

* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

Decided on : APRIL 25, 2014

+ **IA No. 13265/2011 (u/O 39 R 1 & 2 CPC) & 14230/2011 (u/O 39 R 4 CPC) in CS(OS) 2037/2011**

GLAXO GROUP LTD. & ANR. Plaintiffs
Through Mr. Manav Kumar, Advocate

versus

UNITED BIOTECH P. LTD. Defendant
Through Mr. Gaurav Pachnanda, Senior
Advocate with Mr. Mohit Goel,
Mr. Siddhant Goel, Mr. Rahul Sharma
and Ms. Sangeeta Goel, Advocates

**CORAM:
HON'BLE MR. JUSTICE JAYANT NATH**

JAYANT NATH, J.

1. The present suit is filed by the plaintiff seeking a decree of permanent injunction to restrain the defendant from manufacturing, selling, offering for sale, advertising, etc. the medicinal products or other related goods under the trade mark 'HEPROTEC' or any mark deceptively similar to the plaintiffs' trade mark 'HEPITEC' and for other connected reliefs.

2. IA No.13265/2011 is an application filed under Order 39 Rules 1 and 2 CPC by the plaintiff seeking interim injunction to restrain the defendant etc. from manufacturing, selling, offering for sale or dealing in medicinal products or other related products under the trade mark 'HEPROTEC' or any mark deceptively similar to the plaintiffs' trade mark 'HEPITEC'.

3. The matter came up for hearing on 23.08.2011 when this court passed ex parte injunction restraining the defendant, its directors, principals, officers, agents, employees and representatives from manufacturing, selling

and advertising directly or indirectly medicinal products under the trade mark 'HEPROTEC'. The defendant has now filed IA No. 14230/2011 under Order 39 Rule 4 CPC for vacation of the stay. The two applications IA No.13265/2011 and IA No.14230/2011 are being disposed of together.

4. It is the case of the plaintiffs that plaintiff No. 1 is a company incorporated under the laws of England and Wales and plaintiff No.2 is a company incorporated under the Companies Act, 1956. The plaintiffs are said to be the members of GlaxoSmithKline Group of Companies and engaged in worldwide business of manufacturing and marketing of a wide range of pharmaceutical and medicinal preparations and healthcare products of the highest quality. The word 'HEPITEC' is said to have been adopted and conceived by the plaintiffs in and around the year 1998. It is stated that the word 'HEPITEC' is an invented word having no dictionary meaning and thus having the highest degree of distinctiveness, connoting the goods of the plaintiffs. The plaintiffs/their subsidiaries/affiliated companies have obtained registration of the said mark 'HEPITEC' in several countries including India. In India, the said mark was registered under No. 802647 in Class 5 since 18.05.1998 in respect of pharmaceutical preparations and substances. Plaintiff No. 1-Glaxo Group Limited is said to be the proprietor of the mark. The registration is still subsisting and in force. The said mark is in the use since 2000 for treatment of Hepatitis. It is stated that the mark has now become a well known pharmaceutical product in India. The excellent quality and proven efficacy of the medicine has it is averred made 'HEPITEC' highly popular and the medicine has acquired a high level of reputation and goodwill in India. The plaintiffs are identified with the said trade mark 'HEPITEC'. The said medicinal preparations are sold and distributed in India by plaintiff No.2. The sales figures for the period 2006

and 2010 for India have been reproduced and are stated to be as follows:-

<u>Year</u>	<u>Revenue in US Dollars</u>
2006	120,320
2007	88,300
2008	65,280
2009	76,800
2010	72,960

5. It is stated that in July 2010 the plaintiffs became aware of the defendant's mark 'HEPROTEC' which was advertised in the Trademarks Journal No.1443 dated 01.07.2010. The plaintiff has filed a notice of opposition against the defendant's application. It is further stated that cease and desist letter dated 12.10.2010 was served on the defendant requesting it to withdraw its application for the mark 'HEPROTEC' as the mark was deceptively and confusingly similar to the plaintiffs' mark 'HEPITEC'. However, it is stated that the defendant responded to the same by raising frivolous contentions and refused to settle the matter amicably. It is further stated that enquires have revealed to the plaintiffs that the defendant is using the medicine 'HEPROTEC' for treatment of liver related ailments. Hence, it is averred that the defendant's adoption of the mark is clearly identical and is an attempt to take advantage of the reputation and market position of the plaintiffs. It is urged that the defendant's bad faith in adoption of a deceptively similar mark is evident from various facts including the following:-

