JUDGEMENT SHEET

IN THE ISLAMABADHIGH COURT, ISLAMABAD
JUDICIAL DEPARTMENT

C. M. A No.06/2022

M/s Shaheen Chemist through its Proprietor & others.
Vs.
Zahid Mehmood Chaudhry & another.

APPELLANTS BY:	Barrister Talha Ilyas Sheikh, Advocate.
RESPONDENT BY:	Mr. Muhammad Junaid Akhtar Khokhar, Advocate.
DATE OF DECISION:	28.07.2022.

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BABAR SATTAR, J.- Through this judgment this Court will decide C.M.As No.06, 09, 10, 11 & 12 of 2022. The appellants are aggrieved by order dated 08.12.2021 passed by the learned Intellectual Property Tribunal, Islamabad & Khyber Pakhtunkhwa ***("Tribunal")***, pursuant to which the learned Tribunal returned the applications filed by the appellants seeking invalidation and cancellation of respondent No.1's ***("Respondent)*** trademark, with the observation that such applications are to be filed before the learned District Judge.

2. The learned counsel for the appellants stated that their applications for revocation of impugned trademark "*Farzana Shaheen Chemist*" was returned by the learned Tribunal on the basis that such proceedings are to be filed before the District Court. He stated that Section 117 of the Trade Marks Ordinance, 2001 ***("Ordinance")***, vested jurisdiction in a District Court in relation to infringement of trademarks. And Section 73(4) and Section 80(4) of the Ordinance provided that in cases of

revocation of a registered trademark, the complaint would be filed before the Registrar except in cases where the matter was pending before a High Court or District Court, in which case the proceedings would be filed before such Court. He further submitted that the Intellectual Property Organization of Pakistan Act, 2012 ***("Act")***, consolidated the adjudicatory mechanism in relation to Intellectual Property Laws. "Intellectual Property Laws" have been defined in the Act to include the Ordinance. Section 17 of the Act enumerates the powers of the Tribunal and explicitly provides that all civil proceedings pending in any Court instituted under Intellectual Property Laws are to be transferred to the Tribunal. And further Section 18 of the Act provides that all suits and other civil proceedings regarding infringement of Intellectual Property Laws are to be instituted and tried by the Tribunal. He submitted that Section 39 of the Act is an overriding provision providing that the Act would prevail in the event of any inconsistency between its provisions and the provisions of any other law. He stated that despite clear jurisdiction vested by the Act, the learned Tribunal failed to exercise it by returning the applications filed by the appellants and consequently the impugned order suffers from infirmity. He further contended that even the scheme of Section 80 of the Ordinance contemplated applications seeking declaration of invalidity of a trademark to be filed before the District Judge or the High Court in the event that proceedings concerning the trademark in question were pending before such Court in order to prevent piecemeal litigation and conflicting decisions in relation to the same trademark by different forums. He relied on ***Italfarmaco S.P.A vs. Himont***

Pharmaceuticals Private Limited and another ***(2017 CLD Lahore 1382)*** and ***Messrs H&B, General Trading Company through Director vs. Messrs International Marketing Company through Proprietor and 02 others*** ***(2009 CLD Karachi 1028)*** in support of this argument. He submitted that in ***Dr. Syed Iqbal Raza and others vs. Justice of Peace, Islamabad and others*** ***(2019 CLD Islamabad 642)*** this Court had held that under Section 18(2) of the Act the Tribunal had exclusive jurisdiction to try offences in relation to Intellectual Property Laws and that Intellectual Property Organization (IPO) had exclusive power to initiate and conduct inquiries and investigations in relation to offences arising out of the Copyright Ordinance, 1962 ***("Copyright Ordinance")***. And that in ***State through Deputy Attorney General vs. Ikramullah*** ***(PLD 2021 Balochistan 01)*** the learned Balochistan High Court while relying on the aforementioned judgment of this Court also reiterated that the Tribunal had exclusive jurisdiction to try offences with regard to Intellectual Property Laws. He further relied on ***Muhammad Multazam Raza vs. Muhammad Ayub Khan and others*** ***(2022 SCMR 979)*** and ***Mahile Engine Components Japan Corporation vs. Azam Autos & others*** ***(Suit No.2058 of 2019)*** decided by the learned Sindh High Court for the proposition that all suits and proceedings arising in relation to Intellectual Property Laws are to be filed before the Tribunal. He finally submitted that in view of the law as laid down, the Tribunals functioning in Karachi and Lahore were already entertaining all suits and proceedings arising in relation to Intellectual Property Laws and it was just

the learned Tribunal in Islamabad that was insisting that only claims in relation to infringement of the Intellectual Property Rights could be brought before the learned Tribunal and all other claims and proceedings seeking remedies under Intellectual Property Laws were to be filed before the learned District Judge.

