

**“ACQUIESCENCE” OF PROPRIETOR OF A TRADE
MARK IN THE USE OF HIS TRADE MARK BY THE
OTHER : “MEANING” AND “CONSEQUENCE” UNDER
THE TRADE MARKS LAW IN INDIA**

Dr. Meenu Paul¹

“If a trader allows another person who is acting in good faith to build up a reputation under a trade name or mark to which he has rights, he may lose his right to complain, and may even be debarred from himself using such name or mark”²

If the proprietor of trade mark even being aware of the use of his trade mark by another does not take any action, rather lets him to invest in popularising his trade mark and expand his business over a period of time, then the proprietor of the trade mark may become disentitled to the remedy of injunction against the other user of his trade mark by which otherwise he could restrain the other user from the use of his trade mark. As under the trade marks law such conduct of the proprietor indicates an “acquiescence” i.e., the *implied consent* on his part in the use of his trade mark by the other.

Although “acquiescence” has been held to be as a complete defence for the other user of the trade mark against the proprietor of the trade mark yet until the enactment of Trade Marks Act, 1999 the defence of “acquiescence” was not clearly laid down under the Trade Mark Law in India. In the absence of clearly defined defence of “acquiescence” under the Trade Marks Law until the enactment of Trade Marks Act, 1999, judiciary in India played pivotal role in giving the meaning to “acquiescence” as the defence for the other user of the trade mark against the exclusive right of the proprietor over his trade mark. While explaining the meaning of *acquiescence*, the Judicial opinion has laid down certain essentials of the defence of “acquiescence” under the Trade Mark Law. This paper analyses the meaning as well as legal consequence of “acquiescence” on the part of a proprietor of trade mark in the use of his trade mark by the other in the light of judicial interpretation of the statutory provisions that referred to the defence of “acquiescence” under the Trade Mark Law applicable in India prior to the enactment of Trade Marks Acts, 1999.

1. Reader in Law, Deptt. of Laws, Punjab University, Chandigarh.

2. *Halsbury's Laws of England, Second edition, Vol.32, page 656, Paragraph 966*

“Consequence”: Prior to the Trade Marks Act, 1999

Although prior to the Trade Marks Act 1999 defence of “acquiescence” was not clearly laid down under the Trade and Marks Act, 1958 or under Trade Marks Act 1940 yet the other user the trade mark took it as a defence against the proprietor of the trade mark under the relevant provision that referred to “acquiescence” on the part of the proprietor of the trade mark under the Trade Marks Law that was applicable at the time. For example judicial opinion permitted the other user of the trade mark to take the defence plea of “acquiescence” within the expression “special circumstances” in section 10(2) of the Trade Marks Act, 1940 which read as follows:

Sec.10 (2) In case of honest concurrent use or of other **special circumstances** which, in the opinion of the register, make it proper so to do he may permit the registration by more than one proprietor of trade mark which are identical or nearly resemble each other 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.

Later when Trade Marks Act, 1940 was repealed and Trade and Merchandise Marks Act, 1958 came into force the other user took the defence plea of “acquiescence” against the proprietor of the trade mark within the expression “special circumstances” under Clause (1) of subsection (b) of Section 30 of the Trade and Merchandise Marks Act, 1958 which read as follows;

Sec.30. Acts not constituting infringement :- (1) Notwithstanding anything contained in this Act, the following acts do not constitute an infringement of the right to use of a registered trade mark - (b) the use by a person of a trade mark in relation to goods connected in the course of trade with the proprietor or a registered user of the trade mark if, as to those goods or bulk of which they form part, the registered proprietor or the registered user conforming to the permitted use has applied the trade mark and has not subsequently removed or obliterated it, **or has at any time expressly or impliedly consented** to the use of the trade mark.

Trade and Merchandise Marks Act, 1958 has been repealed by the Trade Marks Act, 1999. Trade Marks Act 1999 that came into force in 2003 has made a clear provision for the defence of “acquiescence” for the other user of the trade mark against the proprietor of the trade mark under sec.33 of it.

