

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

% *Judgment pronounced on: May 26, 2014*

+ **I.A. No.1871/2013 & I.A. No.2706/2014 in CS(OS) No.220/2013**

WALTER BUSHNELL PVT. LTD. AND ORS Plaintiffs

Through : Mr.Amarjit Singh, Adv.
with Ms. Vernika Tomar, Adv.

versus

MIRACLE LIFE SCIENCES AND ANRDefendants

Through : Mr. Dhananjay Kr. Jha, Adv

CORAM:

HON'BLE MR. JUSTICE MANMOHAN SINGH

MANMOHAN SINGH, J.

1. The present suit has been filed by the plaintiffs for permanent injunction restraining infringement of trademark, passing off, rendition of accounts of profits/damages, delivery etc. against the defendant. By this order, I propose to decide two pending applications i.e. I.A. No. 1871/2013 (Order 39 Rule 1 and 2 CPC) and I.A.No.2706/2014 (Order 39 Rule 2A CPC).

Case of the plaintiffs

2. Plaintiff No.1 is engaged in the business of pharmaceutical products since past several decades. Plaintiff No.2 has been manufacturing and selling various pharmaceutical products, one of them being under the trade mark DROTIN. Plaintiff No.3 is engaged *inter alia* in buying and selling the pharmaceutical goods manufactured by plaintiff No.2 including DROTIN. The plaintiffs are the leading pharmaceuticals companies in India.

3. Plaintiff No.2 manufactures drugs under the trade mark DROTIN for and on behalf of the plaintiff No.1 under a non-exclusive license. Plaintiff No.2 adheres to all strict quality standards stipulated and monitored by the plaintiff No.1. The products of the plaintiffs under the trade mark DROTIN were first introduced in the Indian markets in the year 1997. The DROTIN tablets manufactured by the plaintiff No.2 are marketed by the plaintiff No.1 in India. Plaintiff No.3, Martin and Harris Pvt. Ltd, who are in the business of pharmaceutical products since 1924 are *inter alia* manufacturing injections under the trade mark DROTIN under license from the plaintiff no.1 and are in the business of buying and selling pharmaceutical goods manufactured by plaintiff No.2 which are marketed by the plaintiff No.1 in India.

4. It is alleged in the plaint that the Plaintiff No.1 has bonafidely coined and adopted the trade mark DROTIN and has used exclusively, continuously and extensively since 1997 in relation to tablets and injections. DROTIN tablet and injections manufactured and marketed by the plaintiffs is a schedule 'H' drug which are to be sold on the prescription of a registered medical practioner. The plaintiff No.1 registered its trade mark DROTIN in India under registration number 732349 in Class 5 as on 3rd February, 1997 for medicinal and pharmaceutical preparations which is more than 14 years old and has become conclusive. Therefore, the said registration is valid and subsisting in accordance with law. Plaintiff No.2 obtained drug license for the manufacture of pharmaceutical product under the trade mark DROTIN on 2nd April, 1997.

5. It is alleged by the plaintiffs that in view of registered old trade mark granted in favour of the plaintiff No.1, the trade mark DROTIN having statutory and exclusive right to the use thereof in relation to medicinal and

pharmaceutical preparations under Section 28 (1) of the Trade Marks Act, 1999 (hereinafter referred to as the 'Act') and the use of any identical or deceptively similar mark by any other person in relation to similar goods, without permission, consent or license from the plaintiffs amounts to infringement of the plaintiffs registered trade mark under Section 29 of the Act.

6. The plaintiff No.1 has given the details about their products which were launched under the trademark DROTIN:-

- (a) DROTIN and DROTIN-DS tablets in June 1997 and January 1998 respectively recommended in cases of abdominal pain associated with irritable bowel syndrome (IBS). DROTIN injections were launched in November 1998 for acute abdominal pain and are used to hasten dilations, shortens labour and lessens cervical trauma.
- (b) DROTIN-M was introduced in April 2000 and is recommended in cases of spasm associated with inflammation.
- (c) DROTIN PLUS was introduced in July 2004 and is recommended in cases of abdominal pain associated with varied etiology and in fever.
- (d) DROTIN A was introduced in October 2009 and is recommended in cases of abdominal pain/colic, pelvic inflammatory disease, post-surgical spasm associated with pain, primary dysmenorrhea and abdominal pain associated with post hysterectomy, post lithotripsy and instrumental invasion.
- (e) DROTIN SUSPENSION was introduced in October 2011 and is recommended for symptomatic relief of abdominal pain due to smooth muscles spasm (in children) such as irritable colon and spastic constipation. It is also recommended as adjunctive therapy to organic

gastrointestinal conditions to relive associated smooth muscles spasm i.e. colitis, gastroenteritis, ascariasis etc.