3. The learned counsel for the Respondent submitted that claim for infringement under the Ordinance was different from proceedings seeking declaration of invalidity of a trademark. He submitted that the suit for infringement was to be instituted before the District Court in view of Section 117 of the Ordinance. But the suit seeking declaration of invalidity of a trademark was to be filed before the Registrar of Trademarks or before a High Court or District Court in view of the Section 80(4) of the Ordinance. He contended that in view of Section 18(1) of the Act jurisdiction vested in the Tribunal was limited to infringement of Intellectual Property Rights and consequently the said provision only affected Section 117 of the Ordinance in view of which suits for infringement of trademarks were now to be filed before the Tribunal. But as the language used in Section 18(1) of the Act was restricted to claims of infringement, an application seeking that a registered trademark be declared invalid still needed to be filed before the Registrar of Trademarks or a District Court, as the case may be, in view of provisions of Section 80 of the Ordinance. He contended that the claim of the appellants were not one of infringement of their trademark as both the appellants as well as the Respondent had registered trademarks. The appellants were seeking a remedy under Section 80 of the Ordinance to have the registered trademark of the Respondent

declared invalid and such action was required to be brought before the learned District Judge and not the Tribunal, as had correctly been found by the learned Tribunal in the impugned order.

4. The question before this Court is which forum is vested with jurisdiction to adjudicate suits and other civil proceedings arising out of breach of the Intellectual Property Laws, including an action seeking declaration of invalidity in relation to a registered trademark. Answering the question would require interpretation of provisions of the Act and the Ordinance. In terms of contemporary background, prior to promulgation of the Act, the Intellectual Property Regime was fragmented. The Trade Marks Registry, the Copyright Office and the Patent Office established under the Ordinance, the Copyright Ordinance and the Patents Ordinance, 2000, respectively, all functioned independently. The Act changed that. It created the IPO pursuant to Section 3 of the Act and pursuant to Section 36 of the Act the Trade Marks Registry, Copyright Office and Patent Office all became part of the IPO. The preamble of the Act enumerates the legislative intent inspiring the promulgation of the Act. It states in relevant part that:-

> *AND WHEREAS it is expedient to establish the Intellectual Property Organization of Pakistan to provide for the institutional arrangement in the state setup for taking up exclusively and comprehensively all subjects and matters relating to intellectual property rights in an integrated manner and for matters connected therewith or incidental thereto.*

5. Section 2(h) of the Act defines "Intellectual Property Laws" as the laws specified in the Schedule to the Act and includes the following:-

> *(1) The Trade Marks Ordinance, 2001 (XIX of 2001).*
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> *(2) The Copyright Ordinance, 1962 (XXXIV of 1962).*
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> *(3) The Patents Ordinance, 2000 (LXI of 2000).*
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> *(4) The Registered Designs Ordinance, 2000 (XLV of 2000).*
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> *(5) The Registered Layout-Designs of Integrated Circuits Ordinance, 2000 (XLIX of 2000).*
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> *(6) Sections 478, 479, 480, 481, 482, 483, 485, 486, 487, 488 and 489 of Pakistan Penal Code (XLV of 1860).*

Section 16 of the Act provides for creation of Intellectual Property Tribunals and Sections 17 & 18 of the Act determine the powers and jurisdiction of such Tribunals as follows:-

> ***17. Powers of the Tribunals.*** *(1) Subject to the provisions of the Act, the Tribunal shall,*
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> *(a) in the exercise of its civil jurisdiction, have all the powers vested in a civil court under the Code of Civil Procedure, 1908 (Act V of 1908);*
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> *(b) in the exercise of its criminal jurisdiction, try offences made punishable under this Act and shall, for this purpose have the same powers as are vested in a Court of Sessions under the Code of Criminal Procedure, 1898 (Act V of 1898);*
>
> *(2) The Tribunal shall in all matters with respect to which the procedure has not been provided for in this Act, follow the procedure laid down in the Code.*
>
> *(3) All proceedings before the Tribunal shall be deemed to be judicial proceedings within the meaning or sections 193 and 228 of the Pakistan Penal Code (Act XLV of 1860).*
>
> *(4) Subject to sub-section (5), no court other than a Tribunal shall have or exercise any jurisdiction with respect*

to any matter to which the jurisdiction of the Tribunal extends under this Act.

(5) Nothing in sub-section (4) shall be deemed to affect any proceedings pending before such court immediately before the coming into force of this Act.

