

Legal Issues

in

Could it have been decided differently?

Module 1 – Eveready Industries India Ltd v. Mrs. Kamlesh Chadha

[ORA/97/2009/TM/DEL, ORA/98/2009/TM/DEL]

Facts

- ❖ **Subject Matter:** Fate of two rectification actions filed by the Applicant (Eveready Industries) against the Respondent's TM Nos. 439233 and 539621 in IC 8 for *hand tools, screw drivers, etc.*
- ❖ **Applicant's claims:**
 - Reputed FMCG company [in relation to *dry cell batteries, flashlights, etc.*]
 - All products manufactured and sold under the mark EVEREADY (word and logo -1942)
 - Registered proprietor of the mark EVEREADY (word and logo) under various classes
 - Well-known mark
- ❖ **Applicant's allegations:**
 - Respondent fraudulently registered identical marks under the TM Nos. 439233 and 539621
 - Dishonest adoption; Removal of TM No. 439233 on account of failure to renew
- ❖ **Respondent's defence:**
 - Inordinate delay, latches and acquiescence

Representation of Marks

Applicant's marks	Respondent's marks
<p data-bbox="361 454 820 525">EVEREADY</p>  	<p data-bbox="1370 454 2160 525">EVEREADY [439233]</p>  <p data-bbox="1862 962 2168 1033">[539621]</p>

Non-Renewal of Respondent's Registration

- ❖ Respondent's TM Registration (No. 439233) was due for renewal in the year 2006
- ❖ Respondent failed to renew its trademark even within the restoration period
- ❖ In 2009, the Applicant filed the Rectification Actions before the IPAB
- ❖ In 2010, the Respondent applied for renewal and restoration by way of filing an Interlocutory Petition (IP), wherein, it was stated that the Respondent never received the O-3 Notice
- ❖ TM Office (online) records do not host any O-3 Notice

Renewal: TM Act & Rules

❖ Section 25(3), Trade Marks Act, 1999

*“At the prescribed time before the expiration of the last registration of a trade mark the Registrar **shall** send notice in the prescribed manner to the registered proprietor of the date of expiration...”* (emphasis supplied)

❖ Rule 58(1), Trade Marks Rules, 2017

*“...the Registrar **shall** send, not more than six months before the expiration of registration of the Trade Mark, a notice in Form RG-3 at the address of service informing the registered proprietor of the approaching date of expiration...”* (emphasis supplied)

❖ Rule 64(1), (erstwhile) Trade Marks Rules, 2002

*“At a date not less than one month and not more than three months before the expiration of the last registration of the trade mark...the Registrar **shall** notify the registered proprietor...in writing on Form O-3 of the approaching expiration at the address of their respective principal places of business in India...or where such registered proprietor...has no principal place of business in India at his address for service in India...”* (emphasis supplied)

Union of India & Ors. v. Malhotra Book Depot [2013 (134) DRJ 504 (DB)]

Delhi High Court

❖ *Facts*

- Respondent was granted a TM registration in 1970
- In 2010, Respondent filed a suit (against a third party), and in connection with this suit, applied for a Certificate for Use in Legal Proceeding
- The aforesaid request was rejected, as the TM registration was removed from the Register on account of non-renewal (1984-1990)
- In 2010, the Respondent applied for restoration and renewal on the ground that O-3 Notice was not sent by the Registrar

❖ *Court's Ruling and Observations*

- Interpretation of Section 25(4) of the Trade Marks Act, 1999: Expiration - Removal – Restoration
- Delay in applying for renewal and restoration on non-receipt of O-3 not a factor to be considered, subject to Rule 66 (TM Rules, 2002~Rule 60, TM Rules, 2017)
- “...the notice under Form O-3 is mandatory...” (emphasis supplied)

Reference: Relevant Provisions

❖ Section 25(4), Trade Marks Act, 1999

- “Where a trade mark has been removed from the register for non-payment of the prescribed fee, the Registrar shall, after six months and within one year from the expiration of the last registration of the trade mark, on receipt of an application in the prescribed form and on payment of the prescribed fee, if satisfied that it is just to do so, restore the trade mark to the register ...”
(emphasis supplied)

❖ Rule 66, Trade Marks Rules, 2002

- “... The Registrar shall, while considering the request for such restoration and renewal have regard to the interest of other affected persons.”

❖ Rule 60, Trade Marks Rules, 2017

- “... The Registrar shall, while considering the request for such restoration and renewal have regard to the interest of other affected persons.”