It is averred in the plaint that on account of prior adoption, long and continuous use, extensive sales, sale promotional schemes, excellent quality control and marketing through national network of stockists and retailers, the trade mark DROTIN has acquired enviable goodwill and reputation and has become distinctive of the goods and business of the plaintiffs.

Case against the defendants set up by the plaintiffs.

7. Defendant no.1, Miracle Life Sciences, Khasra No. 148, Bahadarpur Saini, Post Daulatpur, Bahadrabad – 249402, Haridwar, Uttaranchal (India), is engaged in the business of manufacturing and marketing medicinal and pharmaceutical preparations. Defendant no.2 Glare Medicare (P) Ltd. is engaged in the marketing of the medicines manufactured by defendant no.1 throughout India including Delhi.

8. It is stated in the plaint that the plaintiffs came to know about the adoption and use of the impugned mark DROTAMOL in suspension form on the part of the defendants in December 2012. The adoption and use by the defendant of the trade mark DROTAMOL, which is deceptively similar to, plaintiff's registered trade mark DROTIN in respect of identical/similar goods in the form of tablets, injections and suspension amounts to infringement of plaintiff's registered trademark and passing off and the use by the defendants of the mark DROTAMOL is with a view to exploit the tremendous and enviable goodwill and reputation that the plaintiffs commands. The illegal and unauthorized use of the mark is calculated to deceive the public into believing that defendant's goods and concern are those of the plaintiff's or are in some way connected or associated with the

plaintiff. The defendants are selling their goods in the markets at Delhi without issuance of any cash memo.

9. **Case of the defendants as per their pleadings**

- (i) It is the case of defendants that this court has no territorial jurisdiction. The suit has not been properly valued for the purpose of court fees and jurisdiction and the plaintiffs cannot invoke the jurisdiction of this court as there is no place of business within the local jurisdiction limits of this court.
 - (ii) The plaintiff No.1 did not use “DROT” in abbreviation form but as well- recognized trade mark. There are more than 25 products with the marks having prefix “DROT” or any other 4-5 products of DROT which are available in the market or are being manufactured by any other manufacturer.
 - (iii) There are no similarities in DROTAMOL Suspension and DROTIN Suspension as “name”, “colour” and “packaging” and composition are different. It is averred by the defendants that when the composition is different, then the user is also different. The only similarity is “DROTAVERIN” in DROTAMOL Suspension and DROTIN Suspension as it is usually common in Schedule ‘H’ drugs. DROTAVERIN is used in DROTAMOL Suspension as 2.5 times more than DROTIN Suspension and additional “PCM 125 mg”. But in DROTIN Suspension, “DROTAVERIN” is used as 10 mg and no additional “PCM” and in “SYP” form. It is averred by the defendants that DROTIN Suspension is not available in the rural areas as it is very costly in the market.
10. It is averred by the defendants that there is a difference between DROTAMOL Suspension and DROTIN Suspension which reads as under:-

| DROTIN Suspension | DROTAMOL Suspension |
|--|--|
| 1. DROTIN Suspension is launched in the market in October 2011. | DROTAMOL Suspension is launched in the market in August 2010. |
| 2. DROTIN Suspension composition is DROTAVERINE 10 mg each 5 ml without PCM in 100 ml. | DROTAMOL Suspension composition DROTAVERINE 25 mg + PCM 125 mg each 5 ml in 50 ml pack. |
| 3. DROTIN Suspension used only in spasmodic pain. | DROTAMOL Suspension is used in smooth muscles, spasm with fever. |
| 4. DROTIN Suspension market price for 100 ml is Rs.72/- | DROTAMOL Suspension market price for 50 ml is Rs. 42/- |
| 5. DROTIN Suspension used without PCM is costly for patients. | In DROTAMOL Suspension, PCM is already present in its composition. |
| 6. DROTIN Suspension's design,colour,size or composition is different from DROTAMOL Suspension | DROTAMOL Suspension's design,colour,size or composition is different from DROTIN Suspension. |
| 7. DROTIN Suspension is mostly used for children aged about 4 to 11 years. | DROTAMOL Suspension is mostly used for children aged about 1 year. |
| 8. In DROTIN Suspension, "date of manufactured" is not mentioned. | While in DROTAMOL Suspension "date of manufactured" is specially mentioned. |

11. In the replication filed it is reiterated by the plaintiffs that they have place of business within the local jurisdiction limits of this court, thus this court has got territorial jurisdiction to enter and try the suit which has been correctly valued for the purpose of court fees and jurisdiction. The trade mark DROTIN connotes and denotes the medicinal preparations of the plaintiffs and no one else. The composition, formulation, packing,

combination of colours are immaterial and irrelevant to the determination of the question of infringement and passing off. The use of impugned mark DROTAMOL constitutes infringement of the plaintiffs registered mark DROTIN irrespective of use for suspension, injection or tablet.