- a) The Plaintiffs' product HEPITEC is well known in this category;
- b) The marks HEPITEC and HEPROTEC are phonetically, structurally and visually similar to cause confusion and deception among the trade and public;
- c) Both the products are meant for treatment of liver related ailments
- d) The trade channels and target consumers of both products

are the same.”

6. Hence, it is stated that in view of the above deception, not only the consumers but members of the trade are likely to be confused or misled while dealing with the defendant on account of the deceptive similarities in the trade mark mischievously adopted by the defendant. Hence the act of the defendant is dishonest and mala fide and can lead to disastrous consequences whereby medicines bearing the impugned mark of the defendant can be mistakenly administered under a wrong impression of it being some other product. Hence the present suit and application have been filed by the plaintiffs.

7. The defendant has strongly denied the case as set up by the plaintiffs. It is urged that trade rivalry between them is the main cause for the present litigation. It is stated that the defendant since it was incorporated in 1997 has been one of the fastest growing pharmaceutical companies in India and has in 14 years established an enviable reputation and trade record. It is stated that ‘HEPROTEC’ the mark of the defendant is neither identical nor deceptively similar to the mark ‘HEPITEC’ of the plaintiffs. It is urged that comparison of the two marks would show that there is not even an iota of overall phonetic or visual or structure resemblance or similarity between the two marks of the plaintiffs or defendant.

8. It is further urged that the impugned mark ‘HEPROTEC’ does not infringe or violate the common law or statutory rights of the plaintiffs inasmuch as there are various differentiating factors between the nature of the products sold under the trade marks of the plaintiffs and that of the defendant. The distinction between the marks and products of the defendant and that of the plaintiffs are stated to be as follows:-

<u>PARTICULARS</u>	<u>PLAINTIFF'S PRODUCT</u>	<u>DEFENDANT'S PRODUCT</u>
Mark	HEPITEC	HEPROTEC
Feature Common to Trade	HEP (from Hepatic, which is a medical term for "liver")	
Syllables	he-PI-tec	hep-PRO-tec
Most Prominent Syllable	'PI'	'PRO'
Drug/ingredient	Lamivudine IP	L-ornithine-L-aspartate
Ailment for which it is prescribed	Hepatitis (including Hepatitis B, AIDS)	Certain liver related ailments, <u>other than Hepatitis</u>
Nature of Drug	Anti-Viral	Not an Anti-Viral
Schedule & Manner of purchase	Schedule-H Drug, namely, Lamivudine IP , which can be purchased only on Prescription of Doctor; and dispensed with by a qualified chemist	The drug, L-ornithine-L-aspartate , is not a scheduled drug at all
Form in which drug is sold	Sold only in the form of tablets, which are only of 100 mg each	Sold in form of :- i) injectable solutions in ampoules of 10 ml. each. ii) tablets of 150 mg each.
Price	Rs.565/- for a strip of 14 tablets	One Ampoule-Rs.219/- Tablets-Rs.78.50 (for a strip of 10 tablets)
Price per Tablet	Rs.40/- (approximately)	Rs.8/- (approximately)

9. It is further stated that the mark 'HEPITEC' of the plaintiffs is prominently derived from the word 'Hepatic' or 'Hepato', which is a

medical term for liver and is derived from the Greek word 'Hepar'. The medicine of the plaintiffs contains a drug which is used to cure patients suffering from Hepatitis A and Hepatitis B. Hence, the word 'hep' is used which is taken from the 'Hepatitis'. Thus it is stated that the prefix 'Hep' is generic and cannot be monopolized by any one trader.

10. It is further stated that the word 'HEPROTEC' of the defendant is coined by tracing the first three letters of the word 'HEPatic' (medical term for liver) and the suffix has been coined by telescoping three letters of the house mark of the defendant 'BioTECH' and since adoption of this mark the defendant has been extensively and continuously using it with respect to the pharmaceutical goods.

