JUDGMENT SHEET
IN THE ISLAMABAD HIGH COURT, ISLAMABAD
JUDICIAL DEPARTMENT

F.A.O. No.76 of 2021
Nauman Safdar
Versus
CITI Lab (Computerized Innovative Tests and Investigation Lab)

Dates of Hearing:	27.08.2021, 22.09.2021, 05.10.2021, 18.10.2021 & 10.11.2021.
Appellant by:	Mr. Misbah-ul-Mustafa, Advocate.
Respondent by:	Mr. Shaharyar Sohail, Advocate.

MIANGUL HASSAN AURANGZEB, J:- Through the instant appeal, the appellant Nauman Safdar, who is running a business under the name and style of "CITI Lab and Research Center" at Islamabad, impugns the order dated 06.07.2021 passed by the Intellectual Property Tribunal, Islamabad, whereby the application for interim injunction filed by the respondent, CITI LAB (Computerized Innovative Tests and Investigation LAB) along with its suit for recovery of damages, permanent and mandatory injunction under the Trade Marks Ordinance, 2001 (**"the 2001 Ordinance"**), was allowed and the appellant was restrained from using the trade mark "CITI LAB".

2. The facts essential for the disposal of this appeal are that on 27.09.2000, the Registrar of Trade Marks issued a certificate of registration of trade mark No.166346 in the name of Jamal Nasir, the sole proprietor of "CITI LAB Manufacturer and Merchant and Packer" in Class Heading-1 in respect of *"chemical for industrial use."* The validity period of the said registration was extended on 29.11.2006.

3. On 08.05.2012, the Registrar of Trade Marks issued a certificate of registration of trade mark No.319671 in the name of Jamal Nasir, trading as "Computerized Innovative Tests & Investigation Lab (CITI LAB)" in Class Heading-1 in respect of *"chemical for Industrial."* On 13.03.2013, the validity period of the said registration was extended.

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4. The appellant claims to be running his business under the name and style of "CITI LAB" since 1989. He also claims to have a wide network of laboratories and collection points in Pakistan. On 07.11.2020, the respondent filed a suit for recovery of damages, etc. against the appellant before the Intellectual Property Tribunal, Islamabad. Along with the said suit, the respondent also filed an application for interim injunction which was allowed vide order dated 06.07.2021 and the appellant was restrained from using the respondent's registered trade mark "CITI LAB". In the instant appeal, the appellant has assailed the said order dated 06.07.2021.

5. Learned counsel for the appellant, after narrating the facts leading to the filing of the instant appeal, submitted that the respondent's registration is only in Class Heading-1 in respect of *"chemical for industrial use;"* that the respondent's trade mark has not been registered for medical services; that although the appellant's trade mark is not registered, he has been working under the trade name "CITI LAB" since 1989; that the appellant's application for the registration of trade mark is still pending with the Intellectual Property Organization (**"I.P.O."**) and the respondent has filed objections to the appellant's said application; that had the appellant been using the trade mark of "CITI LAB" for any chemical for industrial use, there could have been a case for an infringement of the respondent's trade mark; that the respondent has submitted an application on 18.01.2021 for the registration of the trade mark "CITI LAB" in Class Heading-44 in respect of medical services etc.; that till date, the said application has not been allowed, and the appellant has submitted objections to the said application; and that unless the respondent's said application is allowed, the Intellectual Property Tribunal could not have restrained the appellant from using the trade mark "CITI LAB" for business other than *"chemical for industrial use."* Learned counsel for the appellant prayed for the instant appeal to be allowed and for the application for interim injunction filed by the respondent before the Intellectual Property Tribunal to be dismissed. In making his submissions, learned

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counsel for the appellant placed reliance on the judgment reported as Soneri Travel and Tours Ltd. Vs. Soneri Bank Limited (2011 CLD 193).

6. On the other hand, learned counsel for the respondent submitted that the appellant's application for the registration of trade mark "CITI LAB" has not been decided as yet; that the appellant wants to take undue advantage of the goodwill created by the respondent's business of medical services by using the name "CITI LAB" for his own business; that when the respondent's trade mark was initially registered on 27.09.2000, Class Heading-44 was not available in the International Classification of Goods and Services ("**I.C.G.S.**"); that Class Heading-44 was introduced in the 8th Edition of the I.C.G.S., which was implemented in the year 2002; that since prior to 2002, the trade mark for medical services would get registered in Class Heading-1, therefore, the respondent's registration of trade mark "CITI LAB" on 27.09.2000 is in Class Heading-1; that the extension in the respondent's registration of trade mark in 2012 was also in Class Heading-1 and the appellant did not object to the said extension; that since the appellant does not have a registered trade mark in any Class Heading, the Intellectual Property Tribunal did not commit any illegality by allowing the respondent's application for interim injunction; and that the case law relied upon by the learned counsel for the appellant is not relevant since it pertains to a dispute between a bank and a travel agent, and the contesting parties in the said case were engaged in businesses which had no nexus with each other. During the course of the arguments, learned counsel for the appellant had submitted that the appellant was still continuing to provide medical services but due to the injunctive order passed by the Intellectual Property Tribunal, it is not using the name "CITI LAB" during the course of its trade. Learned counsel for the respondent prayed for the appeal to be dismissed.