Cipla Limited v. Registrar of Trade Marks & Another [2014(2) Mh.L.J] *Bombay High Court*

❖ *Facts*

- Petitioner's TM registration expired in 2002
- In 2012, the Petitioner came to know that the registration has been removed from the Register
- Response to RTI: *"As per Renewal Diary O-3 record is not available for the year 2002."*
- TM Registry had issued a public notice calling upon the parties who had not paid the renewal fee, and who had not received renewal notice, to pay and have the TMs renewed

❖ *Court's Ruling and Observations*

- *"The public notice does not constitute compliance with the provisions of section 25(3). Section 25(3) requires the Registrar to send the notice "to the registered proprietor". A general public is not contemplated under the section."*
- *"There is nothing on record to either establish or indicate that the requisite notice was sent to the petitioner. There are no circumstances that warrant an inference to that effect."*
- *"...the respondents are directed to grant restoration and renewal of the trade mark registration CIPLA..."*

Kleenage Products (India) Private Limited v. The Registrar of Trademarks & Ors. [MIPR2018(1)320]

Bombay High Court

❖ *Facts*

- Petitioner failed to renew its trademarks on account of non-receipt of O-3 notices
- Writ Petition filed against the Respondent to prohibit the Respondent from passing any removal order, and also to quash a previously issued removal order

❖ *Court's Ruling and Observations*

“In the instant matter, it is the contention of the respondent that the record in respect of issuance of O-3 notice is not traceable...In the absence of the contentions raised by the respondent, it cannot be concluded that such notices were sent and the petitioner is in receipt of the same...the respondents are directed to consider the application tendered by the petitioner for renewal of the trademark subject to payment of requisite fees.”

Guruji Enterprises Pvt. Ltd V. Union of India and Anr. [(2017) 240 DLT (CN 481) 481] *Delhi High Court*

❖ *Facts*

- Petitioner's trade mark was removed from the Register of Trade Marks on account of failure to renew
- Petitioner argued that the O-3 notice was never received by it
- Respondent submitted a copy of the O-3 notice as evidence

❖ *Court's Ruling and Observations*

“The true copy of Form O-3 notice...has been placed on record and a perusal of the same shows that it was sent to the registered proprietor...as well as the agent. We have also taken note of Rule 15 of the Rules which provides that any document sent through the post shall be deemed to have been delivered in the ordinary course of post...learned Single Judge was justified in not accepting the plea that the impugned removal was not preceded by the mandatory notice under Section 25(3) of the Act.”

Interlocutory Petition

- **Claims:** The Applicant did not receive the prescribed renewal notice under Section 25(3) of the Act
- An Affidavit signed by the Proprietor was also filed with the Interlocutory Petition
- It appears the TM Registry allowed the Interlocutory Petition

Fee Rs.2500/-

THE TRADE MARKS ACT, 1999
INTERLOCUTORY PETITION

IN THE MATTER OF: Trade Mark EVEREADY duly registered under No.439233B in class 08 in the name of M/s Eveready Tools Emporium, 1489, Rani Bagh, Delhi-110034.

AND

IN THE MATTER OF Renewal and Restoration thereof.

Respectfully Sheweth:-

1. The applicant is a proprietorship firm of Sanjay Chadha.
2. That the applicant is the proprietor of the trademark EVEREADY and accordingly obtained registration thereof in India under No.439233B in class 08 as of 19th June, 1985. The said trademark was valid upto 19th June, 2006. The said Trade Mark was initially registered in the name of M/s Everest Tools Industries. Recordial application was also filed in view of Deed of Assignment.
3. Thereafter, applicant's mark was not renewed due to following reasons:-
 - (a) Applicant did not receive prescribed renewal notice under Section 25(3) of the Act.
4. That the applicant thereafter filed following renewal applications:-
 - (i) Form TM-12 and 13 dated 8th February, 2010 along with fee of Rs.10000/-.

5. Copies of all the said applications are enclosed and marked as Annexure-A (Coltly).

6. Accordingly, it is submitted that renewal and restoration applications as mentioned aforesaid be considered and renewal be regularized.

7. The said Interlocutory Petition is being filed in view of Trade Mark Office's Public Notice bearing No.CG/IF/Public Notice/2010/163 dated 24.08.2010.

8. It is further submitted that the necessary hearing in the matter be appointed.

All communications relating to this application may be sent to the following address in India :-

M/s DELHI REGISTRATION SERVICE
Patent & Trade Mark Attorneys
52, Sukhdev Vihar,
Mathura Road
New Delhi - 110 025 (India)

Dated this 31st day of October, 2010

Signature
(K.G.BANSAL & S.K.BANSAL)
ADVOCATES

To
The Registrar of Trade Marks
Baudhik Sampada Bhavan
Plot No.32, Sector-14
Dwarka
New Delhi - 110 075.

