968, Application No. 271040 was filed by the petitioners on April 1, 1971 in respect of the product 'Hecto Carbon 640' and in the advertisement published in the Trade Marks Journal on February 1, 1974, it is recited that the user is claimed by the petitioners since the year 1968. The mark was proposed to be registered in respect of carbon papers. Now, the mark was advertised by the Registrar after imposing a condition that the registration of the mark shall give no right to the exclusive use of the device of a girl typing and the word "Hecto Carbon". Shri Mehta submitted that the conclusion of the Assistant Registrar that the device of a typist girl was used only from the year 1968 by reliance of this advertisement is inaccurate because the petitioners claimed the user since the year 1968 of the mark "Kores" with the device of the typist girl and the words "Hecto Carbon 640". The learned Counsel submitted that it is a far cry to say that because the user was claimed in respect of this particular mark since the year 1968, therefore, it is to be assumed that the claim of the petitioners that the device of the typist girl was used from the year 1958 is not proved. The submission of the learned Counsel is correct. The Assistant Registrar has clearly confused the claim of the petitioners that the device of typist girl is used from the year 1958 in respect of the stationery articles with the claim made in the advertisement published on February 1, 1974. The finding of the Assistant Registrar that the petitioners have actually disclaimed in the Application No. 271040 the user of the device of a typist girl is also inaccurate. The Registrar has been given powers to register the mark subject to disclaimer under section 17 of the Act and the Registrar may require the Proprietor to disclaim any right to the exclusive use of a part or of all or of any portion of the mark while registering the mark provided the conditions under section 17 of the Act are attracted. Section 17(b) enables the Registrar

to impose the condition of disclaimer of the Proprietor in cases where a trade mark contains any matter which is common to the trade or is otherwise of a non-distinctive character. Shri Mehta submits that the Registrar imposed a condition on the petitioners that the petitioners shall not claim any right to the exclusive user of the device of a girl typing and the word "Hecto Carbon" while publishing advertisement on February 1, 1974. The imposition of such condition cannot be construed against the petitioners for exercise of discretion under sub-section (3) of section 12 of the Act. The Assistant Registrar has clearly overlooked that the application filed by the petitioners on October 13, 1969 and out of which the present appeal arises, the petitioners are claiming registration of the mark of a device of a typist girl only, while Application No. 271040 was in respect of a mark consisting of word 'Kores' and device of a typist girl. The latter application filed in the year 1971 was subsequently withdrawn by the petitioner. In my judgment, in these circumstances, it is futile to hold that the petitioners have disclaimed the user of the device of a typist girl in the subsequent application made in the year 1971.

16. The Assistant Registrar then held that the petitioners have filed number of affidavits of the traders but no credence could be given to the same and the evidence produced by the petitioners is not clear, cogent and specific and there is every reason to doubt the honesty of the concurrent user. Shri Mehta very strongly criticised this finding of the Assistant Registrar by complaining that the Assistant Registrar did not care to peruse the affidavits filed on behalf of the petitioners and merely rejected the same by observing that no credence can be given without assigning any reason whatsoever. There is considerable substance in the complaint made by the learned Counsel.

17. The petitioners tendered affidavit of Behram Ardeshir Mulla, senior Sales Representative of the Bombay Branch of Metal Box Company India Limited and Shri Mulla claims that Metal Box Company manufacturers and supplies metal boxes in which the petitioners sell their "Typist Girl" brand ribbons for the last over 14 years. The affidavit was sworn on April 7, 1975 and Shri Mulla states that for last over 14 years, his Company manufactured several lakhs of metal boxes bearing the device of typist girl. Affidavit of February 14, 1975 of Shri Ram Khanna, the partner of the firm of M/s. B.K. Khanna & Company Stationers at Nai Sarak, Delhi was also filed. Shri Khanna stated that his firm has big business in Carbon Papers, Typewriter Ribbons, Stencils for duplicating machines, duplicating ink etc. bearing the trade mark "Typist Girl" of the petitioners Company since the year 1959. Shri Khanna claims that many small dealers and consumers of the aforesaid goods visit his shop and ask for the goods by the trade name 'Typist Girl'. Shri Khanna further stated that he had never seen articles like carbon papers, typewriter ribbons, duplicating ink, etc. of Khoday Eshwarsa & Sons of Bangalore using the trade mark device of typist girl. The turnover of Shri Khanna is approximately Rs. 8 lakhs aggregating during the last 16 years prior to the filing of the affidavit. Affidavits making identical claim are also filed by Shri Shashi Mody, Proprietor of the firm of M/s. Imperial Stationary Mart, Sarder Vallabhnbhai Patel Road, Bombay, Shri L.S. Sreekant Rao, a partner of the firm of M/s. Sesha & Co., Bangalore and Mr. Bhimraj Rathi, a partner of the firm of M/s. Shakhil Maniklal of Calcutta.