12. It is also denied in the replication that more than 25 products with the marks having prefix "DROT" or any other 4-5 products of DROT which are available in the market or are being manufactured by any other manufacturer as the list of products mentioned are false, concocted and without any basis. The plaintiffs are prior in adoption and use of DROTIN which was well within the knowledge of defendants at the time of adoption of DROTAMOL. The conduct of defendants is dishonest, malafide and solely motivates to misappropriate the plaintiff's goodwill and reputation attached to the trade mark DROTIN. The alleged prior introduction of "Suspension" under the impugned mark DROTAMOL, for suspension is of no consequence in law. It is evident that the doctors, chemists, consumers are likely to get confused or deceived between the plaintiffs and defendants products on account of phonetic and structural similarity and on account of imperfect recollection of unwary class of purchases. The chemists are also likely to get confused or deceived on account of illegible handwriting of the medicinal practitioners and even the defendant had the knowledge about the use and registration of the trade mark DROTIN while adopting the impugned mark. The illegal trade activities of the defendants are causing irreparable loss, injury and damage to the plaintiffs in its business, goodwill and reputation. It is denied that goods of defendants are not sold in Delhi, as alleged or otherwise. The defendants are selling their goods and are working for gain and carrying on business in Delhi. The class of purchasers for DROTIN and DROTAMOL are same. The impugned mark is bound to

confuse the unwary class of consumers who hardly see the composition or price of the products.

13. It was alleged in the replication that the defendants have clearly mentioned that DROTIN Suspension market price is Rs.72/- for 100 ml whereas DROTAMOL Suspension market price is Rs. 42/- for 50 ml. hence DROTAMOL Suspension is highly priced as 100/- ml will be available for Rs.84/- in market. The defendants on one hand states that their products are sold in rural market and manufacture their products keeping in mind the lower sections of society where as their products are priced more than plaintiffs products. The stock room of manufacturer can be located in any place in India but this doesn't prove that the defendant's sales are confined to state of UP only, as alleged or otherwise. It is denied that the business of defendants is confined to few districts of UP or few dealers as alleged or otherwise. It is specifically mentioned in the plaint that the goods of defendants are being sold and offered for sale in Delhi. The plaintiffs have already filed the certificates issued by the chartered accountant reflecting the sales of DROTIN range of products and have also filed randomly selected copies of invoices showing the use of the trade mark DROTIN throughout India.

14. The plaintiffs in view of abovementioned facts and circumstances, are seeking injunction orders against the defendants from manufacturing, selling, offering for sale, advertising, directly or indirectly dealing in medicinal and pharmaceutical preparations under the impugned trade mark DROTAMAL.

15. By order dated 5th February, 2013 while issuing the notice, the defendant No.1 was directed to maintain accounts with regard to manufacture and sale of pharmaceutical product under the trade mark

DROTAMOL. The account was directed to be filed every three months in the court. Since the said order was not complied with by the defendants, the plaintiffs filed an application being I.A. No.2706/2014 under Order 39 Rule 2 CPC for non-compliance.

16. Though, various defences are taken in the written statement but at the time of hearing of the injunction application, the defendants' counsel has argued mainly on two points i.e. territorial jurisdiction and the mark DROTIN as claimed by the plaintiffs common to the trade. It was argued that since other parties are using the same, his client cannot be restrained from using the trade mark in question. The plaintiffs' trade mark is already become common to the trade. Therefore, the plaintiffs are not entitled to injunction prayed for.

17. The defendants have not disputed the facts that the trade mark DROTIN is registered trade mark in favour of the plaintiff No.1 and the plaintiffs are carrying on business within the jurisdiction of this Court. There are no serious arguments addressed by the learned counsel for the defendant at the time of hearing about the deceptively similarity of the two rival marks.

18. Let me now discuss the entire gamut of the matter in view of pleading and documents placed on record by both parties.

19. The first issue is whether the two trade marks used by the parties are deceptively similar or not.

INFRINGEMENT

20. It is settled law that in order to prove the case for infringement of trade mark, the plaintiff has to show that the essential features of the registered trade mark which has been adopted by the defendant has been taken out from the plaintiff's registration. Only the marks are to be

compared by the Court and in case the registration is granted in favour of the plaintiff, he acquires valuable right by reason of the said registration.