11. It is further stated that since the adoption of the said mark 'HEPROTEC', the defendant sold the products for value of ₹ 21 lacs. The turnover for the year 2009-2010 is stated to be ₹43,924/-, for the year 2010-2011 sales were ₹12,05,812/- and for the year 2011-2012 (upto July 2011) the turnover was ₹4,56,325/-. It is further stated that the said mark has prominently featured in print and electronic media including medical journals, trade journals, etc. The defendant has expended a great amount of money, time and effort to promote and advertise their said mark 'HEPROTEC'. The defendant has filed an application for registration of the said trade mark on 06.04.2009 for medicinal and pharmaceutical preparations which is now being frivolously opposed by the plaintiffs. Hence considering the totality of circumstances, it is urged that there can be no possibility of an unwary consumer of average intelligence being misled or deceived to buy the defendant's product instead of the plaintiffs' product.

12. It is further stated that the plaintiffs are guilty of gross delay and laches and have thus waived off any right to object to the use by the

defendant of their trade mark 'HEPROTEC'. It is stated that the plaintiffs have also acquiesced to the defendant's use of the trade mark 'HEPROTEC' which is undisturbed since its adoption in 2009. Further the plaintiffs sent a cease and desist notice on 12.10.2010 to which a reply was sent by the defendant on 22.10.2010. Despite that the plaintiffs have taken 10 months to approach this court. Hence it is stated that on account of delay itself the plaintiffs are not entitled to any protection from this court. Hence it is urged that the present suit be dismissed and the interim order granted in favour of the plaintiff be vacated.

13. I have heard the submission of learned counsel for the parties. Learned counsel for the plaintiff has stressed that the defendant has copied the essential features of the trademark and the same is likely to cause confusion amongst the consumers. The trademark 'HEPROTEC' is closely identified with that of the plaintiff. The trademark was registered in 1998 and has been in continuous use since 2000. It is stressed that the defendant is a much later entrant and was fully aware about the registered trademark of the plaintiff. The learned counsel has placed on record a compilation of judgments containing fifteen judgments to support its case. It may not be necessary to refer each of those judgments. I will, however, rely on some of them.

14. Learned counsel for the defendant has stressed that there is no visual, phonetic or other similarities between the two trademarks and hence there is no violation of the trademark of the plaintiff. He has also stressed that the circumstances as elaborated in the written statement distinguish the two products and ensure that there is no likelihood of any confusion being created amongst the consumers. Learned counsel for the defendant stressed and claimed that there is a huge delay on the part of the plaintiff to approach

for relief and hence the relief for injunction ought to be declined. It is stated that the defendant has adopted the trade mark 'HEPROTEC' since 2009. On 10.12.2010 the plaintiff sent a cease and desist notice which was replied to in October 2010. Despite this position the plaintiffs have taken 10 months' time to approach this Court for relief. On account of this delay it is stated that the plaintiffs are not entitled to protection. The submissions in the written statement have been reiterated.

15. Learned counsel for the defendant has relied upon the judgment of the Hon'ble Supreme Court in the case of *Ruston & Hornsby Ltd. vs. The Zamindara Engineering Co., 1969 (2) SCC 727* where the Court held that the defendant may be using the plaintiff's mark but the get up of the defendant's good may be so different from the get up of the plaintiff's goods and the prices may also be so different that there would be no probability of deception to the public. He has also relied on judgment of the Hon'ble Supreme Court in the case of *Cadila Health Care Ltd. vs. Cadila Pharmaceuticals Ltd., 2001 (5) SCC 73*. In that case the disputes pertained to use of the trademark 'FALCITAB' by the respondent as against the trademark of 'FALCIGO' of the petitioner. In paragraph 6 the defence of the respondent was noted as follows:-

"6. The respondent company stated in the defence that the word "Falci", which is the prefix of the mark, is taken from the name of the disease 'Falcipharum Malaria' and it is a common practice in pharmaceutical trade to use part of the word of the disease as a trade mark to indicate to the doctors and chemists that a particular product/drug is meant for a particular disease. It was also the case of the respondent that admittedly the two products in question were Schedule "L" drugs which can be sold only to the hospitals and clinics with the result that there could not even be a remote chance of confusion and deception. It may here be noticed that Schedule "H" drugs are those which can be sold by the chemist only on the prescription of the

Doctor but Schedule "L" drugs are not sold across the counter but are sold only to the hospitals and clinics.”