18. Affidavits dated August, 13, 1975 sworn by Shri Naresh Tull, the partner of M/s. Rattan Stores, Amritsar and Shri R. Jayaram, the partner of M/s. Narayan 7 Co., Madras, are also filed by the petitioners and the said deponents also claimed that they traded in the goods of the petitioners from

the year 1959 and the goods were sold and known in the market by the mark of typist girl and they had not come across the goods manufactured by the respondents. In my judgment, the Assistant Registrar was not right in rejecting all these affidavits by merely observing that no credence could be given to the same. The respondents have not suggested any reasons why these traders dealing with the goods of the petitioners in various part of the country have come forward to file false affidavits. Shri Tulzapurkar was also unable to suggest any reason for discarding these affidavits have and except stating that the persons who filed the affidavits did not produce any documentary evidence in support of their claim. Surely, the documentary evidence could have been produced provided the respondents called upon the said deponents to produce the same. Shri Tulzapurkar admitted that no application was made before the Assistant Registrar demanding that a person who filed affidavits should be called upon to produce documentary evidence in support to their claim. In my judgment, there is no warrant to turn down the claim made by various deponents on the ground that their evidence is not clear, cogent and specific. The evidence is normally produced before the Assistant Registrar in Trade Mark proceedings in the shape of affidavit and if the affidavits are to be discarded on such vague and untenable grounds, then it would lead to denying of justice. In my judgment, the Assistant Registrar was clearly wrong in not considering the claim made in the affidavits and rejecting the affidavits outright. In my judgment there is no warrant to discard the affidavits and the claim made in the affidavits deserves acceptance.

19. The last ground suggested by the Assistant Registrar for refusal to exercise discretion for concurrent registration of the mark is that the petitioners had prior knowledge of the trade mark of the respondents and which has been used from the year 1937-38 onwards and registered in the year 1944. Knowledge of the registration of the respondents mark is a relevant factor but when once the honesty of the user has been established, the fact of knowledge loses much of its significance. The adoption and use by a trader of a mark maybe honest despite his knowledge of a similar mark already registered (Paddie's Application)<sup>6</sup> (1944)<sup>61</sup> RPC 32 at p. 36 in my judgment, the Assistant Registrar should not have declined to exercise the discretion merely on the ground that the petitioners had prior knowledge of the respondent's trade mark. Shri Mehta in this connection also pointed out that Shri S.R. Bhattacharjee clearly stated in his affidavit dated September 3, 1975 that at the time of the adoption of the mark, he was not aware of the existence of the respondent's trade mark and he had no knowledge whatsoever about the mark of the respondents. In my judgment, there is no reason to discard the claim made by Shri Bhattacharjee in this connection. The Assistant Registrar has not given any reason for recording the conclusion that the petitioners have prior knowledge of the respondent's trade mark save and except suggesting that the mark of the respondent was registered in the year 1944. In my judgment, 7 or 8 reasons suggested by the Assistant Registrar for refusal to exercise discretion under sub-section (3) of section 12 of the Act in favour of the petitioners are clearly untenable and irrelevant. Some of the reasons furnished, as found earlier, are contrary to the clear-cut evidence on record and are given by mis-reading the evidence on record. In my judgment, none of the reasons furnished by the Assistant Registrar are sustainable and it is not possible to deprive the petitioners of the advantage of sub-section (3) of section 12 of the Act on any of those reasons.