7. I have heard the contentions of the learned counsel for the contesting parties and have perused the record with their able assistance. The facts leading to the filing of the instant appeal are

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set out in sufficient detail in paragraphs 2 to 4 above and need not be recapitulated.

8. It is an admitted position that the respondent's trade mark "CITI LAB" was registered on 27.09.2000 in Class Heading-1, which according to the I.C.G.S. (7th Edition) (in vogue when the certificate of registration was issued by the Registrar of Trade Marks to the respondent), read thus:-

> ***"Class-1: Chemicals used in industry, science and photography, as well as in agriculture, horticulture and forestry; unprocessed artificial resins, unprocessed plastics; manures; fire extinguishing compositions; tempering and soldering preparations; chemical substances for preserving foodstuffs; tanning substances; adhesives used in industry."***

9. The Explanatory Notes to the I.C.G.S. make it clear that Class Heading-1 includes mainly chemical products used in industry, science and agriculture, including those which go to the making of products belonging to other classes.

10. At the stage when the respondent's trade mark was first registered on 27.09.2000, the I.C.G.S. then in force did not have a separate Class-Heading for medical services, although Class Heading-42 in the I.C.G.S. (7th Edition) also included *"medical, hygienic and beauty care."* A separate Class Heading for medical services was first introduced in the 8th Edition of the I.C.G.S. in June 2001, which read as follows:-

> ***"Class-44: Medical services; veterinary services; hygienic and beauty care for human beings or animals; agriculture, horticulture and forestry services."***

11. Class Heading-44 was introduced in the I.C.G.S. (8th Edition) issued in June 2001 and the same was admittedly implemented in the year 2002.

12. It appears that after the respondent filed the suit against the appellant before the Intellectual Property Tribunal, it realized the necessity of having its trade mark registered in Class Heading-44. Therefore, on 18.01.2021, the respondent applied for the registration of the trade mark "CITI LAB" in Class Heading-44. Presently, the 10th Edition of the I.C.G.S. is in vogue and the same was enforced in 2011. Class Heading-44 in I.C.G.S. (10th Edition) reads thus:-

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"Class-44 Medical services; veterinary services; hygienic and beauty care for human beings or animals; agriculture, horticulture and forestry services."

13. In these circumstances, the vital question that needs to be answered is whether the appellant had infringed the respondent's registered trade mark by using "CITI LAB" for his business of providing medical services.

14. Section 12(1) of the 2001 Ordinance provides that a trade mark may be registered in accordance with the provisions of the said Ordinance in respect of (a) goods; (b) services; or (c) both goods and services, comprised in the prescribed classification of goods or services in accordance with the I.C.G.S.

15. The Trade Marks Rules, 2004 were made by the Federal Government in exercise of the powers conferred by Section 132 of the 2001 Ordinance. Rule 11 of the said Rules provides that for the purposes of the registration of a trade mark and of the said Rules, goods and services shall be classified in the manner specified in the Fourth Schedule, which sets out the current version of the classes of the I.C.G.S. Entry No.44 of the Fourth Schedule is in *pari materia* to Class Heading-44 of the I.C.G.S. (8th, 9th and 10th Edition), whereas Entry No.1 of the Fourth Schedule is in *pari materia* to Class Heading-1 of the I.C.G.S.

16. Although the respondent may have developed a reputation in providing medical services under the trade mark "CITI LAB" but it ought to be borne in mind that currently the respondent's trade mark is not registered for providing medical services, and its application for the registration of the trade mark in Class Heading-44 has not been decided as yet. In order to determine whether the appellant has infringed the respondent's trade mark by engaging in the business of provision of medical services by using a name which is similar if not identical to the respondent's registered trade mark in Class Heading-1, it needs to be seen whether the appellant has transgressed any of the provisions of Section 40(1) to (4) of the 2001 Ordinance, which is reproduced herein below:-

*"**40. Infringement of registered trade mark** –*

(1) A person shall infringe a registered trade mark if such person uses in the course of trade a mark which is identical with the trade mark in relation to goods or

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services which are identical with those for which it is registered...

(2) A person shall infringe a registered trade mark if such person uses in the course of trade a mark where because –

(a) the mark is identical with the trade mark and is used in relation to goods or services similar to the goods or services for which the trade mark is registered; or

(b) the mark is deceptively similar to the trade mark and is used in relation to goods or services identical with or similar to the goods or services for which the trade mark is registered, there exists a likelihood of confusion on the part of public, which includes the likelihood of association with the trade mark.