16. The Courts below did not grant injunction to the petitioner. The Supreme Court also did not grant injunction to the petitioner pointing out that there was a possibility of evidence being required on the merits of the case.

17. Reliance is also placed on the judgment of this Court in the case of ***Kalindi Medicure Pvt. Ltd. vs. Intas Pharmaceuticals Ltd. and Anr. 2007(34) PTC 18*** where this court held that in pharmaceutical trade one finds names of various drugs almost similar to each other having common prefix or suffix for the reason the drug conveys what salt it is a derivative of. This Court further held that the distinction between the two medicine was that one was an anti platelet drug, the other was a critical care medicine used in acute coronary syndrome. The price difference was also huge. One drug was sold as pills while the other was sold as syringe. In the circumstances no stay was granted to the plaintiff. Reliance is also placed on ***Palakurthu Laxmi Ganapathi Rao and Gundu Subhadramma vs. Manisha Video Vision 2007 (34) PTC 33 (NULL)*** where the Andhra Pradesh High Court held that there is delay coupled with other facts and circumstances of the case including material difference in the packaging price and form of the drug. In this background the Court held that there are sufficient grounds to deny ad interim injunction to the plaintiff.

18. Having heard learned counsel for the parties the first issue for the purpose of deciding the present application would be as to whether prima facie it can be said that the defendant is guilty of violating the registered trademark of the plaintiff 'HEPITEC'. In this context, reference may be had to Section 29(1) of the The Trade Marks Act, 1999 which reads as follows:-

“29. Infringement of registered trade marks.-(1) A registered trade mark is infringed by a person who, not being a registered proprietor or a person using by way of permitted use, uses in the course of trade, a mark which is identical with, or deceptively similar to, the trade mark in relation to goods or services in respect of which the trade mark is registered and in such manner as to render the use of the mark likely to be taken as being used as a trade mark.”

19. Hence, can it be said that the impugned mark being used by the defendant is identical with or deceptively similar to the registered trademark of the plaintiff.

20. In the above context, reference may be had to the judgment of the Hon’ble Supreme Court in the case of *Kaviraj Pandit Durga Dutt Sharma vs. Navaratna Pharmaceutical Laboratories, AIR 1965 SC 980* paragraph 29 of the said judgment reads as follows:-

“29. When once the use by the defendant of the mark which is claimed to infringe the plaintiff’s mark is shown to be "in the course of trade", the question whether there has been an infringement is to be decided by comparison of the two marks. Where the two marks are identical no further questions arise; for then the infringement is made out. When the two marks are not identical, the plaintiff would have to establish that the mark used by the defendant so nearly resembles the plaintiff’s registered trade mark as is likely to deceive or cause confusion and in relation to goods in respect of which it is registered (Vide s. 21). A point has sometimes been raised as to whether the words "or cause confusion" introduce any element which is not already covered by the words "likely to deceive" and it has sometimes been answered by saying that it is merely an extension of the earlier test and does not add very materially to the concept indicated by the earlier words "likely to deceive". But this apart, as the question arises in an action for infringement the onus would be on the plaintiff to establish that the trade mark used by the defendant in the course of trade in the goods in respect of which his mark is registered, is deceptively similar. This has necessarily to be ascertained by a

comparison of the two marks-the degree of resemblance which is necessary to exist to cause deception not being capable of definition by laying down objective standards. The persons who would be deceived are, of course, the purchasers of the goods and it is the likelihood of their being deceived that is the subject of consideration. The resemblance may be phonetic, visual or in the basic idea represented by the plaintiff's mark. The purpose of the comparison is for determining whether the essential features of the plaintiff's trade mark are to be found in that used by the defendant. The identification of the essential features of the mark is in essence a question of fact and depends on the judgment of the Court based on the evidence led before it as regards the usage of the trade. It should, however, be borne in mind that the object of the enquiry in ultimate analysis is whether the mark used by the defendant as a whole is deceptively similar to that of the registered mark of the plaintiff."