20. Shri Tulzapurkar suggested two or three reasons to sustain the order of the Assistant Registrar. It was urged that the adoption of the mark was not honest and there is no denial on the part of the

petitioners to the claim made by the respondents that the mark was copied by the petitioners from the registered trade mark of the respondents. The submission is not correct because Shri Bhattacharjee has stated in his affidavit dated September 3, 1975 that he had no knowledge whatsoever of the trade mark of the respondents and, therefore, there was no question of the petitioners being inspired by the essentials of the respondents' trade mark. Shri Tulzapurkar also urged that the petitioners are not the Proprietors and as the Proprietorship of the mark used by the petitioners vests in Kores International Organisation, the user of the said mark by the petitioners cannot be termed as dishonest. The submission proceeded on the basis that the petitioner Company had not established that it was the sister concern or subsidiary organisation of the Kores International Organisation. I have already dealt with this submission in the earlier part of this judgment and I have come to the conclusion that the petitioners are the Proprietors of the mark used by them from the year 1959. Shri Tulzapurkar then submitted that the evidence on record about the user of the mark by the petitioners from the year 1959 is neither cogent, nor sufficient and in support of the submission, it was urged that no reliance should be placed on the affidavits of the traders filed in support of the application, the advertisement issued by the petitioners in "Times of India" in the year 1959, and the samples and the folders produced by the petitioners before the year 1959. It is impossible to accede to this submission. As mentioned hereinabove, the samples and folder produced by the petitioners before the assistant Registrar clearly establish the user of the mark and there is ample evidence to establish that the samples and the folders were published and distributed in the year 1959. There is no reason to discard the claim made by various traders spread all over the country on the solemn affirmation and the contention that the affidavits should be discarded because of non-production of documentary evidence in support of the claim cannot be entertained.

21. Shri Tulzapurkar also urged that the Assistant Registrar had ignored the affidavits filed on behalf of the respondents and that submission is correct. Indeed, the Assistant Registrar has not bothered to deal with any of the affidavits either on behalf of the petitioners or the respondents in the impugned order. Shri Tulzapurkar invited my attention to the affidavit of Chakravati Sandill, Chemist cum-Chemical Engineer, employed with the respondents from the year 1963 onwards. The Affidavit is sworn on August 28, 1974 and Shri Sandill claims that from the year 1954 he was employed as Chief Chemist with Bharat Carbon and Ribbon Manufacturing Company and as a part of his duty came across the stationery products and brands of various manufacturers including the respondents. Shri Sandill claims that the Trade Mark Symbol of device of "typist girl and typewriter" was used by the respondents and further proceeded to state that the mark proposed to be registered by the petitioners is identical in all material aspects of distinctive features with that of the mark of the respondents. It is not possible to place reliance on the affidavit of Shri Sandill because he is in the employment of the respondents from the year 1963 and has an interest in the result of the proceedings for registration of the mark. Shri Tulzapurkar also invited my attention to the affidavit dated August 31, 1974 by Shri G.N. Dattani, trading as Jayant Brothers at Bangalore and it was deposed in this affidavit that Dattani came in contact with the respondents in the year 1954 and agreed to supply labels and manufacturing packing materials to the respondents. Shri Dattani stated that he has seen the device of the "Typist girl and typewriter" from the year 1954 and then proceeded to state that on perusal of the mark of the respondents and the proposed mark of the petitioners, his immediate reaction was that in all essential and distinctive respects both the trade marks are

deceptively similarly to each other. Reliance was also placed on the affidavit dated August 31, 1974 of Shri R.V.K. Narasimhaiah of Bangalore. The deponent is working in Accounts section of the respondents from the year 1946-47 onwards and is still in the employment of the respondents on the date of the filing of the affidavit. Shri Narasimhaiah states that the proposed mark of the petitioners is deceptively similar to the mark of the respondents. It is not possible to place reliance on the affidavit of Shri Dattani and Shri Narasimhaiah because Dattani has business connections with the respondents over several years, while Narasimhaiah is in the employment of the respondents. The two affidavits mainly give their assessment about the similarity of the mark and such affidavits cannot determine the issue as to whether the two marks should be registered under sub-section (3) of section 12 of the Act.