LVC

Ruling

- ❖ IPAB decided in favour of the Applicant, and ordered removal of TM Registration Nos. 439233 and 539621
- ❖ On the renewal aspect, IPAB observed:
 - “...the said statement is highly misleading and incorrect, as in 2006, when the requisite notice was to be issued, the agent on record was different, i.e. Mr Vipin Jain and no notice was to be sent to Delhi Registration Service.”
 - “The Applicant further submitted that since S. 33 envisages a registered trade mark, and at the time the Rectification Petition was filed in 2009, there was no registered trade mark of the Respondent, the first trade mark having lapsed in 2006, therefore they cannot take up the plea of acquiescence...the Respondent’s trademarks had lapsed without being renewed.”
- ❖ **Section 33(1), Trade Marks Act, 1999**

“When the proprietor of an earlier trade mark has acquiesced for a continuous period of five years in the use of a **registered** trade mark, being aware of that use, he shall no longer be entitled on the basis of that earlier trade mark -...” (emphasis supplied)

Recap

- ❖ The issuance of a renewal notice prior to the expiry of a trade mark registration is mandatory
- ❖ The renewal notice must be sent specifically to the registered proprietor or its agent
- ❖ In cases where no renewal notice was issued and the mark was consequently removed from the register, there is no limitation of time for a registered proprietor to object to the removal and take steps to rectify it
- ❖ If there is no record of the O-3 available with the TM Office, it is deemed to have not been served at all

Could It Have Been Decided Differently?

- ❖ Overall ruling (basis bad faith adoption)
- ❖ Observations on non-renewal aspect

Argument(s) For

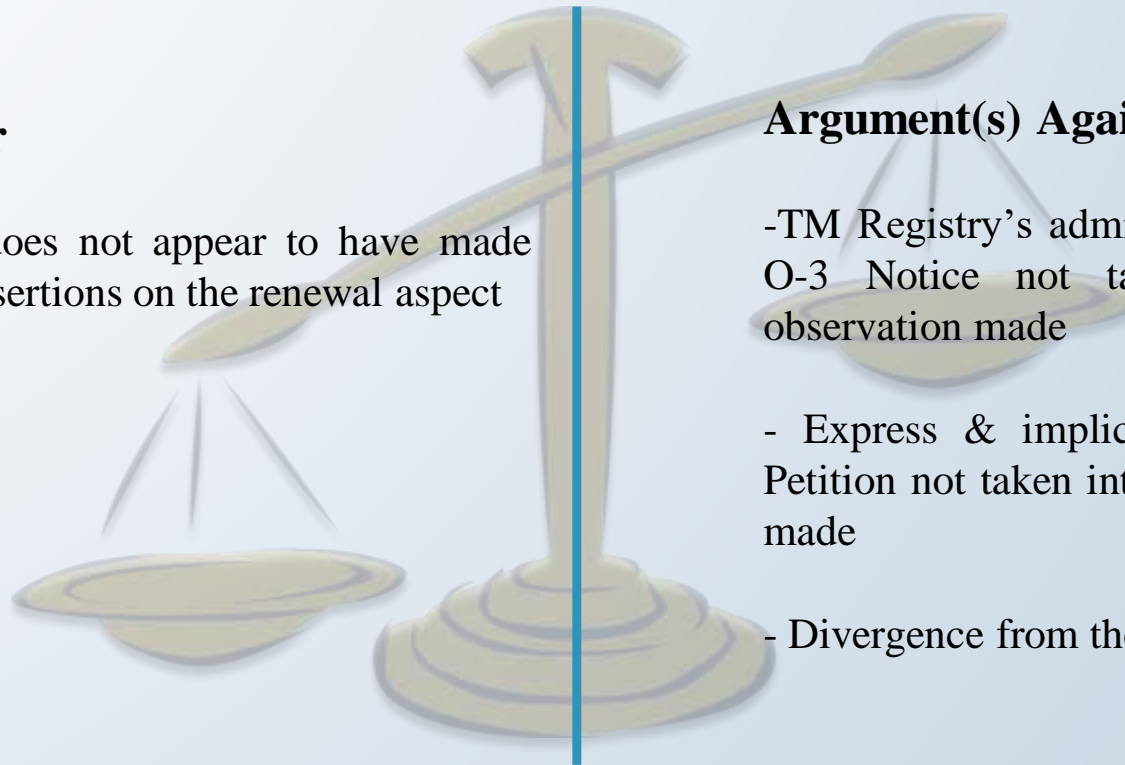
-The Respondent does not appear to have made any submissions/assertions on the renewal aspect

Argument(s) Against

-TM Registry's admission of not having sent the O-3 Notice not taken into account in the observation made

- Express & implicit grounds of Interlocutory Petition not taken into account in the observation made

- Divergence from the statute and settled law



THANK YOU!

Questions?

Manavi Jain, Principal

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