21. In order to understand that what is a mark, one has to read the definition of the "mark" and the "trademark" under Sections 2(1)(m) and 2(zb) of the Trade Marks Act, 1999 together. In Section 2(1)(m), the meaning of the "mark" includes the name and word and/or any combination thereof. Similarly, as per Section 2(zb), the "trademark" means, if the same is used in relation to goods or services for the purposes of indicating or so as to indicate a connection in the course of trade between the goods or services, as the case may be, and some person having the right as proprietor to use the mark. In the present matter, this court is also dealing with the case of infringement of trade mark. The plaintiff No.1 is admittedly the registered proprietor of the trade mark.

22. The test of comparison of the marks side by side is not a sound one since a purchaser will seldom have the two marks actually before him when he makes his purchase. The eye is not an accurate recorder of visual detail and that marks are remembered by general impression or by some significant detail rather than by any photographic recollection of the whole. While judging the question as to whether the defendant has infringed the trade mark by colourable imitation of the mark or not, the Court has to consider the overall impression of the mark in the minds of general public and not by merely comparing the dissimilarities in the two marks.

23. In order to establish infringement, the main ingredients of Section 29 of the Act are that the plaintiff's mark must be registered under the Act; the defendant's mark is identical with or deceptively similar to the registered trade mark; and the defendant's use of the mark is in the course

of trade in respect of the goods covered by the registered trade mark. The rival marks are to be compared as a whole. Where two rival marks are identical, it is not necessary for the plaintiff to prove further that the use of defendant's trademark is likely to deceive and cause confusion as the registration shows the title of the registered proprietor and the things speak for themselves. In an infringement action, once a mark is used as indicating commercial origin by the defendant, no amount of added matter intended to show the true origin of the goods can effect the question. If Court finds that the defendant's mark is closely, visually and phonetically similar, even then no further proof is necessary. It is not necessary for the plaintiff to adduce evidence of actual deception in order to prove the case of infringement. If packaging of two products is different in an action of infringement, the same is immaterial. Its validity cannot be challenged in the infringement proceedings under the Trade and Merchandise Marks Act, 1958. (See *Corn Products Refining Co. vs. Shangrila Food Products Ltd.* AIR 1960 SC 142, *Amritdhara Pharmacy vs. Satya Deo Gupta*, AIR 1963 SC 449, *Kaviraj Pandit Durga Dutt Sharma vs. Navaratna Pharmaceutical Laboratories*, AIR 1965 SC 980, *Automatic Electric Limited vs. R.K. Dhawan and Anr.*, 57 (1995) DLT 49 and *S.A.P. Balraj and Ors. vs. S.P.V. Nadar and Sons and Another*, AIR 1963 Mad. 12.

24. In the case of *Corn Products Refining Co. v. Shangrila Food Products Ltd.*, AIR 1960 SC 142 : PTC (Suppl)(1) 13(SC), where two rival marks were Gluvita and Glucovita, the Supreme Court discussed the issue of likelihood of confusion and deception as well as similarity of the marks and trade connection between the two different goods. The trade mark Glucovita was with reference to Glucose which was registered in

favour of the owner of the trade mark. The other side applied for registration of the trade mark Gluvita in respect of the biscuits manufactured by them. The argument of the other side was that the mark was coined as biscuit contains glucose mixed with vitamins. In para 17, the Apex Court held as under:

“17. We think that the view taken by Desai J., is right. It is well known that the question whether the two marks are likely to give rise to confusion or not is a question of first impression. It is for the court to decide that question. English cases proceeding on the English way of pronouncing an English word by Englishmen, which it may be stated is not always the same, may not be of much assistance in our country in deciding questions of phonetic similarity. It cannot be overlooked that the word is an English word which to the mass of the Indian people is a foreign word. It is well recognized that in deciding a question of similarity between two marks, the marks have to be considered as a whole. So considered, we are inclined to agree with Desai J. that the marks with which this case is concerned are similar. Apart from the syllable `co' in the appellant's mark, the two marks are identical. That syllable is not in our opinion such as would enable the buyers in our country to distinguish the one mark from the other.”

25. In the recent decision of *United Biotech (P) Ltd. v. Orchid Chemical and Pharmaceuticals Ltd.*, (Supra), decided by the Division Bench of this Court, who noticed various earlier cases including SBL, Astrozenca and Schering Corporation (Supra), where two rival trade marks were ORZID and FORZID and in both the marks part of the active ingredient CEFTAZIDINE was taken by both the parties, still the Division Bench has held that two marks are deceptively similar.

