

Effect of disclaimer on registered trademark

March 12 2018 | Contributed by [Vellani & Vellani](#)

Facts Decision

Facts

The appellant (Muhammad Ashraf, also known as Makkhan) filed an appeal in the High Court challenging an additional district judge's February 9 2015 decision dismissing an application for the grant of a temporary injunction against the respondent's (Muhammad Akram's) use of the mark MAKKHAN.⁽¹⁾

The appellant and respondent were brothers who were in business together under the name and trademark MAKKHAN (which means 'butter' in Urdu). While the appellant looked after sales and other external aspects of the business, the respondent manufactured goods.

The appellant had registered the mark MAKKHAN SWEETS AND BAKERS in his own name without informing the respondent, but used the respondent's address in the registration application.

The registration of the MAKKHAN SWEETS AND BAKERS trademark was subject to the disclaimer that the "Registration of this mark shall give no right to the exclusive use of MAKKHAN SWEETS AND BAKERS and other descriptive matter appearing on the label".

The respondent started a separate business selling his goods under the MAKKHAN mark.

On the basis of its MAKKHAN SWEETS AND BAKERS trademark registration, the appellant filed a suit against the respondent before the learned trial court for:

- a permanent injunction;
- damages and infringement of his trademark; and
- an injunction application to obtain a restraining order against the respondent's use of the MAKKHAN mark.

The injunction application was refused on the grounds that the appellant had disclaimed the exclusive right to use the words MAKKHAN SWEETS AND BAKERS in his registered mark. Therefore, in the absence of any exclusive right to use said term, the appellant had failed to establish a *prima facie* case.

The appellant filed an appeal through his counsel on the grounds that the additional district judge had not given due credence to the registration of his trademark and that as a result the decision was bad in law.

Subsequently, the respondent's counsel submitted that:

- the additional district judge's decision was consistent with the law, as the appellant could claim no exclusive right to use the disclaimed word MAKKHAN in his trademark registration;
- both the appellant and the respondent were using the trademark in question;
- the appellant and the respondent were running a business together under the name MAKKHAN SWEETS AND BAKERS; and

AUTHOR

[Seema S
Mansoor](#)



- the appellant had illegally registered the trademark in his name using the respondent's address.

Decision

In a suit for a permanent injunction and damages for trademark infringement, the trial court is duty bound to ascertain which party has a *prima facie* case and will suffer irreparable loss if the injunction is denied.

The High Court found that the principles set out in a previous Supreme Court case (1987 SCMR 1090) were applicable (ie, the registration of a trademark would give rise to a *prima facie* case, a balance of convenience and a likelihood of irreparable loss for the grant of an injunction against the infringement of a registered trademark) where a trademark registration has no disclaimer, restriction or limitation. Any disclaimer, restriction or limitation on the use of a word, feature or description would have to be considered when determining whether a *prima facie* case has been made by the party seeking injunctive relief on the basis of such a trademark registration.

It is crucial for the court to determine the effect of a disclaimer as imposed on an appellant's registration to ascertain whether the applicant has made a *prima facie* case.

After careful consideration of Section 21 of the Trademarks Ordinance 2001, the court found that a disclaimer is imposed by the registrar on any part of a trademark which appears to be common to trade or of a non-distinctive character. As such, a disclaimer limits the extent of the exclusive rights that a registration may provide a rights holder.

In the absence of any exclusive rights for the use of the word MAKKHAN, the appellant could not be considered to have made a *prima facie* case based on his trademark registration.

The respondent challenged the appellant's claims regarding irreparable loss and the balance of convenience in his favour. Further, the respondent claimed prior use of the same trademark via supporting documents and owing to his business with the appellant.

Further, the joint use of a trademark cannot be determined without recording evidence. The appellant was unable to establish that the balance of convenience was in his favour and, as a result, the grant of an injunction was denied.

In view of the above findings, the appeal was dismissed and the court upheld the additional district judge's decision.

For further information on this topic please contact [Seema S Mansoorat Vellani & Vellani](mailto:seema.mansoor@vellani.com) by telephone (+92 21 3580 1000) or email (seema.mansoor@vellani.com). The Vellani & Vellani website can be accessed at www.vellani.com.

Endnotes

(1) *Muhammad Ashraf v Muhammad Akram* (2016 MLD 389).

The materials contained on this website are for general information purposes only and are subject to the [disclaimer](#).