(6) All suits and proceedings pending in any court instituted under intellectual property laws shall stand transferred to, and be heard and disposed of by, the Tribunal having jurisdiction under this Act. On transfer of proceedings under this sub-section, the parties shall appear before the Tribunal concerned on the date previously fixed.

(7) In respect of proceedings transferred to the Tribunal under sub-section (6), the Court shall proceed from the stage which the proceedings had reached immediately prior to the transfer and shall not be bound to recall and re-hear any witness and may act on the evidence already recorded or produced before a court from which the proceedings were transferred.

18. Jurisdiction of the Tribunals. *(1) All suits and other civil proceedings regarding infringement of intellectual property laws shall be instituted and tried in the Tribunal.*

(2) Notwithstanding anything contained in any other law for the time being in force, the Tribunal shall have exclusive jurisdiction to try any offence under intellectual property laws.

6. The subject-matter before us relates to interpretation of Section 18(1) of the Act (the scope of Section 18(2) of the Act has already been interpreted by this Court in ***Dr. Syed Iqbal Raza*** and by the learned Balochistan High Court in ***Ikramullah***, wherein it was clarified that the Tribunal had exclusive jurisdiction to try offences in relation to Intellectual Property Laws). The question of which forum is competent to adjudicate challenges relating to infringement of trademarks came before

the august Supreme Court in ***Muhammad Multazam Raza,*** wherein it was held that:-

> *5. The Intellectual Property Tribunal, has been established under section 16 of the Intellectual Property Organization of Pakistan Act, 2012 ("the IPO Act 2012"). In terms of section 18 of the IPO Act, 2012, all suits and other civil proceedings regarding infringement of intellectual property laws are to be instituted in and tried by the tribunal. The said section further provides that notwithstanding anything contained in any other law the tribunal shall have exclusive jurisdiction to try any offence under the intellectual property laws. In terms of section 2(h), read with Schedule to the IPO Act 2012, the Ordinance 2001, falls within the definition of intellectual property laws. Whereas subsection (4) of section 17 of the IPO Act 2012, provides, that subject to subsection (5) of the said section, no court other than the tribunal shall have or exercise any jurisdiction with respect to any matter to which the jurisdiction of the tribunal extends under the said Act... It may also be relevant to note here that in terms of section 39 of the IPO Act, 2012, the provisions of the said Act shall have effect notwithstanding anything inconsistent therewith contained in any other law.*

It was further held that even a composite suit alleging infringement of trademark coupled with passing off would fall within the exclusive domain of the Tribunal in the following terms:-

> *12. It may also be relevant to note that what is described as a passing off action may either be a passing off action simplicitor or an action of infringement of trade mark coupled with passing off. Where the case of passing off action is based on infringement of trade mark, such suit shall necessarily require determination of the question whether there had been any infringement of the trade mark and where infringement of trade mark is alleged the suit must, in view of sections 17, 18 and 39 of the IPO Act, 2012, be instituted before the tribunal notwithstanding that the*

allegations in the suit were coupled with the allegation of passing off.

7. The question then is whether the jurisdiction of Tribunals is limited to adjudicating claims regarding infringement of Intellectual Property Rights only or whether the Tribunals are vested with jurisdiction to adjudicate all claims regarding breach of Intellectual Property Laws and for seeking statutory remedies provided thereunder. This matter came before the learned Sindh High Court in ***Mahile Engine Components Japan Corporation vs. Azam Autos & others*** ***(Suit No.2058 of 2019)*** where after discussing various provisions of the Act and the Ordinance it was held that:-

> *The specific inclusion of the Ordinance 2001 in the schedule of the Act 2012 makes it clear that such law would also fall within definition of the '**Intellectual Property Laws'** therefore, within meaning of Section 39 of the Act, the Act 2012 shall '**over-ride'** other related laws which legally includes **'Trade-Mark Ordinance 2001'** therefore, jurisdiction in such like matter shall lie with no other Court (s) but the **'Tribunal'**, so established within meaning of the Act 2012. The clear purpose was to establish a court that would be to deal with all matters. It is needful to add that there is not the slightest indication that the intention was to limit the range of disputes that would fall within the ambit of the **Tribunal**, established under the Act 2012 that some issues relating to '**Intellectual Property Laws'** would fall within its jurisdiction and others not. Instead, the breadth of language used suggests that the statutory purpose was to create a specialist court that would deal with all matters relating to **Intellectual Property Laws** which shall include those matter (s), too, that are relating to '**Intellectual Property Rights'** in an integrated manner and for matters **'concerned therewith or incidental thereto'** therefore, it would not be permissible for one to file a suit for such like matter (s), arising out of '**Intellectual Property Laws'** of*