26. In the case of *Amritdhara Pharmacy v. Satyadeo Gupta*, AIR 1963 SC 449 : PTC (Suppl)(2) 1(SC) has laid down principles of comparison of marks. The relevant paras are as under:

"7. As we said in *Corn Products Refining v. Shangrila Food Products Ltd.*, (1960) 1 SCR 968: (AIR 1960) SC 142 : PTC (Suppl)(1) 13(SC)) the question has to be approached from the point of view of a man of average intelligence and imperfect recollection. To such a man the overall structural and phonetic similarity of the two names 'Amritdhara' and 'Lakshmandhara' is, in our opinion, likely to deceive or cause confusion. We must consider the overall similarity of the two composite words 'Amritdhara' and 'Lakshmandhara'. We do not think that the learned Judges of the High Court were right in saying that no Indian would mistake one for the other. An unwary purchaser of average intelligence and imperfect recollection would not, as the High Court supposed, split the name into its component parts and consider the etymological meaning thereof or even consider meanings of the composite words as 'current of nectar' or 'current of Lakshman'. He would go more by the overall structural and phonetic similarity and the nature of the medicine he has previously purchased, or has been told about, or about which has otherwise learnt and which he wants to purchase."

27. In the case of *Cadila Healthcare Ltd. vs. Cadila pharmaceuticals Ltd.*, (2001) 5 SCC 73 : 2001 PTC (21) 300(SC), the Apex Court after considering a large number of judgments of foreign courts as also the Indian courts laid down the following principles:

- (a) Though drugs are sold under prescription, the actual conditions of the society have to be kept in mind.
- (b) Dispensing of drugs by chemists in urban and rural areas as also the linguistic difference, lead to higher level of confusion.
- (c) Strict measures to prevent confusion especially in medicinal cases should be taken.
- (d) Public interest supports that a lesser degree of proof is required for a plaintiff to prove infringement in a pharmaceutical case if the marks are similar especially in medicinal cases.

- (e) Since confusion in drugs and medicines could be life threatening, drugs should be treated as poisons and not sweets.
- (f) In a society like India, doctors are under tremendous pressure and therefore, any confusion at their level should also be avoided.
- (g) Drugs are available on verbal requests even on telephone and therefore, there are higher chances of confusion

28. In the following cases, various High Courts, while dealing with rival trade marks of both parties have come to the conclusion that the case of infringement, passing off and refusal of similar mark are made out and injunction orders have been issued or in many cases registration application were rejected :

| Sr. No. | Case Name | Citation | Name of Drug by the parties | Compound of Origin | Allowed/ Restrained |
|---------|--|------------------------------|-----------------------------|---|---------------------|
| i) | Anglo-French Drug Co. (Eastern) Ltd. Vs. Belco Pharma | AIR 1984 P&H 430 (DB) | Beplex(P) Beplex(D) | Vitamin-B Complex | Injunction granted |
| ii) | Allegran Inc., Vs. Milment Oftho Inds. | 1999(19) PTC 160 (Cal) (DB) | Ocuflox Ocuflox | Ocu-ocular Flox-Ciprofloxacin | Injunction granted |
| iii) | Astra-Idl Limited Vs. Ttk Pharma Limited | AIR 1992 Bom 35 | Betaloc(P) Betalong(D) | Beta receptors – arteries – drug was to work on this part of body | Injunction granted |
| iv) | Medley Laboratories (P) Ltd. & Anr. Vs. Alkem Laboratories Limited | 2002(25) PTC 593 (Bom.) (DB) | Spoxin(P) Supaxin(D) | Sparfloxacin | Injunction granted |
| v) | Sun Pharmaceutical Industries Vs. Cadila Healthcare Ltd. | 2010 (43) PTC 483 (Mad) DB | VENIZ (P) VENZ (D) | Venlajaxine | Injunction granted |
| vi) | Apex Laboratories Ltd. Vs. Zuventus Health Care Ltd. | 2006 (33) PTC 492 (Mad) | ZINCOVIT (P) | Zinc | Injunction granted |