Sec.33 of the Trade Marks Act, 1999 providing for the defence of “acquiescence” to the other user of the trade mark against the proprietor of the trade is an improvement upon the earlier reference to the acquiescence within the statutory provision under the Trade and Merchandise Marks Act, 1958 and

Trade Marks Act, 1940. As sec.33 of the Trade Marks Act, 1999 lays down the defence of “acquiescence” to the user of the trade mark against registered proprietor of the trade mark with much clarity.

Meaning of “Consequence”: Judicial Opinion

As prior to the provision of “acquiescence” under sec.33 of the Trade Marks Act, 1999 the essentials of the defence of “acquiescence” were not clearly laid down under the Trade Marks Act, 1940, or under the Trade and Merchandise Marks Act 1958, the meaning and scope of the term “acquiescence” as a defence to the other user of the trade mark under the Trade Mark Law depended largely upon the judicial opinion. The judiciary in its turn has made considerable contribution in giving meaning to the defence of “acquiescence: so far as its place in the trade marks law is concerned. In its attempt to give meaning to the defence of “acquiescence” the judiciary has specified the essentials of the defence of acquiescence whenever the proprietor of such trade mark sought the injunction by filing suit against the unauthorized use of his trade mark by the other and the other user resisted it on the ground of “*acquiescence*” i.e., the implied consent of the registered proprietor in the use of his trade mark. Significance of the judicial opinion in the context of the defence of “*acquiescence*” in the matter of unauthorized use of the trade mark by the person other than the proprietor lies in the fact that provision of “*acquiescence*: under sec.33 of the Trade Marks Act, 1999 reflects all the essential of the “*acquiescence*” which the judicial opinion has established over the years in its successive judgments as a complete defence for the other user against the proprietor of the trade mark.

“Consequence”: “Delay” Coupled with “ Implied Consent”

Tracing down judgments of the Courts in Indian from the beginning i.e., even prior to the Trade Marks Law was enacted in India, one finds that judicial opinion in India had firmly established that simple delay by the proprietor of a trade mark in filing the suit against the unauthorized use of his trade mark by the other does not indicate proprietor’s acquiescence in the use of his trade mark by the other. For the defence of acquiescence against the proprietor of trade mark the other user of the trade mark must prove that the proprietor of the trade mark not only delayed in taking action against the unauthorized use of his trade mark by the other user but also encouraged him to use his trade mark by his conduct.

Judicial opinion prior to the Trade Marks Law in India:- Prior to the Trade Marks Act, 1940, as there was no trade mark law in India the Courts in India followed the judicial opinion of Courts of England and relied on the Report of the patent cases (RPC) and of Chancery Division (Ch.D) of England i this

matter and accordingly held that, “acquiescence” can not be inferred merely by reason of the fact that the proprietor has not taken any action against the infringement of his trade mark by the other. The Courts in India consistently held that for the defence of “acquiescence” delay in filing the suit must be accompanied by the knowledge of the proprietor about the unauthorized use of his trade mark by the other and encouraging the other user by allowing him to use his trade mark without any objection. So even before the trade mark law came into existence in India it had become an established principle of law in India that, to support a plea of “acquiescence” in trade mark case it must be shown that the proprietor has not only stood by for a substantial period but has also encouraged that other user to expend money in building up a business associated with the trade mark that belonged to the proprietor of the trade mark.

It was as early as in 1930 i.e., much before the Trade Mark Act, 1940, came into force in India that the Calcutta High Court³ had an opportunity to decide a case in which the defence of “acquiescence” was pleaded against the proprietor of the trade mark by the other user of the trade mark against the action for passing off taken against him by the proprietor of the trade mark under the common law. Calcutta High Court in this case explained the meaning of the “acquiescence” as a defence plea by the other user of the trade mark against the proprietor of the trade mark. This was the case of *Moolji Sikka & Co. v. Ramjan Ali*⁴ which was about colourable imitation of the labels attached to the bundles of ‘biris’ (an inferior substitute for cigarette). In this case the plaintiff alleged that the defendant’s labels on the bundles of his ‘biris’ are the colourable imitations of the labels attached on the bundles of his ‘biris’. The defendants on the other hand on the plea of acquiescence contended for the claim of concurrent right with the plaintiff to use that trade mark. The defendant pleaded that though the trade mark belonged to the plaintiff yet the defendant had been using the same trade mark for a long time for his ‘biris’ without any objection from the plaintiff. Plaintiff on the other hand proved that as soon as they received by information that the defendant was violating their rights in connection with their trade mark they sent the letter of objection to the defendant through their attorney but the defendant continued using the trade mark despite the objection by the plaintiff. As the element of implied consent of the proprietor of the trade mark an essential element of acquiescence was missing in this case the plaintiff was not held disabled in any way by way of acquiescence or delay from pursuing their legal rights, and they were entitled to an injunction and

