

MANU/DE/1625/2010

Equivalent Citation: 171(2010)DLT569, 2010(43)PTC760(Del), 2010(44)PTC229(Del)

IN THE HIGH COURT OF DELHI

IA Nos. 9131, 11984 and 12427/2009 in CS (OS) No. 1305/2009

Decided On: 01.07.2010

Appellants: **Vivek Kochher and Anr.**

Vs.

Respondent: **KYK Corporation Ltd. and Ors.**

Hon'ble Judges/Coram:

Rajiv Shakdher, J.

Counsels:

For Appellant/Petitioner/plaintiff: Sanjeev Singh and Sumit Singh, Advs.

For Respondents/Defendant: M.K. Miglani, Kapil Kumar Giri and Ankit Relan, Advs.

Subject: Intellectual Property Rights

Acts/Rules/Orders:

Uttar Pradesh Trade Tax Act, 1948 ; Central Sales Tax Act ; Delhi Sales Tax Rules, 1975 ; Central Sales Tax Rules, 1957 ; Code of Civil Procedure, 1908 (CPC) - Order 39 Rules 1, Code of Civil Procedure, 1908 (CPC) - Order 39 Rules 2, Code of Civil Procedure, 1908 (CPC) - Order 39 Rules 4

Cases Referred:

Alian Bernardin ET Compagnie v. Pavillion Properties Ltd. (1967) RPC 581; The Atheletes Foot Marketing Associates Inc. v. Cobra Sports Ltd. and Anr. (1980) RPC 343; Anheuser Busch Inc. v. Budejovicky Budvar N.P. (Trading as Eudweiser Budvar Brewery) and Ors. (1984) FSR 413; The Procter and Gamble Co. v. Satish Patel 1996 (16) PTC 646 (Del.); Cluett Peabody and Co. Inc. v. Arrow Apparals 1998 PTC (18) 156 (Bom); Herb Shop v. Nectar (U.K.) Ltd. 1999 (19) PTC 238; Smithkline Beecham Plc. and Ors. v. Hindustan Lever Limited and Ors. 1999 (19) PTC 775; Gillette Company and Ors. v. A.K. Stationery and Ors. 2001 (21) PTC 513 (Del); Asia Pacific Breweries Ltd. v. Superior Industries Ltd. 2006 (32) PTC 275 (Del.); Midas Hygiene Industries P. Ltd. and Anr. v. Sudhir Bhatia and Ors. 2004 (28) PTC 121 (SC); Corn Products Refining Co. v. Shangrila Foods Products Ltd. 1960 (1) SCR 968; Century Traders v. Roshan Lal Duggar and Co. AIR 1978 Del 250; B.K. Engineering Company v. U.B.H.I. Enterprises and Anr. AIR 1985 Del 210

Citing Reference:

Mentioned 13

Case Note:

Intellectual Property Right - Injunction - Validity of - Whether petitioner entitled for permanent injunction ? - Held, plaintiffs filed invoices, albeit for relevant period onwards and stray advertisement in newspaper to demonstrate use of trade mark - They have significantly not mentioned in plaint their annual sales turnover - Certificates of registration of said trade mark in various countries seems to indicate that ownership of mark vest in individuals - Documents filed by defendant no 1 indicate that most of registrations are in name of individuals and not in name of defendant no 1 - There are no documents showing any assignment in favour of defendant no 1 - Although documents prima facie demonstrate sales through its authorized dealers - At this stage there appear to be gaps in case set up by both parties - Defendants have also filed counter claim claiming positive injunction while plaintiffs have registration of concerned mark in country - It appears that both parties have produced before Court for modified interim order to extent that as measure of interim arrangement, during pendency of suit - Therefore directed that plaintiffs shall manufacture and trade in goods referred in class 7 and 12 under concerned trade mark while defendant no 1 shall manufacture and trade in goods referred in class 7 and 12 under other trade mark - Hence, applications disposed of in terms indicated above

JUDGMENT

Rajiv Shakdher, J.