(3) A person shall infringe a registered trade mark if the person uses in the course of trade a mark which is identical with or deceptively similar to, the mark in relation to-

(a) goods of the same description as that of goods in respect of which the trade mark is registered;

(b) services that are closely related to goods in respect of which the trade mark is registered;

(c) services of the same description as that of services in respect of which the trade mark is registered; or

(d) goods that are closely related to services in respect of which the trade mark is registered.

(4) A person shall infringe a registered trade mark if the person uses in the course of trade a mark which-

(a) is identical with or deceptively similar to the trade mark; and

(b) is used in relation to goods or services which are not similar to those for which the trade mark is registered.

Where the trade mark is a well-known trade mark or has a reputation in Pakistan, and the use of mark, being without due cause, takes unfair advantage of, or is detrimental to, the distinctive character or the repute of the trade mark."

(Emphasis added)

17. In order to make out a case for infringement under Section 40(4) of the 2001 Ordinance, it has to be shown that the appellant had used in the course of trade a mark which was identical with or deceptively similar to the respondent's registered trade mark or was using it in relation to goods or services which are not similar to those for which the respondent's trade mark was registered.

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This provision would apply where the trade mark is a well-known trade mark or has a reputation in Pakistan, and the use of the mark, being without the due cause, takes unfair advantage of, or is detrimental to the distinctive character or the repute of the trade mark.

18. Now, the appellant is using the name "CITI LAB" in relation to services which are not similar to those *"for which the trade mark is registered."* The respondent's trade mark "CITI LAB" was registered in Class Heading-1, whereas the appellant is using the said mark in the course of the trade of providing medical services which are relatable to Class Heading-44.

19. Learned counsel for the appellant did not dispute the fact that at the time when the respondent's trade mark was registered, the trade of providing medical services was covered under Class Heading-1. As explained hereinabove, at that time there was no separate Class Heading for medical services. The respondent has been using the trade mark "CITI LAB" in the course of the trade of providing medical services. Since it is an admitted position that the respondent's trade mark "CITI LAB" was registered more than twenty years ago, and the respondent has been using the said trade mark since the year 2000, in these circumstances, my *prima facie* view at this interim stage would be that the respondent's registered trade mark "CITI LAB" was well-known and had a reputation.

20. In the case of Soneri Travel and Tours Vs. Soneri Bank Limited *(supra),* the plaintiff / bank had a registered trade mark comprising of the words *"Soneri Bank Limited."* It was alleged that the said trade mark was being infringed by the defendant / travel agency by using the word *"Soneri"* as a part of its name *"Soneri Travel and Tours (Pvt.) Ltd."* The plaintiff's trade mark was registered only in respect of traveler cheques and credit cards, whereas the defendant was providing services as a travel agency. The Hon'ble High Court of Sindh dismissed the plaintiff's application for interim injunction against the use of the word *"Soneri"* by the defendant in its trade name by holding *inter alia* that non-trade mark use of a mark was not within the prohibition of

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Section 40(4) of the 2001 Ordinance. Furthermore, it was held that the reputation which the plaintiff may have acquired in respect of banking services or business in general was not relevant, and that the reputation is to be linked to the goods or services for which the trade mark was registered. It was also held that for there to be an infringement of a trade mark, it must be shown that there is a direct and substantial nexus between the *"reputation"* and the goods or services covered by the trade mark.

21. The distinctive feature between the said case and the case at hand is that in this case both the appellant and the respondent are engaged in the trade of providing medical services. The respondent has been granted a registered trade mark "CITI LAB" in Class Heading-1, whereas the appellant does not have any registered trade mark. It was on the basis of the trade mark "CITI LAB" granted to the respondent in the year 2000 that it commenced the trade of providing medical services. The respondent's registered trade mark "CITI LAB" is also clearly indicative of the trade of providing medical / laboratory services. The Hon'ble Supreme Court in the case of Shan Foods Industries Vs. Eastern Products (Pvt.) Ltd. (2012 SCMR 1504) referred to and distinguished the judgment in the case of Soneri Travel and Tours Vs. Soneri Bank Limited *(supra)* by holding that the goods and services being offered by the contesting parties in the said case were totally distinctive *i.e.,* one party's business consisted of banking services whereas that of the other party consisted of providing travel services, and therefore, there was no danger of any confusion. In the instant case, however, the services being offered by the appellant and the respondent are the same *i.e.,* medical / laboratory services, and therefore, the use of the name "CITI LAB" by the appellant would *prima facie* result in confusion and deception which in turn would be detrimental to the respondent who has a registered trade mark "CITI LAB" since the year 2000 *albeit* in Class Heading-1.

22. In view of the above, I do not find any illegality in the impugned order dated 06.07.2021. Consequently, the instant appeal is dismissed. Needless to mention that nothing observed

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herein shall operate to the detriment of either party in the proceedings before the Intellectual Property Tribunal as well as the proceedings pursuant to the contesting parties' applications before the Intellectual Property Organization, Trade Marks Registry.

(MIANGUL HASSAN AURANGZEB)
JUDGE

ANNOUNCED IN AN OPEN COURT ON 19.01.2022.

(JUDGE)

*Ahtesham**

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