3. *Moolji Sikka & Co. v. Ramjan Ali*, AIR 1930 Cal 678

4. *Id.*

to an account of profits against the defendant.

Thus in *Moolji Sicca & Co. v. Ramjan Ali*⁵ Calcutta High Court laid down the principle that, to set up the defence of “acquiescence” against the proprietor of the trade mark the other user must prove that the proprietor of the trade mark was not only aware of the use of his trade mark by the other but also encouraged the other user by not objecting to the use of his trade mark by him. In *Moolji Sicca & Co. v. Ramjan Ali*⁶ Calcutta High Court in its judgment quoted the observation made by Lord Justice Cotton in *Proctor v. Bennis* 36 Ch. Div.760 in the context of the defence of “acquiescence” which reads as follows:

“It is necessary that the person who alleges this laying by should have been acting in ignorance of the title of the other man, and that the other man should have known that ignorance and not mentioned his own title”

Similarly in *Gasper & Co. v. Leong Chey & Co.*,⁷ a case decided in 1934, the defence of “acquiescence” was taken by defendant who used the trade mark which was the colorable imitation of the trade mark of the plaintiff. In *Gasper & Co. v. Leong Chey & Co.*⁸ the plaintiff used the trade mark of “Steamer Brand” with the picture of steamer on the labels that were attached on the bottles of whiskey that they had been importing in Rangoon for more than twelve years. The defendant also started using the trade mark of steamer on the labels that were attached to their bottles of whiskey. The plaintiff charged the defendant with having adopted their trade mark in the hope and expectation of stealing part of their trade. They accordingly sought injunction restraining the defendants, their servants and agents from selling their whiskey with the labels containing the picture of steamer which was the colorable imitation of the labels used by the plaintiff. In this case “acquiescence” was taken as a defence by the defendant. As the defendants contended that the plaintiff had allowed other firms to use the picture of sailing ship on the labels attached to their bottles of whiskey. Therefore they contended that even if the plaintiff had acquired a right to the exclusive use of the steamer mark they had lost it by reason of their “acquiescence” in another firm using the picture of battleship on its label. In *Gasper’s case*⁹ the Court observed that, “of course where the owner of a trade mark stands by and allows a number of different people to copy his mark he loses his mark he loses his right in it by reason of the fact that he mark has

5. *Id.*

6. *Id.*

7. AIR 1934 Rang 297

8. *Id.*

9. *Id.*

become common to the trade". But the plaintiff in this case proved that the other firms who used the picture of a sailing ship or a cruiser used these marks for not more than one year and their use was never brought to the notice of the plaintiffs. As the Court in this case¹⁰ found that plaintiff did not lose their right to their trade mark by reason of their "acquiescence" the defendants were restrained from the use of the trade mark by injunction. Thus knowledge and no objection by the proprietor on the use of his trade mark by the other has been held to be the essential constituents of the term "acquiescence" as a defence available to the other user of the trade mark against the of proprietor to he trade mark.