21. Similarly, this Court in the case of *Bihar Tubes Ltd v. Garg Ispat Ltd. 166 (2010) DLT 109*, in para 14.2 held as follows:

"14.2 Therefore, in order to discern whether the mark is confusingly or deceptively similar with respect to which rights are claimed by the registered owner; the apposite test is that, in which, the broad essential features are to be construed-when one compares the infringing mark with the registered mark. In doing so, the stress ought to be on the "overall similarity" and not on the differences in the marks. The "overall similarity" test ought to be one, which should lead to a conclusion that it would mislead a person usually dealing with the goods in issue, to accept the goods of the infringer, as those manufactured by the proprietor of the registered mark. The "ordinary purchaser is not expected to be gifted with the powers of observations of Sherlock Homes". See *Parle Products (P) Ltd v. J.P. and Co., Mysore 1972(1) SCC 618.*"

22. Hence what is to be seen is as to whether prima facie the impugned trade mark is identical or deceptively similar to that of the plaintiff's registered trade mark 'HEPITEC'. The impugned trademark is 'HEPROTEC'.

In my view the two words are phonetically and structurally similar. The basic idea represented by the plaintiff's mark has been slavishly copied by the defendant. The defendant has copied almost the entire mark of the plaintiff except deleting the word 'I' and instead adding 'RO' in the middle. The prefix and suffix are exactly identical i.e. HEP—TEC. The essential features have been copied. It is clear that the impugned trademark 'HEPROTEC' is deceptively similar to the registered trademark of the plaintiff 'HEPITEC'. The test as laid down in the case of *Kaviraj Pandit Durga Dutt Sharma vs. N.P.Laboratories (supra)* is clearly satisfied in the present case.

23. The defence taken by the defendant would prima facie be of no help to the defendant.

24. However, for completeness of the order it would be necessary to look into the merits of the defence set up by the defendant.

25. The first submission of the defendant is of course that there is no visual or phonetic similarity between the two marks. I have already rejected the said submissions.

26. The second submission of the defendant is that there are striking differences between the two marks and the products of the parties and hence there can be no confusion whatsoever. It is urged that there is a vast difference in the nature of the pharmaceutical products sold by the plaintiff and the defendant including major striking differences in the nature of the product which are crucial and vital for determining whether confusion will be caused amongst the consumers. The drug of the defendant is sold in injectable solutions in ampoules of 10 ml. each. The price of one ampoule is ₹219/-. The drug is also sold in strips of tablets. The price of one strip having 10 tablets is ₹78.50. The drug of the defendant under the mark

‘HEPROTEC’ is prescribed by doctors to patients suffering from liver related ailments other than hepatitis. The drug of the plaintiff ‘HEPITEC’ is a schedule ‘H’ drug and thus is prescribed by a doctor and can be dispensed with by a qualified druggist/chemist only. The said drug is prescribed to patients diagnosed with HIV-I, HIV-2 or hepatitis B virus. This is an anti viral medicine. The price of a strip of 14 tablets is ₹565/-. On the other hand, the drug of the defendant is not anti viral. Hence, it is urged that given this basic background, there is no likelihood of any confusion to the one who would go to purchase the drug ‘HEPITEC’ or ‘HEPROTEC’.

27. The above contentions are akin to the contentions which were rejected by this Court in the case of *Novartis AG vs Crest Pharma Pvt. Ltd. 2009 (41) PTC 57 (Del)* this Court held as follows:-

“21. The second contention of the defendant is that the plaintiff’s drug is prescribed for urinary respiratory track infection and acute otitis media whereas the defendant’s product being an antibiotic is prescribed mostly for post operative cases and the ingredients of the two products are also different and used for different purposes of disease. The defendant has also contended that the plaintiff’s product is used in tablet and oral suspension form whereas the defendant’s product is only available in injection form, therefore, there is no confusion and deception between the two products in question.