IA No. 11984/2009 (under Order 39 Rule 4 CPC by defendant No.1) and

IA No. 12427/2009 (under Order 39 Rule 1 & 2 CPC by defendant No.1)

1. By this order, I propose to dispose of the applications (hereinafter referred to as 'IAs') bearing Nos. 9131/2009, 11984/2009 and 12427/2009. IA No. 9131/2009 has been filed by the plaintiffs under Order 39 Rule 1 & 2 of the Code of Civil Procedure, 1908 (hereinafter referred to as 'CPC') while IA Nos. 11984/2009 and 12427/2009 have been filed by defendant No. 1 under the provisions of Order 39 Rule 4 of the CPC.

2. In order to dispose of aforementioned applications the following facts of the case set up by the parties required to be noticed.

plaintiff's case

2.1 plaintiff No. 1 is the sole proprietor of the proprietorship concern, conducting its business under the name and style as V.K. Automobiles. Similarly, plaintiff No. 2 is the sole proprietor of the proprietorship concern carrying on business under the name and style of KYK International. plaintiff Nos. 1 & 2 are brothers, who claim to have set up a business of selling automobile parts and fittings including bearing, filters, gear and gear parts, v-belts, fan belts and machinery parts used in motor land vehicle. plaintiff No. 1 claims it had adopted the mark KYK, in connection with automobiles parts, fittings, in particular, in respect of bearings, filters, gear and gear parts etc., since 1996. Proprietorship, in respect of the mark KYK, is claimed by plaintiff No. 1. It is also averred in the plaint that plaintiff No. 1 acquired the trade mark KYK, along with its goodwill, and reputation, from M/s KYK Bearing International, which was a partnership concern, having plaintiff No. 1 and 2, as its partners. The ownership to the mark, it is averred, has been acquired by virtue of deed of assignment dated 25.08.2000 (in short "deed of assignment"). It is also averred that an appropriate application has been moved by plaintiff No. 1, before the Registrar of Trade Marks, for bringing this aspect on record, which is that, plaintiff No. 1 is the owner of mark KYK. It is also averred in the plaint that plaintiff No. 2, with the permission of plaintiff No. 1, has adopted the mark KYK in respect of bearings, filters, gear & gear parts, V-belts, fan belts, and machinery parts for use in motor land vehicles. It is further stated that plaintiff No. 2 has been getting the aforesaid goods manufactured by M/s Techo Mak Grindwell Industries, which is, a family concern.

2.2 Based on the aforesaid it is stated by the plaintiffs, that they have been continuously using the mark KYK, since 1996. It is also claimed that both the trade mark KYK and trade name KYK International has been adopted from the first letters of names of their family members i.e., father and uncle i.e. Kuldeep Rai Kochher and Yashwant Rai Kochher, respectively. It is averred that the first letters of name of their father and uncle 'K' and 'Y', and the first letter of their family name Kochher, has been combined in forming the mark 'KYK'. plaintiffs claim that adoption of the said mark KYK and KYK International is both honest and bonafide. This, they say is, demonstrable from the fact that they have obtained registrations for the trade mark KYK, in class 12 and 7; which are effective from the year 2000 and 2004, respectively. plaintiffs claim that mark KYK enjoys tremendous goodwill and reputation in the global market, and they have built a handsome and valuable trade under the said mark. A reference has also been made to the fact that the plaintiffs have achieved extensive sales turnover, and that a substantial amount has been spent on advertisement through newspapers, trade magazines, trade literatures etc. In these circumstances, it is claimed that the mark KYK is associated with the plaintiffs' goods both within the trading community, as well as amongst consumers at large.