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|-------|--|------------------------------|--------------------------------|--|--|
| | | DB | ZINCONIA (D) | | |
| vii) | Torrent Laboratories Ltd. Vs. Ciba-Geigy Ltd. | MANU /GJ/ 0344/ 1998 (DB) | CIBA (P) ULCIBAN (D) | CLIMETIDINE | Appeal allowed Trademark granted |
| viii) | United Biotech Vs. Orchid Chemicals & Pharmaceuticals Ltd. | 2012 (5) PTC 433 (Del.) (DB) | ORZID (P) FORZID (D) | CEFTAZIDINE used to treat many kinds of bacterial infections | Division Bench held marks are similar |
| ix) | Pankaj Goel Vs. Dabur India Ltd. | 2008 (38) PTC 49 (Del.) (DB) | RASMOLA (A) HAJMOLA (R) | Digestive tables | Appeal dismissed Injunction granted |
| x) | Arvind Laboratories vs. Hahnemann Laboratory Pvt. Ltd. | 2007(35) PTC 244 (SJ) | EYETEX (P) EYELEX (D) | Eye Lotion | Injunction granted |
| xi) | USV Limited vs. IPCA Laboratories Limited | 2003(26) PTC 21 (SJ) | PIOZ (P) PIOZED (D) | Pioglitazone Hydrochloride | Injunction granted |
| xii) | Aravind Laboratories vs. V.Annamalai Chettiar | 1981(1) MLJ 75 (SJ) | EYETEX (P) EYESOL (D) | Eye Tonic | Injunction granted |
| xiii) | Schering Corporation vs. Alkem Laboratories Ltd. | 2010(42) PTC 772 (Del) DB | TEMOKEM (P) TEMOGET (D) | Temozolomide | Injunction refused |
| xiv) | Astrazenecea UK Ltd. vs. Orchid Chemicals | 2007(34) PTC 469 (DB) (Del.) | MERONEM(P) MEROMER(D) | Meropenem | -do- |
| xv) | Novartis vs. Wanbury Ltd. | 2005 (31) PTC 75 (Del.) | TRIAMINIC (P) CORIMINIC (D) | SYAMPATHO-MIMETIC DRUGS | Injunction refused |
| xvi) | Aviat Chemicals Pvt. Ltd. vs. Intas | 2001 PTC 601 (Del.) | LIPICARD (P) | Lipid Corrective Medicines | Injunction refused |

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|-------|---|-----------------------------|------------------------------------|--|------------------------|
| | Pharmaceuticals | | LIPICOR (D) | | |
| xvii | Serum Institute of India Limited vs. Green Signal Bio Pharma Pvt. Ltd. and Anr. | 2011(47) PTC 452 (Bom) (SJ) | ONCO BCG(P) BCG ONCO BP (D) | Bacillus Calmette Guenn | Injunction granted |
| xviii | Wyeth Holdings Corporation and Anr. vs. Burnet Pharmaceuticals (Pvt.) Ltd. | 2008(36) PTC 478 (Bom) (SJ) | FOLVITE (P) FOLV (D) | Folic Acid Vitamin | Injunction granted |
| xix | Wyeth Holdings Corp. and Anr. vs. Sun Pharmaceuticals Industries Ltd. | 2004(28) PTC 423 (Bom) (SJ) | PACITANE(P) PARIKTANE (D) | Trihexylphenidyl, Anti Spasmodic Preparations | Injunction granted |
| xx | Boots Company Plc vs. Registrar of Trade Marks | 2002(4) BomCR 36 (SJ) | BRUFEN (P) CROFEN (D) | Ibuprofen | Registration rejected |
| xxi | Medley Laboratories (P) Ltd., Mumbai and Anr. vs. Alkem Laboratories Limited | 2002(4) BomCR 70 (DB) | SPOXIN (P) SUPAXIN (D) | Sparfloxacin Ofloxacin | Injunction granted |
| xxii | Glaxo Group Limited vs. Vipin Gupta | 2006(33) PTC 145 Del (SJ) | BETNOVAT E (P) BETAVAT (D) | BETA from Betamethasone and VAT from Valerate IP | Injunction granted |
| xxiii | Remidex Pharma Private Limited vs. Savita Pharmaceuticals | 2006(33) PTC 157 (Del) (SJ) | ZEVIT (P) EVIT (D) | Vitamins | Injunction granted |
| xxiv | Cadila Laboratories Ltd. vs. Dabur India Limited | 66(1997) DLT 741 (SJ) | MEXATE (P) ZEXATE (D) | Methotrexate Sodium | Injunction not granted |
| xxv | Win-medicare Limited vs. Somacare Laboratories | 65(1997) DLT 369 (SJ) | DICLOMOL(P) DICMOL (D) | Diclofenac Sodium | Injunction granted |

29. In view of well-settled law and fact and circumstances of the present matter, it is clear that the two trade marks of the parties DROTIN and DROTAMOL are deceptive trade marks when used in relation to same goods it would create confusion and deception.