> *cause thereof is based on an allegation of determination of any infringement of such right and entitlement, which either are integrated; concerned or ancillary to such **Law** else the purpose of creating Special Tribunal shall fall.*

With regard to Section 18(1) of the Act the learned Sindh High Court held that the provision, *"leaves nothing ambiguous that the Tribunal, even, shall be competent to entertain other **civil proceeding** which are based on an allegation of infringement of **intellectual property laws** hence it is quite safe to conclude that even an attempt to include relief, not specifically detailed in Act of 2012, in a suit entirely based on an allegation of infringement of Intellectual Property Laws, would not justify filing such lis before any other Court except the **Tribunal**. Needless to reaffirm another legally established principle that when a special court is created the apparent purpose of creating a single forum for resolving disputes of a particular type is not to be stultified by a resort to undue literalism."*

8. The obvious question that arises is whether the Act impliedly repealed and amended the Ordinance to the extent of the forum specified therein as being vested with jurisdiction to adjudicate suits seeking statutory remedies provided therein. Let us also reproduce, for convenience, the provisions of the Ordinance that specify the forum before which statutory remedies are to be sought.

> ***73. Revocation of registration.**-- (4) An application for revocation may be made by an interested party to the Registrar, except that-*
>
> *(a) if proceedings concerning the trade mark in question are pending in the High Court or a District Court, the*

application shall be made to the High Court or, as the case may be, the District Court; and

(b) in case the application is made to the Registrar, he may at any stage of the proceedings refer the application to the High Court or a District Court.

80. Grounds for invalidity of registration.-- *(4) An application for declaration of invalidity may be made by an interested party either to the Registrar or to the High Court or a District Court, except that:--*

(a) if proceedings concerning the trade mark in question are pending in the High Court or a District Court, the application shall be made to the High Court or a District Court; and

(b) in any other case, if the application has been made to the Registrar, he may at any stage of the proceedings refer the application to the High Court or a District Court.

117. Suits for infringement to be instituted before District Court.-- *No suit for the infringement of a trade mark or otherwise relating to any right in a trade mark shall be instituted in any court inferior to a District Court having jurisdiction to try the suit.*

9. Can the aforementioned provisions coexist with Sections 17 & 18 of the Act? Simple answer is no. They can't. While the Ordinance (and other Intellectual Property Laws) weren't expressly amended at the time of promulgation of the Act, Sections 17 & 18 of the Act contradict the adjudicatory forum-specifying provisions of the Ordinance reproduced above and thus the doctrine of implied repeal would have to be employed to reconcile and interpret provisions of the Ordinance.

10. The law on the doctrine of implied repeal as laid down by the august Supreme Court was summarized by this Court in

M/s Federal Bank for Co-operatives vs. Commissioner of Income Tax, Companies Zone (2021 PTD 1203) as follows:-

> *8. In view of the case law cited above, the following principles of interpretation can be deciphered while construing the meaning of seemingly conflicting provisions between special laws:*
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> > *i. While applying seemingly conflicting provisions of two statutes a court must seek to interpret them in a manner that affords harmonious construction and prevents the emergence of a conflict between their provisions. It is to be assumed that in the event the legislature wished to override an existing law it would do so explicitly and thus the doctrine of implied repeal is not to be readily or mechanically invoked.*
> >
> > *ii. Special law prevails over general law. And in a conflict between two special laws the one later in time will ordinarily prevail for being an embodiment of the latest expression of the legislature intent. But, as aforesaid, this principle is not to be mechanically applied as being aware of an earlier special law, the legislature could override the same through explicit language in a subsequent special law if it is so wished.*
> >
> > *iii. In the event that there is contradiction between the provisions of two statutes it is to be presumed that the statute within the provision of which the legislature has included a non-obstante clause is to be given overriding effect over provisions of the other statute that it is in conflict with, in order to give effect to expressed legislative intent. (In the event that both statutes contain non-obstante clauses, the special law will prevail over general law, and the law later in time will ordinarily prevail in case of conflict between two special laws). However, a non-obstante clause is also not to be given overriding effect in a mechanical fashion as the underlying object of the interpretive project undertaken by the court is to discover the meaning of words used by the legislature: a non-obstante clause is usually employed to suggest that the provision referred to in the non-*

obstante clause is to prevail over other provisions of the statute, but repugnancy between non-obstante clause and other clauses is not to be presumed and overriding effect is to be accorded only in case of irreconcilable conflict.

iv. In the event that harmonious construction cannot be accorded to the provisions of two special statues without giving tortured meaning to the words used in the text, the object, purpose and policy of the statutes is to be borne in mind in order to discover the legislative intent regarding which statute is to be given overriding effect and to be treated as the special law with overriding effect over another special law. It is possible that a law is to be treated as a special law vis-a-vis one enactment and general law vis-a-vis another enactment.