22. I do not accept the submission of the learned Counsel for the defendant as I feel that it is more dangerous if the pharmaceuticals products bearing the same mark is used for different purposes for the same ailment or even otherwise. I also do not accept the contention of the defendant’s counsel that there would be no confusion if the product contain different ingredients/different salt. In my opinion, it is more dangerous and harmful in the trade if the same trade mark is used for different ailments.”

28. Similarly, the Hon’ble Supreme Court in the case of *Cadila Health Care Ltd. vs. Cadila Pharmaceuticals Ltd., AIR 2001 SC 1952* where in

paragraph 29 and 33 held as follows:-

“29. It may here be noticed that Schedule "H" drugs are those which can be sold by the chemist only on the prescription of the Doctor but Schedule "L" drugs are not sold across the counter but are sold only to the hospitals and clinics. Nevertheless, it is not un-common that because of lack of competence or otherwise, mistakes can arise specially where the trade marks are deceptively similar. In **Blansett Pharmaceuticals Co. Vs. Carmick Laboratories Inc.** 25 USPQ 2nd, 1473 (TTAB 1993), it was held as under:

"Confusion and mistake is likely, even for prescription drugs prescribed by doctors and dispensed by pharmacists, where these similar goods are marketed under marks which look alike and sound alike".

30. In the case of **Glenwood Laboratories, Inc. Vs. American Home Products Corp** reported in 173 USPQ 19(1972) 455 F. Reports 2d, 1384(1972), the Court of the United State had held that:

"The fact that confusion as to prescription drugs could produce harm a contrast to confusion with respect to non-medicinal products as an additional consideration of the Board as is evident from that portion of the opinion in which the Board stated:.." The products of the parties are medicinal and applicant's product is contraindicated for the disease for which opposer's product is indicated. It is apparent that confusion or mistake in filling a prescription for either product could produce harmful effects. Under such circumstances, it is necessary for obvious reasons, to avoid confusion or mistake in the dispensing of the pharmaceuticals."

....

33. It was further submitted on behalf of the appellant that although the possibility of confusion in a drug being sold across the counter may be higher, the fact that a drug is sold under prescription or only to physicians cannot by itself be considered a sufficient protection against confusion. The physicians and pharmacists are trained people yet they are not infallible and in medicines, there can be no provisions for mistake since even a possibility of mistake may prove to be fatal.”

29. Reference may again be had to the judgment of the Hon'ble Supreme Court in the case of *Kaviraj Pandit Durga Dutt Sharma vs. N.P.Laboratories* (supra) where in paragraph 28 this Court held as follows:-

28.....In an action for infringement, the plaintiff must, no doubt, make out that use of the defendant's mark is likely to deceive, but were the similarity between the plaintiff's and the defendant's mark is so close either visually, phonetically or otherwise and the court reaches the conclusion that there is an imitation, no further evidence is required to establish that the plaintiff's rights are violated. Expressed in another way, if the essential features of the trade mark of the plaintiff have been adopted by the defendant, the fact that the get-up, packing and other writing or marks on the goods or on the packets in which he offers his goods for sale show marked differences, or indicate clearly a trade origin different from that of the registered proprietor of the make would be immaterial; whereas in the case of passing off, the defendant may escape liability if he can show that the added matter is sufficient to distinguish his goods from those of the plaintiff.”

Hence, the features that have been elaborated by the defendant to claim that there are elaborate features to distinguish the products of the parties will not be of any help to the defendant.

30. The next submission of learned counsel for the defendant was that the prefix 'HEP' and suffix 'TEC' are common to the trade. It is urged that perusal of the search report obtained from the records of the Registrar of Trade Marks show that it is common for companies to have trademarks starting with letters 'HEP' and ending with 'TEC'. It is urged that they have approximately 582 marks in class 5 for medicinal and pharmaceutical preparations amongst the trademarks which are registered and defined in Trademark Journal. Hence, it is urged that the word 'HEP' is *publici juris*, generic and descriptive and common to the trade.