30. With regard to validity of the trade mark of the plaintiffs is concerned, the defendants have not alleged that they have challenged the registered trade mark of the plaintiffs. There is no material on the record to show that it is a generic name. We must remember that we are dealing with the case of registered trade mark where exclusive and statutory rights are granted. In similar circumstances, in the case of *Automatic Electric Limited v. R.K. Dhawan*, 1999 (19) PTC 81 (Del) the aspect of generic mark has been extensively discussed in para 12-16 of the order, the same reads as under:

“12. There is no dispute to the fact that the trade mark "DIMMERSTAT" of the plaintiff is registered in 'PART-A' as is evident from the registration certificate dated 14.2.1957 in class '9' for variable auto transformers. The said trade mark exists in the registration book from the year 1957. The sale invoices placed on record indicate that the plaintiff has been carrying on the business of manufacturing and marketing and selling variable voltage auto transformers of their manufacture and sale in the trade name "DIMMERSTAT", immediately after obtaining registration thereto.

13. Section 28(1) of the Trade and Merchandise Marks Act provides that the registration of a trade mark in Part-A or Part-B of the register shall, if valid, give to the registered proprietor of the trade mark the exclusive right to the use of the trade mark in relation to the goods in respect of which the trade mark is registered. Section 29(1) provides that a registered trade mark is infringed by a person who, not being the registered proprietor of the trade mark or a registered user thereof uses in the course of a trade mark which is identical with or deceptively similar to the trade mark in relation to any goods in respect of which the trade mark is registered. Thus, the right of exclusive use of the registered trade mark which is conferred under Section 28(1) of the Trade and Merchandise Marks Act shall stand infringed by use of an identical or deceptively similar trade mark also.

14. The trade mark "DIMMER DOT" of the defendants is admittedly not a registered trade mark although the own

documents of the defendants placed on record indicates that they are using the trade mark "DIMMER DOT" as a registered trade mark in advertisements, invoices and pamphlets. Such act on the part of the defendants of indicating that their product under the trade mark "DIMMER DOT" as registered amounts to commission of offence under Section 81 of the Act. No application has also been filed by the defendants before the Registrar for cancellation of the registration of the trade mark "DIMMERSTAT" adopted by the plaintiff and granted as far back as 1957. These two are very vital issues and speak volume against the defendants. Counsel for the defendants, however, tried to overcome the aforesaid shortcomings by submitting that the word "DIMMER" being a generic and descriptive word in the context of auto variable transformers, no trader could monopolise the use of the said word in relation to autovariable transformers. The aforesaid submission, therefore, is to be scrutinised in the context of the facts and circumstances of the case.

15. The trade mark "DIMMERSTAT" is registered without any disclaimer to the exclusive use of the word "DIMMER" which is part of the composite trade mark "DIMMERSTAT". The whole of the trade mark as registered including the word DIMMER is subject matter of monopolistic right of exclusive use conferred by the Statute upon the plaintiff under Section 28(1). The validity of the registration of "DIMMERSTAT" cannot be challenged by the defendants in a proceeding like this for the defendants have a remedy to file cancellation of the registration in an appropriate forum. But, the said remedy has not been resorted to by the defendants till date. The object or the good involved herein is a variable auto transformer. The word "DIMMER" as is understood in the common parlance and as stated in dictionary is connected with an arrangement for regulating the supply of the electricity, but, the product here is not a DIMMER, but, a variable transformer. Auto transformers have several applications including voltage and current control in experimental and development work in laboratories and R & D departments testing and calibration of indicating instruments etc. Thus variable auto transformers cannot be strictly called a "DIMMER" and both are not interchangeable for autotransformer has many other functions. The decision of the Supreme Court in

J.R. Kapoor (supra) is also thus distinguishable on facts, for in that case micro-chip technology was the base for both the products which is not the case of the goods in hand.

16. The defendants got their trade mark "DIMMER DOT" registered in Australia. The fact that the defendant itself has sought to claim trade proprietary right and monopoly in "DIMMER DOT", it does not lie in their mouth to say that the word "DIMMER" is a generic expression. User of the word "DIMMER" by others cannot be a defence available to the defendants, if it could be shown that the same is being used in violation of the statutory right of the plaintiff. In this connection, reference may be made to the decision of this Court in *Prakash Roadline Ltd. Vs. Prakash Parcel Service (P) Ltd.*; reported in 1992 (2) ALR 174.”

31. The Supreme Court in similar position in the case of *Milment Oftho v. Allergan Inc.*, 2004 (28) PTC 585 (SC) has taken the opposite view. The facts of the said case are that the plaintiff filed the suit for infringement on the basis of the trade mark Ocuflux. The word Ocu was derived from Ocular and Flox from Ciprofloxacin. The Calcutta High Court Division Bench (comprising Justice Ruma Pal and Justice Devinder Kumar Jain) passed the interim orders restraining the defendant from using the trade mark Ocuflux and also came to the conclusion that there cannot be two medicinal preparations bearing the same name from different sources. One must go. The judgment of the Division Bench was challenged by the defendant in the Supreme Court, who after hearing both the parties dismissed the appeal by following the principles of *Cadila's* case. It was observed that *Cadila* case holds that exacting judicial scrutiny is required when a court is dealing with medicinal products.

