

1942

*Present : Hearne and Jayetileke JJ.*ABDUL CAFFOR *et al* v. AHAMED *et al.*

10—D. C. (Inty) Colombo, No. 8 (Misc).

Trade Mark—Application for registration opposed—Grounds of opposition—Refusal by Registrar on ground not taken—Appeal to District Court—Failure to obtain leave to take new ground—Trade Marks Ordinance (Cap. 121), s. 12 (8).

In an application for the registration of a trade mark, it is within the discretion of the Registrar acting on material that has been disclosed before him to refuse registration of a trade mark if, on such material, another ground of opposition could properly have been taken by those who opposed the registration.

In the event of an appeal to the District Court the Judge of that Court is entitled to examine only the grounds of opposition originally taken by the opponents unless at the instance of the Registrar or the opponents leave is obtained to argue the appeal before the District Court on a ground which was not included in the grounds of opposition on which the Registrar was originally invited to refuse the application.

A PPEAL from an order of the District Judge of Colombo.

This was an application for the registration of a trade mark by the appellants, Rahaman Bros., which was successfully opposed by the respondents. The appellants and the respondents, who are traders in Colombo, had for some time been importing Chinaware manufactured by the Societe Ceramique, which marked its goods with the figure of a lion. In 1934, the appellants devised a mark of their own. The main

feature of which was a lion which they applied to their goods, although the lion mark was not pictorially identical with the lion mark on the goods of the Societe Ceramique. In 1938, the appellants applied for the registration of their trade mark. The respondents opposed the application on the grounds (1) that the applicants were not the proprietors of the trade mark, (2) that they had used a similar trade mark since May, 1938, and (3) that the use of the mark by the appellants was calculated to deceive the public.

The registrar held that the appellant was not the proprietor of the mark which they had applied to register on the ground that it so closely resembled the mark of the Societe Ceramique as to be calculated to deceive. On appeal, the District Court affirmed the decision of the Registrar.

H. V. Perera, K.C. (with him *S. J. V. Chelvanayagam*), for the applicants, appellants.—The Registrar refused to register the trade mark of the applicants on the ground that it so closely resembled the mark of a Dutch Company, Societe Ceramique, as to be calculated to deceive. It was not a ground of opposition taken in the opponent's notice of objections. It was merely pleaded as evidence in support of their main objections. In the opponent's main grounds of opposition their own mark is in question and not that of the Societe Ceramique, whose mark, it should be noted, is not registered in Ceylon.

In regard to the objections actually taken by the opponent, there is no evidence to support them. In regard to the new ground of opposition it should not have been upheld by the Registrar, because it was not raised within the statutory period of two months laid down in rule 44 of the Trade Marks Ordinance (*Subsidiary Legislation, Vol. II., p. 25*).

[JAYETILEKE J.—Under section 9 of the Trade Marks Ordinance (Cap. 121), has not the Registrar first to satisfy himself that the interests of the public are protected?]

Section 9 has to be read, subject to later sections, e.g., sections 10, 12 (8) and 17. The objection that a mark is calculated to deceive has to be specifically pleaded. As regards the stage at which objections may be raised, the case reported in 26 R. P. C. is of assistance.

Assuming that the Registrar was entitled to take cognizance of a new ground of opposition, leave of court should have been obtained to take it at the stage of appeal. The provisions of section 12 (8) have not been complied with. See *Kerly on Trade Marks* (5th ed.), p. 98; *James et al. v. Soper*¹. The District Judge was wrong in upholding the new objection on the ground that it was covered by the first main ground of opposition taken by the respondents.

A third party (in the present case, Societe Ceramique) will not be prejudiced if our mark is registered, because he would have the remedy of an action for infringement. There is not a single case where a person successfully opposed an application for registration of a trade mark on the ground that the applicant's mark was similar to a third party's mark which was not on the register.

N. K. Choksy (with him *D. W. Fernando*), for the opponents, respondents.—No new ground of objection was taken by the opponents. It cannot be said on the material in this case that the applicant was taken by surprise.

Even if our objection was too late, the Registrar had the power to act under section 9, provided that the applicant had full notice of it. Section 9 imposes a peremptory duty on the Registrar to protect the public from being deceived. It is not merely a question *inter partes*; it is a question between the applicant on the one hand and the public on the other.

Any person—not merely a person who would be aggrieved by the registration—may oppose the registration by showing that it ought not to be registered. See *Kerly on Trade Marks* (5th ed.) pp. 80-82, 94, 261; 46 R. P. C. 99.

The Registrar has a discretion quite above and apart from the statutory provisions of section 9.

[JAYETILEKE J.—Are you not out of Court owing to non-compliance with the requirements of section 12 (8) ?]

That section is not applicable where the Registrar acts independently of the powers vested in him by section 9. The Registrar has a general discretion—*Kerly* pp. 209, 312-14, 148 (footnote), 79; 32 *Halsbury's Laws of England* (2nd ed.) 570, 573.

H. V. Perera, K.C., in reply.—The Registrar has to exercise his duty in the way laid down by the law. One has to give some meaning to “ground of objection”; it must be pleaded in advance. There is a fundamental distinction between a ground of objection and evidence led in support of it; the latter cannot be treated as an independent ground of objection. The law stated in section 9 is not of higher validity than the law stated in section 12.

Cur. adv. vult.

July 22, 1942. HEARNE J.—

This is an appeal by *Rahaman Bros.* of China street and First Cross street, Pettah, who were the applicants for registration of a trade mark which was successfully opposed by *S. M. Assena Marikar & Co.*; the respondents to this appeal.