31. This court recently in a judgment passed on March 14, 2014 in ***CS(OS)3156/2012 titled as Ireo Pvt. Ltd. vs. Genesis Infratech Pvt. Ltd.*** in paragraphs 23 & 24 rejected similar contentions. The said paragraphs read as follows:-

“23. Further the judgement of this Court in the case of Cadila Healthcare Ltd v. Aureate Healthcare Pvt Ltd. & Anr., 2012 (51) PTC 585 (Del) is a complete answer to the above argument of the learned senior counsel for the defendant. That was a case in which the defence taken by the defendant was about non-use of prefix PANTO with or without combination. This Court stated that law in this regard was quite settled and relied upon several judgments. Relevant portion of the same reads as follows:

“b. In 1989 (7) PTC 14, Express Bottlers Services Pvt. Ltd. Vs. Pepsi Inc. & Others, it was held as under:

...To establish the plea of common use, the use by other persons should be shown to be substantial. In the present case, there is no evidence regarding the extent of the trade carried on by the alleged infringers or their respective position in the trade. If the proprietor of the mark is expected to pursue each and every insignificant infringer to save his mark, the business will come to a standstill. Because there may be occasion when the malicious persons, just to harass the proprietor may use his mark by way of pinpricks... The mere use of the name is irrelevant because a registered proprietor is not expected to go on filing suits or proceedings against infringers who are of no consequence... Mere delay in taking action against the infringers is not sufficient to hold that the registered proprietor has lost the mark intentionally unless it is positively proved that delay was due to intentional abandonment of the right over the registered mark. This Court is inclined to accept the submissions of the respondent No. 1 on this point... The respondent No. 1 did not lose its mark by not proceeding against insignificant infringers...

c. In 2004 (29) PTC 435, Dr. Reddy Laboratories v. Reddy Pharmaceuticals, it was held as under:

...the owners of trade marks or copyrights are not expected to

run after every infringer and thereby remain involved in litigation at the cost of their business time. If the impugned infringement is too trivial or insignificant and is not capable of harming their business interests, they may overlook and ignore petty violations till they assume alarming proportions. If a road side Dhaba puts up a board of "Taj Hotel", the owners of Taj Group are not expected to swing into action and raise objections forthwith. They can wait till the time the user of their name starts harming their business interest and starts misleading and confusing their customers.”

24. Reference may also be had to the judgement of this Court in the case of *P.M. Diesels v. S.M. Diesels (supra)* where in para 8, this Court held as follows:

“(8) Next contention raised by learned counsel for the defendant is that the word Marshal has become common to the trade of diesel engines in Rajkot and various other persons are using the trade mark in one form or other as inasmuch as some are using Airmarshal, Perfect Marshal, Powermarshal etc. and the defendant is not the only person who is using the trade mark Sonamarshal only. The plaintiff, therefore, cannot claim its trade mark to be distinctive of its goods or business and no customer is likely to be confused or deceived on account of this trade mark. This contention of the learned counsel for the defendant is also without force. In this connection it is sufficient to say that under the law it is the right of two parties before the court which has to be determined and the court has not to examine the right of other parties. If some other manufacturers are using or suffixing the word Marshal on their diesel engines, it is of no consequence. Furthermore, if the plaintiff has not taken any action against several other infringements, this does not mean that the plaintiff has abandoned its trade mark and cannot challenge the action of the defendant.”

32. The submission of the defendant is that the words ‘HEP’ and ‘TEC’ are common marks used in the trade in question and hence the plaintiff is not entitled to exclusive protection of the mark. No details are given of the extent of user, the date of user etc. In view of the legal position the said

contention is rejected.

33. The next submission of the defendant relates to alleged delay in filing the present suit by the plaintiff. In my view, the said submission of the plaintiff is without merits. It is settled law that mere delay in approaching the Court would not defeat or delay the right of the plaintiff to seek injunction in a case of infringement of trademark. (Reference *Sh.Swaran Singh Traders vs. M/s.Usha Industries (India) 29(1986) DLT 110.*)

34. I will now deal with the judgments relied upon by the learned counsel for the defendant. Reliance of the defendant on the judgment of the Hon'ble Supreme Court in the case of *Ruston & Hornsby Ltd. vs. The Zamindara Engineering Co., (supra)* is misplaced. The Court in paragraph 4 of the said judgment held as follows:-

“4. The distinction between an infringement action and a passing off action is important. Apart from the question as to the nature of trade mark the issue in an infringement action is quite different from the issue in a passing off action. In a passing off action the issue is as follows :

Is the defendant selling goods so marked as to be designed or calculated to lead purchasers to believe that they are the Plaintiff's goods ?