11. In view of the aforesaid, while interpreting provisions of the Act read together with provisions of the Ordinance, the following stands out:-

i. Section 117 of the Ordinance cannot coexist with Sections 17 & 18 of the Act no matter what interpretation of Section 18(1) of the Act is adopted, and consequently the doctrine of implied repeal would need to be applied given that at the time of promulgation of the Act, the Ordinance was not explicitly amended.

ii. The Act is a special law later in time to the Ordinance. It also includes as Section 39 of the Act a non-obstante provision clearly providing that provisions of the Act would have affect notwithstanding anything inconsistent with them in any other law for the time being in force. Thus

provisions of the Act would trump provisions of the Ordinance to the extent of any inconsistency.

iii. Sections 17 & 18 of the Act contradict Sections 117, 80 and 73 of the Ordinance to the extent that the latter provisions vest in the District Court or a High Court jurisdiction to adjudicate proceedings seeking statutory remedies provided under the Ordinance.

iv. The textual interpretation of Section 18(1) of the Act is straight forward. It provides that, "all suits and other civil proceedings regarding infringement of Intellectual Property Laws shall be instituted and tried in the Tribunal." The said provision neither creates a carve-out when it comes to the nature of proceeding nor one in relation to the nature of remedy being sought. Section 18(1) of the Act does not speak of infringement of Intellectual Property **Rights** but it instead uses the words "infringement of Intellectual Property **Laws**". Had the legislature spoken of the infringement of Intellectual Property Rights in Section 18(1) of the Act, there might have been some room to interpret Section 18(1) of the Act to mean that the jurisdiction vested in the Tribunal only related to seeking remedies against infringement of Intellectual Property Rights as provided under specific provisions of Intellectual Property Laws. But the use of the word "infringement" in Section 18(1) of the Act is in the

ordinary sense of the word. As the term is not defined in the Act, it is to be given its ordinary dictionary meaning to mean contravention, violation, transgression, breach etc. The ordinary textual meaning accorded to Section 18(1) of the Act leads to the conclusion that all actions for breach of provisions of Intellectual Property Laws, including suits and proceedings seeking remedies under provisions of Intellectual Property Laws are to be instituted and decided by the Tribunal alone.

v. A purposive interpretation of the Act leads one to the same conclusion. As already explained in the beginning of its opinion, the purpose of the Act was to consolidate the Intellectual Property Regime to create an IPO for administration and enforcement of Intellectual Property Laws and the Tribunal for adjudication of all civil and criminal matters arising in relation to Intellectual Property Laws. The legislative intent would stand defeated if one were to interpret Sections 17 & 18 of the Act, respectively, to conclude that while the infringement of Intellectual Property Rights falls within the domain of the Tribunal, based on the doctrine of implied repeal, when the said Sections are read together with Section 117 of the Ordinance, but that the doctrine of implied repeal does not affect Sections 73 & 80 of the Ordinance when it comes to the question of revocation or invalidation of a registered trademark.

vi. The legislative intent emanating even from provisions of the Ordinance was that there ought not be piecemeal adjudication of Intellectual Property claims in relation to the same trademark as is obvious from provisions of Sections 73 and 80 of the Ordinance as reproduced above. The same intent is evident from Section 18 of the Ordinance, which now provides that all claims in relation to Intellectual Property Laws, whether to prevent infringement of Intellectual Property Rights or to seek other statutory remedies provided under Intellectual Property Laws, such as that of seeking the revocation of a trademark or a declaration of invalidity of a trademark, fall within the exclusive domain of the Tribunal.

12. In view of the above, this Court finds that all suits and other civil proceedings seeking enforcement of statutory remedies provided under Intellectual Property Laws are to be instituted and decided by the Tribunal, which has exclusive jurisdiction to undertake such adjudication in view of Sections 17 & 18 of the Act read together with Section 39 of the Ordinance.

13. For the above reasons, these appeals are ***allowed*** and the impugned order is ***set-aside***. The applications filed by the appellants before the learned Tribunal will be deemed pending before it. The parties will appear before the learned Tribunal on ***17.08.2022***, which will then proceed to adjudicate the

applications in accordance with the law in an expeditious manner.

14. The office will transmit a copy of this judgment to the learned Member Inspection Team so it can be shared with the learned District Judges in Islamabad for their information.

(BABAR SATTAR)
JUDGE

Approved for reporting.

A. Rahman Abbasi.