*Devi Dass and Co. Banglore v. Althur Abboyye Chetty, Madras*¹¹ is an important case in which the other user of the trade mark successfully set up the defence of "acquiescence" against the of proprietor of the trade mark. In *Devi Dass and Co. Banglore v. Althur Abboyye Chetty, Madras* the appellant was the proprietor of the trade mark that consisted of a baby sitting on the four pieces of cloth for the cloth sold by him. The respondent also used the deceptively similar trade mark of a baby sitting on the single piece of cloth which he imported from England for its sale in India. The appellant in this case filed a suit for passing off action against the respondent. As the appellant contended that the respondent sold his cloth using a trade mark which was deceptively similar to his trade mark. On the other hand the respondent took the defence of "acquiescence" against the passing off action by the appellant. The respondent in the first instance proved that he used the trade mark of the baby sitting on the cloth in *good faith* and in entire ignorance that the appellant had already adopted the trade mark of the baby. Secondly, the respondent proved that the appellant even being aware of the use of his trade mark by the respondent took no action against the respondent between the period 1931 to 1935 during which the respondent spent Rs. 20,000/- in advertisement and in other ways in popularizing their goods as a result of which their business grew greatly year by year. On the proof of both the facts firstly, that the respondent used the trade mark of the appellant in good faith and secondly, the appellant took no action despite having the knowledge that their trade mark was being used by the respondents for a long time the Madras High Court allowed the respondent to take the defence of "acquiescence". Madras High Court in this case¹² held that, "to support a plea of acquiescence in a trade mark case it must be shown that the plaintiff has stood by for substantial period and thus encouraged the defendant to expend money in building up a business associated with the mark."

10. *Id.*

11. AIR 1941 Mad 31.

12. *Id.*

Madras High Court in its judgement in *Devidass's case* quoted¹³ an observation that was made by *Romer J.* in 1896 in *Rowland v. Michell* which reads as follows:

“If the plaintiff really does stand by and allow a man to carry on business in the manner complained of to acquire a reputation and to expend money he can not then after a long lapse of time, turn around and say that the business ought to be stopped.”

Thus even prior to the enactment of any trade mark law in India the judicial opinion in India had firmly established that for the defence of “*acquiescence*” delay in filing the suit by the proprietor against the unauthorized use of his trade mark by the other must be accompanied not only by the knowledge of the proprietor about the unauthorized use of his trade mark over a period of time by the other but also by the no objection by the proprietor despite the knowledge. As no objection by the proprietor despite his knowledge of unauthorized use of his trade mark by the other over a period of time implies a consent on the part of the proprietor of the trade mark and that constitutes the defence of “*acquiescence*”.

Judicial Opinion after the Trade Marks Law in India :- It has been seen that the judicial opinion that was formed with respect to the defence of “*acquiescence*” in the context of the unauthorized use of trade mark by the other user before the Trade Marks Law was enacted in India was carried forward in the same spirit after the enactment of Trade Marks Act, 1940 in India. For example in *Amritdhara Pharmacy v. Satya Deo Gupta*¹⁴ the Supreme Court of India had an opportunity to decide upon the defence of “*acquiescence*” that was taken up by the other user against the proprietor of the trade mark under sec.10 of the Trade Marks Act, 1940. In *Amritdhara Pharmacy v. Satya Deo Gupta*¹⁵ the respondent who was the other user of the deceptively similar trade mark “Lakshmandhara” was allowed to take the defence of “*acquiescence*” against the proprietor of the trade mark “Amritdhara”. In *Amritdhara Pharmacy v. Satya Deo Gupta*¹⁶ it was found that the proprietor of the trade name “Amritdhara” had been using this trade name for an ayurvedic medicine since 1903 which was also registered under Trade Marks Act, 1940. Whereas the respondent started using deceptively similar trade mark “Lakshmandhara” for the similar medicine since 1923 in a small way in Uttar Pradesh. Later the respondent used the trade mark “Lakshmandhara” extensively and publicized their trade mark in the same

13. *Id.*

14. AIR 1963 SC 449

15. *Ibid.*

16. *Ibid.*

journal in which the trade name Amritdhara was publicized. In this case it was established that the proprietor of Amritdhara and their agents were well aware if the advertisements if Lakshamandhara and they stood by and allowed the respondent (the proprietor of Lakshmandhara) to develop his business till he achieved annual turnover of Rs.43,000/- in 1949. As the circumstances of this case established that the other user of the deceptively similar trade mark used the trade mark Lakshamandhara with the full knowledge of the proprietor of the trade mark used the Amritdhara. Further proprietor of the trade mark Amritdhara did not object to the use of a trade name Lakshamandhara by the respondent although it was deceptively similar to their trade name Amritdhara, the Supreme Court held it to be a fit case in which the respondent who is the other user of the deceptively similar trade mark could take the plea of acquiescence under sub-sec. (2) of sec. 10 of the Trade Marks Act, 1940. Supreme Court in this case¹⁷ not only allowed the respondent to use the trade name Lakshamandhara but also permitted him to apply for the registration of the trade mark for sale in Uttar Pradesh only.