2.3 It is averred that the defendants have adopted an identical and deceptively similar mark KYK in relation to parts of motor vehicles including bearings for vehicle wheels. Defendant Nos 2 and 3, it is stated, are the dealers and distributors of defendant No. 1 which are engaged in selling goods manufactured by defendant No. 1 under the impugned mark. It is also averred that defendant No. 1 is not the proprietor of the impugned mark and, therefore, has no right to adopt or use the same as, it is doing so, without the leave and licence of the plaintiffs. It is claimed that the plaintiffs became aware of the defendants infraction of their right of their mark KYK in the first week of October, 2008 when, the application of the defendants for registration of their mark in class 7 and 12 was advertised in the trade journal. It is also averred that the defendants are soliciting their trade and business throughout the country, and towards this end they are giving special discount. Defendants' action, according to the plaintiffs, is geared to encash the goodwill, and reputation of the plaintiffs in the market. plaintiffs claim that despite the defendants being aware of the fact that the mark KYK is used by them, the defendants adopted the impugned mark. This according to the plaintiffs involves commission of tort of deception, and passing off. Defendants' mark, it is averred, is deliberate imitation of the plaintiffs' mark which has the necessary portents of causing confusion in the minds of lay consumers, and consequent damage to the trade reputation and goods of the plaintiff. In these circumstances, plaintiffs have sought an injunction against the defendants' use of the trade mark KYK, or any other mark, which is, deceptively similar to that of the plaintiffs.

DEFENDANT'S CASE

3. On the other hand, defendant No. 1 has not only filed its written statement refuting plaintiffs' claim, but also instituted a counter claim. The case set up by the defendants is that they are the prior user, as well as the proprietor of the trade mark KYK International, since 1952. Defendant No. 1, it is claimed, was founded by Mr

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Kiyosias Yamamoto. Defendant No. 1 was originally incorporated in the year 1952, under the name Kabusikikaisiya Yamakei Bearing Limited. The founder Mr Kiyosias Yamamoto coined the mark KYK by taking the first letters of the name of his company Kabusikikaisiya Yamakei, by combining the same with first letter of his own name, Kiyosias. It is stated that while the mark KYK remained with the defendants, the corporate name of defendant No. 1 was changed, in 1982, to Tottori Yamakei Bearing Seisakusho Ltd. It is at this time that the manufacturing facility of defendant No. 1 had been shifted to Tottori; a province in Japan, in order to meet manufacturing capacities. In the year 2000, once again the name of defendant No. 1 was changed to its present name KYK Corporation Ltd. Defendant No. 1 claims that they have been exporting and marketing goods to U.S.A., since in 1953 and thus, attained a wide market reputation. Furthermore, defendants have expanded their operations to other countries, such as Singapore, China, Taiwan, Iran, Korea, Egypt, U.A.E., Vietnam, Bangladesh and India. As a matter of fact it is claimed that, in most of the countries mentioned above, it has obtained registrations in class 7 and 12. In particular, in respect of its presence in India, defendant No. 1 claims that they have had presence in India since 1980, and that their goods have been marketed in India, extensively, and without impediment since then. Defendant No. 1 claims that goods to India have been exported directly through Japan, Hong Kong, Singapore and Dubai. However, since 2005, defendant No. 1 has been exporting goods into India either through its authorized dealer M/s Gulf Worldwide Bearings FZE, Dubai or, through the dealers appointed by the said authorized dealer. Based on this, defendant No. 1 claims that it has worldwide reputation, which is not, limited to any particular geographical boundary. In other words, it is claimed that its worldwide reputation has spilled into India. It is averred that, in any event, not only has defendant No. 1 been selling goods under the said mark in India, but has also taken steps to popularize the said goods in India through, advertisement and other modes of publicity. Defendant No. 1 has disputed plaintiffs' claim of prior user. It is averred that, in any event, plaintiff's claim of user is only since 1996 whereas, the defendants have been using the mark KYK from 1952 onwards. Defendants have also disputed the veracity of the deed of assignment purportedly executed in favour of the plaintiffs. Defendant No. 1 has also averred that plaintiffs are not entitled to any interim injunction as prayed, in view of the fact that, on their own showing they became aware of the defendant's mark in the month of October, 2008, whereas they approached the court only in June, 2009. It is stated that simple search on the internet (i.e., a global search) would have shown to the plaintiffs that defendant No. 1, and their mark, was already in existence. It is averred that plaintiffs' mark KYK bears an acute similarity with the mark of defendant No. 1, which is evident from the manner in which it is written, as well as, in the adoption of the artistic font. Based on the above, defendant No. 1 has sought by way of counter claim, a perpetual injunction against the plaintiffs' use of the mark KYK, as well as, other consequential reliefs including damages.