22. Realising that the affidavits of Shri Sandill, Dattani, and Narsasimhaiah would not help the respondent in defeating the claim of the petitioners under section 12(3) of the Act. Shri Tulzapurkar relied upon the affidavit of Shri K.K. Mehta, partner of Eastern Agencies, Madras, sworn on October 3, 1974. Shri Mehta claims that he is dealing in Stationery articles since the year 1955 and secured some business from the respondents from the year 1967 onwards. Shri Mehta further states that the respondents are enjoying reputation in respect of their mark and the mark of the petitioners is deceptively similar. Reliance is also placed on the affidavit of Palanichami of Tirunelveli, South India, stating that being impressed with the superior quality of the stationery goods of the respondents, an agency was secured in the year 1964 and the deponent is familiar with the trade mark of the respondents. Another affidavit of Shri Om Prakash Mohan, Managing Director of Kiran Exports Private Limited, New Delhi, is filed claiming familiarity with the mark of respondents. Shri Mohan further stated that recently he has seen advertisement of the petitioners in some Newspapers and the mark of the petitioners is deceptively similar. The affidavit of Alimahomad Ahmed Thanawala, sworn on February 15, 1976, affidavit of Shri S.V. Oza, sworn on March 22, 1976 and affidavit of Shri T.R. Nirul sworn on March 22, 1976 are filed on behalf of the respondents. I would deal with the affidavits of Shri Oza and Shri Nirula at a latter stage, but on perusal of the affidavits of Mehta, Palanichami, Om Prakash Mohan, and Alimahomed Thanawale, it can be concluded that the claim made in the affidavits does not disentitle the petitioners to seek relief under sub-section (3) of section 12 of the Act, even after accepting claimed in the affidavits of these persons.

23. Reliance was also placed on these affidavits by Shri Tulzapurkar to claim that not only the concurrent user of the mark from the year 1959 was not established but on the other hand, the evidence filed by the respondents disproves that claim. It is impossible to accede to this submission because none of the affidavits positively state that they were not aware of the sale of the goods by the petitioners under the mark of device of typist girl since the year 1959. Om Prakash Mohan merely claims that very recently he has seen an advertisement of the petitioners with the device of typist girl but this statement is as vague as possible. What Shri Mohan thinks to be a recent time is not disclosed. The claim of Shri Mohan that he had seen advertisement very recently is belied by the fact that the advertisement of the petitioners with the device of a typist girl was published in "Times of India" in the year 1959 itself.

24. Shri Tulzapurkar placed strong reliance on affidavits of Shri S.V. Oza and Shri T.R. Nirula to claim that there are instances of confusion in the minds of the traders and customers in respect of

the goods of the petitioners and the respondents because of the similarity of the goods. Shri Tulzapurkar urged that in view of this positive evidence that the two similar marks have led to the confusion because of the identity of the goods and the identity of the area in which they were sold, the Assistant Registrar was justified in declining to exercise power under sub-section (3) of section 12 of the Act. Shri Oza has stated in the affidavit that he confirms having written letter on March 12, 1976 to the respondents and the letter written on inland letter is annexed to the affidavit. Shri Oza has stated in this letter that he had been regularly using for several years, the typewriting ribbons of 'Typist Girl' brand of the respondents. Shri Oza claims that of late, he found in a number of popular News Papers and advertisement of the petitioners in respect of identical goods similar mark of typist girl. Shri Oza further stated out of curiosity, he tried to seek clarification from a number of stationary dealers in Bombay but to his utter disappointment, none could give him satisfactory reply as to how the identical trade mark was used by both the concerns. Oza claimed that being unable to tolerate the mental turmoil caused by this confusion, puzzle and doubt, he had taken the course of writing letter directly to the respondents.