The essentials of the defence of “acquiescence” laid down by the judicial opinion before the enactment of the Trade Mark Act, 1940 that were carried forward after the enactment of the Trade Mark Act, 1940 were duly recognized further by the Judiciary under the Trade and Merchandise Marks Act, 1958 which repealed the Trade Marks Act, 1940. For example in *M/s. Hidesign v. Hi-Design Creations*¹⁸ while interpreting defence of “acquiescence” under Section 30 of the Trade and Merchandise Marks Act, 1958 Delhi High Court held that, “it is only when the plaintiff sits idly by, while the defendant spends a great deal of time, effort, money in building up of trade in the goods in the impugned name, to which the plaintiff claims exclusively right can a contention of acquiescence be raised.”

Interpreting the defence plea of “acquiescence” which the other user of the trade marks could take against the proprietor of the trade within the expression “special circumstances” under Clause (1) of sub-section (b) of Section 30 of the Trade and Merchandise Marks Act, 1958 the Supreme Court of India in *M/s Power Control Appliances and Others v. Sumeet Machines Pvt. Ltd.*¹⁹ held as follows:

“Acquiescence” is sitting by, when another is invading the rights and spending money on it. It is a course of conduct inconsistent with the claim for exclusive rights in trade mark, trade name etc., It implies positive acts, not

17. *Id.*

18. AIR 1991 Del. 243 at pg. 250.

19. (1994) 2 SCC 448.

merely silence or inaction such as involved in laches. It is important to distinguish mere negligence and acquiescence. "Acquiescence" is one facet of delay. If the plaintiff stood by knowingly and let the defendant build up an important trade entitle had become necessary to crush it, then the plaintiff would be stopped by their acquiescence. If the acquiescence in the infringement amounts to consent, it will be a complete defence. The acquiescences must be such as to lead to the inference of a licence sufficient to create a new right in the defendant."

"Consequence": Not for the fraudulent other user

At present sec.33 of the Trade Marks Act, 1999 clearly provides that the other user of the trade mark can take the defence of "acquiescence" against the proprietor of the trade mark if he has used the trade mark in good faith. It has been noted that even prior to the Trade Marks Act, 1999, while dealing with the defence of "acquiescence" taken by the other user of the trade mark judicial opinion in India had firmly established that 'where there is fraud there is no room for the doctrine of "acquiescence"'. Judiciary had consistently held that for the defence of "acquiescence" under trade mark law another essential is this that the other user must have used the trade mark in good faith and in complete ignorance of the title of the proprietor to that trade mark.

Judiciary in India has clearly laid down that the other user may prove that the proprietor of the trade mark did not take any action even though he knew about the unauthorized use of his trade mark and by his conduct encouraged the other user to use his trade mark, yet the other user can not take the benefit of the defence of "acquiescence" if he fails to prove that he had used the trade mark in good faith and in entire ignorance that the proprietor had already adopted the trade mark. It was as early as in 1930 much prior to the Trade marks law was enacted in India Calcutta High Court in *Moolji Sicca & Co. v. Ramjan Ali*²⁰ quoted in its judgment the observation made by Lord Justice Cotton in *Proctor v. Bennis* which read as follows:

"It is necessary that the person who alleges this laying by should have been acting in ignorance of the title of the other man, and that the other man should have known that ignorance and not mentioned his own title"

Following the observation made by Lord Justice Cotton in *Proctor v. Bennis* in page J. in *Moolji Sicca & Co. v. Ramjan Ali*.²¹ categorically held that 'where there is fraud there is no room for the doctrine of "acquiescence"'.