The appellants and the respondents, who are traders in Colombo, had for some time been importing Chinaware manufactured by the *Societe Ceramique*, which marked its goods with the figure of a lion. The mark was not registered in Ceylon but it became well known in the local market. In 1934, the appellants devised a mark of their own, the main feature of which was a lion, which they applied to their goods, and in 1938 the respondents similarly applied to their goods “the device of a lion”. In neither case was the lion mark pictorially identical with the lion mark on the goods of the *Societe Ceramique* but there can be no doubt that both the appellants and the respondents hoped by the marks they had respectively adopted to pass off goods, not of the manufacture of the *Societe Ceramique*, as goods of the manufacture of that Company. In 1938, the appellants applied for registration of their mark. This was refused and on appeal to the District Court the Registrar's decision was upheld. An appeal has now been taken to this Court.

In the notice of opposition the following grounds were set out by the respondents. (1) "That the applicants, Rahaman Bros., are not the proprietors of the trade mark and have never imported goods bearing it." (2) "That we have used that mark with slight additions on goods in Class 16 from May, 1938." (3) "That the use of the mark by Rahaman Bros. on goods in the same class is calculated to deceive the public and will seriously interfere with our trade."

In regard to (1) it was not the claim of the appellants that they had imported goods with the identical mark which they were using on their goods and the second portion of (1) lacks relevance. (2) is not an independent ground of opposition. It is an asertion of fact which must be read with (3). The grounds of opposition were, therefore, twofold: *firstly*, that the appellants were not the proprietors of the mark which they sought to register and, *secondly*, that, as the respondents had used the same mark with slight additions since May, 1938, the use of the mark by the appellants was calculated to deceive the public into thinking that the appellants' goods were the goods of the respondents and so cause injury to the latter's trade. In view of what transpired during the proceedings, it is to be noted that the respondents did not during the statutory period of two months from the date of the advertisement of the application for registration or at any time apply to the Registrar to amend or add to their grounds of opposition. In their counter-statement, the appellants stated that they had been using their mark since 1934 and had no knowledge that the respondents had been using a similar mark since 1938.

The respondents, as they were required to do, then placed evidence in the form of affidavits in support of their opposition. The affidavits stated that prior to 1902 the respondents had imported from Holland "China and other earthenware goods" manufactured by the Societe Ceramique, that these goods had "Lion Brand and Device" distinctively marked on them and that the "lion mark", so it was understood, "had been registered in British India".

It will be seen that no mention was made of the mark which, it had been alleged in the notice of opposition, the respondents had used since 1938, and also that the material contained in the affidavits has no bearing at all on the question of the proprietorship of the mark which the appellants desired to register. It is their mark which was devised by them and "has been used by them since 1934" and it is none the less their mark because the Societe Ceramique puts a similar mark on its goods. The partial imitation by one Company of the mark of another may entail certain legal consequences, but it does not make the mark of the former the mark of the latter. It follows, therefore, that there was no evidence to support either of the two grounds of opposition taken by the respondents. The registration of the appellants' mark was opposed "because it was not their mark" and clearly it is. The fact that the Societe Ceramique uses a similar mark is not evidence to the contrary. It was also opposed because it would cause confusion with the mark, not of the Societe Ceramique, but with that of the respondents, and, in regard to this, there is no evidence at all.

The Registrar held that the appellants were not the proprietors of the mark which they had applied to register for the reason that "it so

closely resembled the mark of the Societe Ceramique as to be calculated to deceive". I have already indicated that the lion mark devised and used by the appellants since 1934 is their mark and the finding of the Registrar, that it is not, cannot be supported. On the other hand, I agree that the use by the appellants of their mark would mislead the public. Had the respondents taken as a ground of opposition that the appellants, by the use of their mark, would deceive the public into thinking that the goods offered by them for sale were the goods of the Societe Ceramique, then assuming the respondents were entitled to take this as a ground of opposition although they were neither the agents nor the representatives of the Societe Ceramique, the application for registration, in my opinion, would have been foredoomed to failure.

But the respondents did not make this a ground of opposition and the Registrar, therefore, refused registration on a ground of opposition that was not set out in the respondents' notice.

Now, it is, in my opinion, within the discretion of the Registrar, acting on material that has been disclosed at the hearing before him, to refuse registration of a trade mark if, on such material, another ground of opposition could properly have been taken by those who opposed registration. But in the event of an appeal to the District Court the Judge of that Court will examine only the grounds of opposition originally taken by the opponents, unless at the instance of the Registrar or the opponents leave is obtained to argue the appeal before him, on a ground which was not included in the grounds of opposition on which the Registrar was invited to refuse the application for registration—section 12 (8) of the Trade Marks Ordinance (Cap. 121).

When, in this case, an appeal was preferred to the District Court no leave was obtained, and the function of the Court was limited to an examination of the grounds of opposition originally taken by the respondents, the *materials* adduced in support of those grounds, and such further *materials* as may have been adduced in support of the same grounds—section 12 (7). This, however, was not appreciated. The Judge dismissed the appeal on the ground that "the device of a lion in the trade mark sought to be registered would so closely resemble the mark of the Societe Ceramique as to be calculated to deceive". This was not one of the grounds of opposition. It would have been made a ground of opposition before the Registrar but it was not. Leave could have been obtained to make it a ground of opposition before the District Court, but the leave of the Court was not sought.

The appeal is allowed with costs in this Court and the District Court and before the Registrar. As the original grounds of opposition were unsupported by relevant evidence and as no permission was obtained to take a fresh ground, the logical order to make—and I accordingly make it—is that the Registrar be required to register the appellants' mark.

The consequence of this order will be that there will appear in the register and on the appellants' goods a mark which may and probably

will enable the appellants to pass off their goods as the goods of the Societe Ceramique. But the matter is not beyond legal remedy. An "aggrieved party" may apply to have the mark expunged from the register, subject to the provisions of section 40.

JAYETILEKE J.—I agree.

Appeal allowed.