Submissions of Counsels

4. In support of its case Mr Singh learned Counsel for the plaintiffs drew my attention to the registration certificates obtained by plaintiff Nos. 1 and 2 trading as KYK Bearings International, in class 7 and 12. The certificate dated 03.01.2005, which pertains to class 12 relates back to 21.08.2000. Similarly, registration certificate obtained in class 7 dated 19.12.2005, relates back to the date of application, i.e., 21.06.2004. Reliance was also placed on the deed of assignment executed between KYK Bearing International through its partner Vineet Kochher with Vivek Kochher as proprietor of M/s V.K. Automobiles. Learned Counsel also relied upon certificate of registration issued in favour of M/s V.K. Automobiles under the Central Sales Tax (Registration and Turnover) Rules, 1957. The said certificate is dated 24.09.1996. Similarly, a certificate under the Delhi Sales Tax Rules, 1975 dated 24.09.1996 was also relied upon. A reference was also placed on certificate of registration issued under the U.P. Trade Tax Act, 1948, effective from 13.04.2005. The challan forms issued in the name of KYK International were also referred to. The ration cards bearing the name of the father and that of the uncle were also relied upon to demonstrate the background circumstances which propelled the plaintiffs to adopt the mark. Learned Counsel also placed reliance on the invoices of Techno-Mek Grindwell Industries of July-August, 2005.

4.1 To be noted that Techno-Mek Grindwell Industries is, as per the plaintiffs' own stand, a family concern.

4.2 Mr Singh also referred to the invoices of defendant No. 2 and 3 of 2008 to show that the defendants have been in the market only recently. That, the plaintiffs were vigilant about their rights in the mark KYK, was sought to be demonstrated by, relying upon the opposition filed by Mr. Vivek Kochher through M/s KYK International (a proprietorship concern of plaintiff No. 2). A reference has been made by Mr Singh, to the advertisements in the trade mark journal, in respect of the defendants' application for registration of the mark KYK in classes 7 and 12, in which user is claimed by defendant No. 1, since 15.11.2005; to buttress the point that the defendants have used the mark in India, much later in point of time to the plaintiffs use of the mark. To show active use of the mark KYK, Mr Singh also relied upon the invoices of sales of its goods; which are primarily for the period April, 2005 till June, 2008, drawn in the name of plaintiff No. 1, i.e. M/s V.K. Automobiles, a proprietorship concern. Learned Counsel also drew my attention to the trade mark journal, in which the application for registration, filed through KYK International, was published. The particulars of the application for registration of trade mark, filed through KYK Bearing International were relied upon, to demonstrate that the plaintiffs have claimed user in class 12, in relation to parts and fittings used in automobile since 10.10.1996; and similarly with respect to bearings, filters, gears and gear parts, v-belts, fan belts and machinery parts used in motor land vehicle, falling in class 7, since 10.04.2000.