But in an infringement action the issue is as follows :

Is the defendant using a mark which is the same as or which is a colourable imitation of the plaintiff's registered trade mark ?

It very often happens that although the defendant is not using the trade mark of the plaintiff, the get up of the defendant's goods may be so much like the plaintiff's that a clear case of passing off would be proved. It is on the contrary conceivable that although the defendant may be using the plaintiff's mark the get up of the defendant's goods may be so different from the get up of the plain-tiffs goods and the prices also may be so different that there would be no probability of deception of the public. Nevertheless, in an action on the trade mark, that is to

say, in an infringement action, an injunction would issue as soon as it is proved that the-defendant is improperly using the plaintiff's mark.”

35. Hence, where the defendant is improperly using the plaintiff's mark, an injunction would be issued. The High Court in that case had declined injunction against the respondent who was using the mark “Rustam India” as against the appellant's trade mark ‘RUSTON’. The Hon'ble Supreme Court reversed the order of the High Court and granted injunction to the appellant.

36. The other judgments relied upon by learned counsel for the defendant would not apply to the facts of this case. In *Cadila Healthcare Ltd. vs. Cadila Pharmaceuticals Ltd. (supra)* the Court in paragraph 25 held as follows:-

“25. With respect, we are unable to agree that the principle of phonetic similarity has to be jettisoned when the manner in which the competing words are written is different and the conclusion so arrived at is clearly contrary to the binding precedent of this Court in Amritdhara's case (supra) where the phonetic similarity was applied by judging the two competing marks. Similarly, in Durga Dutt Sharma's case (supra), it was observed that "in an action for infringement, the plaintiff must, no doubt, make out that the use of the defendant's mark is likely to deceive, but where the similarity between the plaintiff's and the defendant's mark is so close either visually, phonetically or otherwise and the court reaches the conclusion that there is an limitation, no further evidence is required to establish that the plaintiff's rights are violated.”

37. In the case of *Kalindi Medicure Pvt. Ltd. vs. Intas Pharmaceuticals Ltd. and Anr. (supra)* the Court was dealing with the trade name LOPRIN. The plaintiff's registered trademark was LOPRIN and the defendant had adopted the mark LOPARIN. The drug of the plaintiff LOPRIN was in

tablet form for treatment of cardiological problems whereas the drug of the defendant LOPARIN was an injection for intra vascular use and a critical care medicine used in acute coronary syndrome. The prescriber for the plaintiff's medicine were general practitioners whereas prescriber for the drug of the defendant were cardiac and other critical care specialist. There was a vast difference in the cost of the two drugs. On the facts of the case the Court came to a conclusion that there was no likelihood of any confusion whatsoever. Further, the defendant already had a huge sales turn-over of ₹8 crores in less than a year and hence the balance of convenience was said to be in favour of the defendant. It was in those facts that the Court vacated the injunction/stay order.

38. In view of the above, the submissions made by the defendant are prima facie without merits. The plaintiffs have made out a prima facie case in their favour.

39. The trade mark of the plaintiff was registered in 1998. The mark is in use since 2000. In contrast, the defendant has only recently started using the mark in 2000. Real use only started in 2010-2011 when a turnover of ₹12.05 lacs was recorded. The present suit was filed in 2011. Accordingly, balance of convenience is in favour of the plaintiff. Irreparable injury is likely to cause in case ex parte injunction granted is not continued.

40. In view of the above, defendant, its agents, proprietors etc. are restrained from using the impugned trademark 'HEPROTEC' or any other mark deceptively similar to the registered trade mark of the plaintiff 'HEPITEC' till pendency of the accompanying suit.

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List on 10th July, 2014 before Joint Registrar.

**JAYANT NATH
(JUDGE)**

**APRIL 25, 2014
rb/n**