25. Shri Nirula from New Delhi, in his affidavit, states that the user of the similar mark by the petitioners has caused great confusion in his mind and he apprehends that the same confusion would be caused in the minds of the consumers of the goods. The reliance of Shri Tulzapurkar of these two affidavits to claim that there was instance of confusion in the minds of the customers is entirely inappropriate. The plain reading of Oza's letter leaves no manner of doubt that it was written only to serve the purpose of the respondents. Oza claims that out of curiosity, he contacted number of Stationery dealers but has very shrewdly not disclosed the name of any one of them. It is interesting to observe that though the application for registration by the petitioners was not given in the year 1969, it is for the first time in March 1976 that Oza felt some confusion in his mind because of the advertisement published by the petitioners. The petitioners are using the mark right since the year 1959 and the claim of Oza that he saw it just recently prior to March 1976 cannot be believed. An impression is left on perusal of the letter that Oza was out to oblige the respondents and the letter was created merely to suit the claim of the respondents. It is impossible to place any reliance on the letter of Shri Oza. As regards the affidavit of Shri Nirula. It is clear that Nirula claims that two marks caused confusion in his mind and apprehended that the said confusion would be cause also in the minds of the customers. Nirula is dealing in stationery articles over several years as per his claim and it is impossible to believe that only in March 1976 that he felt confused because of the user of the mark by the petitioners. The evidence of confusion in the minds of the traders and the customers must be substantiated and it is impossible to place reliance on such stray and vague statement made by Nirula in the affidavit. In my judgment, there are no concrete instances of confusion and even otherwise, the fact that there is some confusion in the user of the two marks is not sufficient to override the provisions in section 12(3) of the Act. Though the hardship and inconvenience to the public is relevant factor while considering the application of section 12(3) of the Act, the hardship which would be cause by refusal to exercise the discretion in favour of the petitioners far exceeds some hardship which maybe caused to the customers. In my judgment, in the present case, there is no evidence whatsoever to establish instances of confusion and, therefore, the question of hardship to the customers does not arise and even otherwise some slight hardship to the customers is not sufficient to deprive the petitioners of the advantage of the mark.

26. In my judgment, the petitioners have proved beyond doubt the user of the proposed mark since the year 1959 and have also established that the adoption of the mark was honest. The honesty of the concurrent user is also established and the quantum of the concurrent user shown by the petitioners is substantial both in respect of volume of trade and the area in which the trade is carried out. The degree of confusion is negligible and in my judgment, there would be no public inconvenience by registration of the mark of the petitioners. In my judgment, inconvenience which would be cause to the petitioners far exceeds the alleged inconvenience which may result to the public, if the mark of the petitioners is registered. In my judgement, all the requisite conditions for registration of the mark of the petitioners under sub-section (3) of section 12 of the Act are satisfied and, therefore, the order of Assistant Registrar refusing to register the trade mark under sub-section (3) of section 12 of the Act deserved to be set aside.

27. Shri Tulzapurkar, at this juncture, submitted that without prejudice to his condition, that the discretion under sub-section (3) of section 12 of the Act should not be exercised, it would be desirable to impose condition upon the petitioners before registration of the mark. The learned Counsel urged that the mark proposed to be registered is pure and simple device of a typist girl and the mark should not be registered unless the petitioners are directed to register the word "Kores" along with the device of the typist girl. The learned Counsel suggested that the petitioners should use the word 'Kores' in the immediate vicinity of the typist girl and that should be imposed as a condition for exercise of jurisdiction under section 12(3) of the Act. Shri Mehta opposed the submission by urging that the petitioners have used the device of typist girl from the year 1959 and all along the petitioners have printed the word "Kores" on the items sold by the petitioners and so also on the covers, carbons, samples and folders. Shri Mehta submitted that if the condition suggested by Shri Tulzapurkar is added, it would lead to further litigation as the respondents would always claim that the work "Kores" is not written close to the device of the typist girl or in sufficiently large print, and to avoid multiplicity of litigation, such condition should not be imposed. Shri Mehta submitted that it is difficult to conceive that the petitioners would not publish the word 'Kores' and would merely use the device of the typist girl while effecting the sales of their goods. I find considerable merit in the submission of Shri Mehta and, in my judgment, it would not be proper to impose any such condition as suggested by Shri Tulzapurkar.

28. Accordingly, the appeal succeeds and the order dated January 1, 1977 passed by the Assistant Registrar of Trade Marks is set aside and the Assistant Registrar is directed to register the mark of the petitioners as sought by Application No. 259975B dated October 13, 1969. In the circumstances of the case, there will be no order as to costs.