4.3 Only to be noted that in both advertisements, the claim of use was made in Delhi. The first advertisement

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in respect of goods falling in class 12, was published in the trade mark journal on 14.10.2003, while the second advertisement pertaining to registration vis-à-vis goods falling in class 7 was published on 07.02.2005. These documents were filed as additional documents by the plaintiffs, only on 11.01.2010. Similarly, the plaintiffs filed a few photocopies of invoices (nine in number) in the name of V.K. Automobiles Spanning the period 1999 to 2002; only on 3 1.10.2009. In support of his submissions learned Counsel for the plaintiffs has relied upon the following judgments:

Alian Bernardin ET Compagnie v. Pavillion Properties Ltd. (1967) RPC 581; The Athletes Foot Marketing Associates Inc. v. Cobra Sports Ltd. and Anr. (1980) RPC 343; Anheuser-Busch Inc. v. Budejovicky Budvar N.P. (Trading as Eudweiser Budvar Brewery) and Ors. (1984) FSR 413; The Procter and Gamble Co. v. Satish Patel 1996 (16) PTC 646 (Del.); Cluett Peabody & Co. Inc. v. Arrow Apparals 1998 PTC (18) 156 (Bom); Herb Shop v. Nectar (U.K.) Ltd. 1999 (19) PTC 238; Mrs. Smithkline Beecham Plc. and Ors. v. Hindustan Lever Limited and Ors. 1999 (19) PTC 775; the Gillette Company and Ors. v. A.K. Stationery and Ors. 2001 (21) PTC 513 (Del); Asia Pacific Breweries Ltd. v. Superior Industries Ltd. 2006 (32) PTC 275 (Delhi); Midas Hygiene Industries P. Ltd. and Anr. v. Sudhir Bhatia and Ors. MANU/SC/0186/2004 : 2004 (28) PTC 121 (SC).

5. On the other hand, Mr. Miglani, learned Counsel for defendant No. 1 has relied upon the copies of telex messages of 1992-1999 issued by Gulf Bearing, U.S.A. to defendant No. 1 placing orders for supply of goods in respect of bearing etc. Learned Counsel also relied upon the catalogue of defendant No. 1 to establish that the predecessor-in-interest of defendant No. 1, Yamakei Bearing Seisakusho Ltd was established way back in 1952. The learned Counsel also relied upon the registrations obtained in 1994 in Republic of China and Korea (Seoul) , Japan, Singapore, Egypt, Iran, UAE, Vietnam, Bangladesh and India. Reliance has also been placed on invoices of defendant No. 1 in its earlier name i.e. Tottori Yamakei Ltd. These are proforma invoices in respect of orders for the years 1989, 1991, 1993, 1995, 1996 and 1997, as also invoices of November, 2005; pertaining to export of goods into India by defendant No. 1. Consignee in this case being: one, Anita Enterprises, Mumbai. Reliance has also been placed on the brochure of defendant No. 1, which contains the statement of its President Ryuzo Yamamoto, alluding to the fact that defendant No. 1 has been established, as far back as in 1952, and has been selling KYK bearings in several countries, such as, Japan, USA, Canada, Europe, Korea, Taiwan, Singapore, India, Iran, Egypt. There are invoices of Prestige General Trading (in short "Prestige") and Jasmine Valley General Trading (in short "Jasmine"), evidently distributors of the plaintiffs' goods based in UAE. The invoices of Prestige have been filed to show export of goods to India.

5.1 Only to be noted that all these invoices are for the period November, 2004 onwards. This is in consonance with the stand taken by defendant No. 1 in the plaint.

5.2 Mr Miglani also drew my attention to certain documents to establish participation of defendant No. 1 in various trade fairs. The purpose being; to establish defendants vigorous attempts at promoting the sale of its goods under its mark KYK, both in India (Delhi), as well as in other parts of the world. In support of his submission Mr. Miglani relied upon the following judgments:

Corn Products Refining Co. v. Shangrila Foods Products Ltd. MANU/SC/0115/1959 : 1960 (1) SCR 968; Century Traders v. Roshan Lal Duggar and Co. MANU/DE/0153/1977 : AIR 1978 Del 250 and B.K. Engineering Company v. U.B.H.I. Enterprises and Anr. MANU/DE/0404/1984 : AIR 1985 Del 210.