20. AIR 1930 Cal 678

21. *Id.*

The use of the trade mark by the other user in *good faith* as another essential of the defence of “acquiescence” was also given due recognition by the judiciary when the Trade Mark Law came into force in India . In *M/s. Hindustan Pencils Pvt. Ltd. v. M/s. India Stationary Products Co. Ltd*²². Delhi High Court had an opportunity to consider the question as to whether relief of injunction can be refused in the case of trade mark to a party merely on the ground of delay and laches under sec. 30 of Trade and Merchandise and Marks Act, 1958. Delhi High Court in this case²³ held that, “Even though there may be some doubt as to whether laches or acquiescence can deny the relief of a permanent injunction, it has been consistently held that if the other user acts fraudulently with the knowledge that he is violating the rights of the proprietor of the trade mark, the relief of injection is not denied.” Similarly in *M/s. Hidesign v. Hidesign Creations*²⁴ Delhi High Court reiterated that, “the “acquiescence” over a period of time has also be on the basis of honest concurrent user of the mark.” Thus even prior to the enactment of Trade Marks Act. 1999 judicial opinion in India had firmly established that the other user can not take the defence of “acquiescence” merely by reason of the fact that the proprietor of the trade mark has knowingly not taken any action against the other user of his trade mark. For the defence of “acquiescence” against the proprietor of the trade mark the other user must prove that he had used the trade mark of the proprietor of the trade mark in good faith and in complete ignorance of the title of the proprietor to that trade mark.

In *Hybo Hindustan v. Sethia Hosiery Mills*²⁵ High Court of Calcutta held that, “if it is established that the defendant is using the mark of the plaintiff with the knowledge that he is violating the plaintiff’s right delay should not defeat the prayer for injunction.”

At present use of the trade mark by the other user in good faith as an essential for the defence of “acquiescence” has been laid down under sub-section (1) of sec.33 of the Trade Marks Act, 1999.

“Consequence”: Legal Consequences

Denial of the relief of injunction

To protect the proprietor’s exclusive right to use his trade mark, against the unauthorized use of his trade mark by the other user *injunction* is an effective remedy under the Trade Marks Law. As injunction is the remedy by which the

22. AIR 1990 Del 19

23. *Id.*

24. AIR 1991 Del. 243 at pg.250

25. 2002 (24) PTC 65 Del

other user who has been making the unauthorized use of the trade mark is restrained from using the trade mark that belongs to the proprietor of the trade mark. But the other user of the trade mark may resist the remedy of injunction sought by the proprietor of the trade mark against him if he successfully puts up the defence of “acquiescence” against the proprietor of the trade mark.

About the refusal to grant injunction to the proprietor of the trade against the other use of the trade mark as the direct legal consequence of “acquiescence” the Supreme Court referring to sec. 30(b) of the Trade and Merchandise Marks Act, 1958 in *M/s. Power Control Appliances and Others v. Sumeet Machines Pvt. Ltd.*,²⁶ held that, “it is not correct to contend that once the trade mark is infringed the plaintiff would be entitled to injunction. Section 30(b) is still applicable and it is open to this respondent to show that there had been an implied consent to the use of the trade mark.

Earlier in *M/s. Hindustan Pencils Pvt. Ltd. v. M/s. India Stationary Products Co. Ltd.*²⁷ Delhi High Court held as follows:

“Acquiescence may be a good defence even to the grant of a permanent injunction because the defendant may legitimately contend that the encouragement of the plaintiff to the defendant’s use of the mark in effect amounted to the abandonment by the plaintiff of his right in the favour of the defendant and, over a period of time, the general public has accepted the goods of the defendant resulting in increase of its sale. However, it will be for the defendant in such cases to prove acquiescence by the plaintiff. Acquiescence can not be inferred merely by reason of the fact that the plaintiff has not taken any action against the infringement of its rights”. circumstances of each case. Much earlier in 1941 in *Devi Dass v. Alathur Abbovee Chetty* the Madras High Court held that, “the plaintiff loses his right of action against the defendant by reason of his acquiescence in the defendants in the use of the mark complained of. Each case must depend on its own circumstances, but obviously a person can not be allowed to stand by indefinitely without suffering without the consequences”. In *B.L. & Company v. Pfizer Products*³¹. Division Bench of Delhi High Court held that where a party permits opposite party to incur promotional and other expenses on trials etc., Launching of products and other such activities, the factor of delay alone is sufficient to deny the restraint order. It the proprietor of trade mark being aware of the use of his trade mark by another trader does not take any action for a continuous period of five years