Reasons

6. I have heard learned Counsel for the parties and perused the documents placed on record by them. On the consideration of the submissions and perusal of documents, prima facie the following picture emerges:

6.1 That plaintiff Nos. 1 and 2 have obtained registrations through KYK Bearing International; in respect of parts and fittings falling in class 12 for use in automobiles, which relates back to 21 .08.2000, and in respect of bearing, filters, gear and gear parts, v- belts, fan belts and machinery parts used in "motor land vehicle" falling in class 7, which is operative from 21.06.2004.

6.2 The proprietorship concerns which are before the court are V.K. Automobiles and KYK International.

6.3 The plaintiffs, however, have also placed on record deed of assignment (dated 25.08.2000) whereby, Mr Vineet Kochher, a partner of KYK Bearing International has been assigned rights in the KYK mark by Mr Vivek Kochher, the proprietor of V.K. Automobiles in consideration of nominal sum of Rs 1100/-. In the said assignment deed, the assignor claims to be a manufacturer of parts and fittings of automobiles and proprietor of the trade mark "KYK", since 1996.

6.4 There is, however, no clarity as to whether assignor KYK Bearing International retained any rights which enabled it to file an application in class 7, for registration of the mark KYK in respect of bearing, filters, gear and gear parts, v-belts, fan belts and machinery parts used in motor land vehicle. The averments in paragraph 4 of the plaint shed no light on this aspect of the matter.

Furthermore, in paragraph 4 of the plaint it has been averred that: plaintiff No. 1 filed an appropriate application to bring on record the factum of execution of deed of assignment (dated 25.08.2000) on the record of the Trade Marks Registry. The said document, that is, the application has not been filed in court to date.

6.5 It also appears that the manufacture of machine parts was carried out by the plaintiffs under the aegis of M/s Techo Mak Grindwell Industries; which is claimed to be a family concern prior to plaintiff No. 2 setting up its industrial unit in Tronica City, Ghaziabad, U .P. It is noticed that intra sale, i.e., sale between M/s Techo Mak Grindwell Industries and plaintiff No. 2/KYK International is reflected in invoices of the period July-August, 2005; even though the plaintiffs have claimed that they have been in the business of manufacturing and selling both bearing, filters, gears and gear parts, v-belts, fan belts and machinery parts used in motor land vehicle; since April 2000.

6.6 During the course of arguments, Mr Singh admitted that the invoices for the period commencing 1996 in one case and April 2000 in other till 2004 are not available. Therefore, at this stage there is very little evidence to show that the plaintiffs were carrying on business since October 1996 and/or April 2000 except for the claim made in the application for registration backed by a few stray invoices of 1999 and 2002.

6.7 Furthermore, the plaintiffs' reliance on invoices evidently drawn in the name of plaintiff No. 1 M/s V.K. Automobiles, for a period prior to Deed of Assignment (dated 25.08. 2000) does create doubt as to the veracity of the said invoices. The reliance by Mr Singh on the certificates of registration issued under the Central Sales Tax Act, as well as Delhi Sales Tax Rules, in my view, does not carry the matter any further.

6.8 Even the No Objection Certificate (in short 'N.O.C') issued in favour of plaintiff No. 2 dated 08.05.2003 would not enure to the benefit of plaintiffs, as the NOC issued by the District Industries Centre, Ghaziabad is only a permission for setting up a bearings unit. As per the plaintiffs' own stand, the manufacture of bearings was carried out through its family concern, M/s Techo Mak Grindwell Industries. As noticed above the invoices of M/s Techo Mak Grindwell Industries are of 2005.

6.9 Therefore, the only prima facie conclusion at this stage which can be drawn is that plaintiff No. 2's unit in Tronica City, Ghaziabad firstly, is set up for manufacturing industrial bearings only, and secondly, it actually started its production, if any, on or after 2005. The plaint is, however, noticeably silent on this crucial aspect.

7. Although, plaintiffs have filed invoices, albeit for the period April, 2005 onwards, alongwith a few invoices and a stray advertisement in the newspaper for the period prior to 2005; to demonstrate use of trade mark KY K-they have significantly not mentioned in the plaint their annual sales turnover, or the amounts spent on advertisement and promotion etc.

7.1 On the other hand, a perusal of the documents filed by the defendants (in particular document appended at page 53) prima facie shows that defendant No. 1, represented before the Department of Anti Dumping, USA; in a proceedings conducted in 2006, in relation to administrative review of anti-dumping orders, that its predecessor-in-interest Tottori Yamakai Bearing Seisakusho Ltd. Had imported into U.S.A finished bearings from various countries including Japan, under the trade mark KYK. The relevant extract from the said document reads as follows:

"In a September 18, 2006, submission, KYK stated that its predecessor-in-interest, Tottori Yamakai Bearing Seisakusho Ltd., used the trade name "KYK" and produced finished bearings in Japan from 1952 until it went bankrupt in 2000, KYK stated that, since emerging from bankruptcy in 2002, it has not resumed production operations in Japan and that all of the subject merchandise that KYK sold during the period of review was of Chinese origin. We have received no comments on this submission. Because we preliminarily find that KYK had no shipments of subject merchandise during the period of review, we intend to rescind the administrative review with respect to this company. If we continue to find that KYK had no shipments of Japanese-made ball bearings at the time of our final results of administrative review, we will rescind our review for KYK." (emphasis is mine)

7.2. A perusal of the said documents filed by defendant No. 1, would show that: defendant No. 1 manufactured finished bearings, in Japan, since 1952; it went bankrupt in 2000; and it emerged from bankruptcy in the year 2002. As on 21.05.2007 (which is the date of the document) it had not resumed production in Japan. The goods which were imported into USA were of Chinese origin, and since there were no shipments during the period under review, which is, 01 .05.2005 to 30.04.2006, the administrative review was rescinded.

8. A perusal of the copies of the certificates of the registration of the trade mark KYK in various countries

manupatra across the world seems to indicate that the ownership of the mark vest in individuals. To cite an example, the registration certificate of Republic of China for the period 16.04.1994 to 15.04.2004 shows that the right to use the trade mark KYK vested in the name of Tottori Yamakei Bearing Seisakusho Ltd. The renewal certificate was issued on 04.06.2004. The mark, is shown, in the name of Mr Yamamoto Kiyosias, who claims to be the founder of the company. At page 11 of the documents filed, there is yet another document, in which the trade mark owner is shown as one Kiyomi Yamamoto; both the documents at page 9 and 11 show that the mark stands renewed till 15.04.2014. Similarly, the registration certificate dated 08.12.2006 (appended at page 13), eventually issued by the Head of Patent Office, Korea (Seoul), discloses ownership of the trade mark KYK as being in the name of Mr Ryuzo Yamamoto. It is pertinent to note that he is shown as the President of defendant No. 1 in the brochure appended at page 87 of the documents filed by the defendants. Another certificate issued by the office of the Commissioner of Japan, in October, 2001; shows Mr Kiyosias Yamamoto the owner of the trade mark, in respect of goods falling in class 7 and 12. The application appended at page 24 of the documents filed by defendant No. 1 bears the signature of Ryuzo Yamamoto in his capacity as Director of defendant No. 1. Similarly, in Singapore the mark has been registered evidently in the name of Ryuzo Yamamoto.