26. *Id.*

27. AIR 1990 Del. 19 at p.31.

30. AIR 1941 Mad.31.

31. 2001 PTC 797 Del (DB).

against the use of his trade mark by another trader. Then, he is disentitled to oppose the use of his trade mark by the other trader on the ground of acquiescence. Recently in *Sudhir Bhatia & Ors v. Midas Hygiene Industries (P) Ltd.*³² the defence of “acquiescence” was pleaded by the other user against the proprietor of the trade mark under sec30 of the Trade and Merchandise and Marks Act. 1958. In this case the respondent had used the original trade mark LAXMAN REKHA and the appellant had used the trade mark MAGIC LAXMAN REKHA. The respondent by their inaction for five years has permitted the appellant to make endeavors to increase its business vigorously by using the trade mark MAGIC LAXMAN REKHA. Silence for five years shows an element of acquiescence on the part of respondent. Therefore in this case³³ the relief of interim injunction was not granted in the favour of respondent by the Delhi High Court. Whereas sub-section (1) of sec.33 of the Trade Marks Act. 1999 specifies the *continuous* time period of *five years* during which the proprietor of the trade mark must have acquiesced in the use of his trade mark by the other user. However sec.33 of the Trade Marks Act. 1999 also clearly lays down that the other user can take the benefit of the defence of “acquiescence” against the proprietor of the trade mark only if he has used the trade mark belonging to the proprietor in *good faith*.

At present Sec.33 of the Trade Marks Act, 1999 clearly lays down that if the “acquiescence” on the part of the proprietor of a trade mark continuous for a period of five years and the other user has used the trade mark of the proprietor in good faith then the proprietor of the trade mark not only becomes disentitled to the remedy of injunction against the other user of his trade mark but also loses his right to oppose registration of his trade mark by the other user in his name.

CONCLUSION

In case of infringement of the trade mark if it is registered and passing off a trade mark in case it is not registered, the proprietor of the trade mark can not only restrain the unauthorized use of his trade mark by the remedy of injunction against the other user but has the right to oppose the registration of his trade mark also by the other user under the Trade Marks Law. But the proprietor of a trade mark is disentitled to take the benefit of these remedies if he knowingly does not take any action against the unauthorized use of his trade mark by the other and by his inaction encourages him to invest in popularizing his trade mark and expand his business over a period of time. Such an inaction on the part of

32. 2002 (24) PTC 94 (Del) (DB)

33. *Id.*

the proprietor of a trade mark despite his being aware of the use of his mark by the other person over a period of time implies “acquiescence” i.e., *implied consent* of the proprietor of the trade mark in the use of his trade mark by the other. On the other hand it is also the settled principle of law that the other user of the trade mark can take the benefit of the defence of “*acquiescence*” against the proprietor of the trade mark only if he proves that he had used this trade mark in *good faith* and in complete ignorance of the title of the proprietor. It has been seen that prior to the enactment of Trade Marks Act, 1999 the judicial opinion in India had firmly established that for the defence of “*acquiescence*” against the proprietor of the trade mark the other user must satisfy all the four essentials, which are as follows ; i) ignorance of the other user about the proprietor’s right to the title to the trade mark, ii) knowledge of the proprietor for the trade mark that the other person is using his trade mark, iii) no objection from the proprietor of the trade mark despite the knowledge of unauthorized use of his trade mark by the other, and iv) the other person used it over a period of time. All these essentials are now statutorily laid down under sec. 33 of the Trade Marks Act, 1999 which at present is applicable in India. It is also concluded that although under the Trade Marks Law there can be only one mark, one source and one proprietor of a trade mark, yet the “*acquiescence*” of the proprietor of a trade mark in the use of his trade mark by the other confers a legal right upon the other user to use not only trade mark concurrently with the proprietor of the trade mark but also to apply for the registration of the trade mark in his name under the Trade Marks Law in India.