8.1 However, both in India and Bangladesh the applicant is defendant No. 1, i.e., KYK Corporation Ltd. In India user has been claimed since 15.11.2005, while in Bangladesh user is claimed since 2007. The invoices of sales in India through its consignee Anita Enterprises are of 15.11.2005. In respect of sales outside India, presence is claimed in countries such as Egypt, Japan, China, South Africa, Vietnam, UAE etc. The sale to these countries is evidently made through its authorized dealer M/s Gulf Worldwide Bearings FZE, and its dealers, Prestige and Jasmine. There are also invoices of Prestige dated 01.11.2004 whereby, it appears goods have been consigned to Delhi. A copy of bill of lading has also been filed. Similarly, a copies of consignment sent through Jasmine dated 26.09.2007 are also appended. There is also a reference to the documents at page 21 8A and 220 to show participation in fairs in Vietnam. Defendant No. 1 has appended the document dated 07.03.2007 at Page 219 showing sales figures in various countries like, Japan, USA, Korea, Taiwan, Singapore, Middle East for the period 2003 to 2006. Significantly, there is no mention of India in these documents.

8.2 On perusal of documents filed by defendant No. 1, in respect of registrations outside India, what has come through at this stage, is that most of the registrations are in the name of individuals, and not in the name of defendant No. 1. There are no documents on record showing any assignment in favour of defendant No. 1. Although, there are documents on record to prima facie demonstrate sales through its authorized dealers M/s Gulf Worldwide Bearings FZE, and its dealers Prestige and Jasmine; a substantial part of sales, in relative terms, is outside India. The consignments sold in India appears to be few and that too for a period 2005 onwards. The catalogues and brochures filed by defendant No. 1 though claim that they have been in business since 1952.

9. In my opinion, looking at the evidence placed on record by the parties, at this stage at least, there appear to be gaps in the case set up by both the plaintiffs and the defendants. As indicated above, the defendants have also filed counter claim claiming a positive injunction against the plaintiffs herein; while the plaintiffs have a registration of mark KYK in India bearing the suffix 'International'. As indicated above, though the assignment deed evidently executed between KYK Bearing International and plaintiff No. 1 is dated 25.08.2000; the plaintiffs curiously filed for registration of the mark in class 7 only on 21.06.2004. The evidence with regard to the factum of ownership of the mark KYK and its use in India is fairly nebulous at this stage. There is nothing on record to demonstrate except for a few invoices of 1999 and 2002 user of mark for a period prior to 2005. As regard the veracity of the said invoices of the period 1999 and 2002, I have already expressed my doubts. plaintiffs have filed invoices for the period April, 2005 onwards to demonstrate use of trade mark KYK.

9.1 On the other hand, defendant No. 1 in his application for registration of mark in India claimed user in India since November, 2005. Even though in the written statement it has been claimed it had presence in India since 1980, there is nothing to substantiate its presence in India since 1980. During the course of arguments it has been submitted that since company went bankrupt in the year 2000; and it emerged from bankruptcy only in the year 2002, the defendants have presently not been able to place on record documents pertaining to the period prior to 2005.

9.2 What has, however, come through is that defendant No. 1 has an international presence; whether its reputation and goodwill spilled over in India, is something that the defendants will have to establish at the stage of trial.

9.3 It was argued by Mr. Miglani that defence of prior user of the trade mark is not limited to India and hence, for this purpose he relied upon documents and invoices pertaining to sales outside India. In my opinion this aspect would come to fore only at the stage of trial.

10. Thus having considered the material on record at length, I am of the prima facie view that looking at the state of evidence that both parties have produced before me, the interim order dated 22.07.2009 will have to be modified to the extent indicated hereinbelow, as a measure of interim arrangement, during the pendency of the suit: 10.1 Accordingly, it is directed that the plaintiffs shall manufacture and trade in goods referred in class 7 and 12 under the trade mark KYK (India), while defendant No. 1 shall manufacture and trade in goods referred in class 7 and 12 under the trade mark KYK (Japan). In so far as the trade names are concerned,

manupatra plaintiffs shall include 'India' as part of its name, while defendant No. 1 shall include 'Japan' as part of its name. Thus, plaintiff No. 2, i.e., the proprietorship concern shall bear the name KYK International (India); and similarly, defendant No. 1 shall attach the suffix 'Japan' with its name.

11. The captioned applications are disposed of in the terms indicated above.

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