32. Therefore, this Court is of the considered view that unless the trade mark challenged by the defendant in the written statement is cancelled or

ratified, it is not the practice to infringe the same in an action for infringement of trade mark.

PASSING OFF

33. The test of confusion and deception in order to prove the case of passing off has been very well discussed in the case of *Laxmikant V. Patel vs. Chetanbhat Shah and Another*, a judgment delivered by the Supreme Court, reported in (2002) 3 SCC 65, wherein the Apex Court while considering a plea of passing off and grant of ad interim injunction held in no uncertain terms that a person may sell his goods or deliver his services under a trading name or style which, with the passage of time, may acquire a reputation or goodwill and may become a property to be protected by the Courts. It was held that a competitor initiating sale of goods or services in the same name or by imitating that name causes injury to the business of one who has the property in that name. It was held that honesty and fair play are and ought to be the basic policy in the world of business and when a person adopts or intends to adopt a name which already belongs to someone else, it results in confusion, has the propensity of diverting the customers and clients of someone else to himself and thereby resulting in injury. It was held that the principles which apply to trade mark are applicable to trade name also.

In para 10 of the aforesaid judgment reads as under:-

“The law does not permit any one to carry on his business in such a way as would persuade the customers or clients in believing that his goods or services belonging to someone else are his or are associated therewith. It does not matter whether the latter person does so fraudulently or otherwise. The reasons are two. Firstly, honesty and fair play are, and ought to be, the basic policies in the world of business. Secondly, when a person adopts or intends to adopt a name in connection with

his business or services which already belongs to someone else it results in confusion and has propensity of diverting the customers and clients of someone else to himself and thereby resulting in injury.

In this case, the Apex Court further observed that:

Where there is probability of confusion in business, an injunction will be granted even though the defendants adopted the name innocently.”

34. In view of settled law, a case of passing off is made by the plaintiffs.

35. **Common to the Trade**

The defendants in the present case even prima facie not able to establish that the third parties are actually using the similar trade marks as alleged in the written statement. Nothing has come out of record to show that any third party has actually used the DROTIN prior to the plaintiffs. A mere plea, thus raised is not enough as per settled law.

36. Law of publici juris has been discussed in various cases and the Courts have given their respective findings to the effect that a party who has taken the defence of publici juris has to prove his case. The same has been dealt with by this Court and Calcutta High Court in the following cases:

a) In *Rolex Sa v. Alex Jewellery Pvt. Ltd. and Ors.*, 2009 (41) PTC 284 (Del).

“22. The next aspect to be considered is the effect/impact, if any, of a large number of other persons using the word ROLEX as claimed by the defendant. At this stage, this plea will be examined believing the same to be true. In my view, the same would be immaterial. Firstly, nothing has been shown that any of the said users has any significant presence. Secondly, it is now well settled in Honda (supra) in turn relying upon Indian

Shaving Products Ltd. Vs Gift Pack that merely because the plaintiff who is otherwise found entitled to the interim injunction is shown to have not taken any step against other infringers is no ground to deny relief to the plaintiff. It cannot also be said that the plaintiff's trademark has lost its distinctiveness for the said reason. The reply affidavit of the plaintiff lists the orders of the Trade Mark Registry from 1964 to 2000, where plaintiff's mark has been protected inter alia for reason of having great reputation. It also shows that the plaintiff has been enforcing its rights. Though the list filed by defendant No. 1 in this regard is long but a perusal thereof shows a number of applicants to have abandoned or withdrawn their applications. This is a vast country. Mere long list of applicants/registrants of mark, without any extensive use of the mark, cannot dent the distinctive character or repute of the mark.

b) In *Express Bottlers Services Pvt. Ltd. v. Pepsi Inc. and Ors.* 1989

(9) PTC 14 it has been held as under :

50. ...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 the case of *Century Traders vs. Roshan Lal Duggar & Co.*, AIR 1978 Delhi 250 it was held as under :

“14. Thus, the law is pretty well settled that in order to succeed at this stage the appellant had to establish user of the aforesaid mark prior in point of time than the impugned user by the respondents. The registration of the said mark or similar mark prior in point of time to user by the appellant is irrelevant in an action for passing off and the mere presence of the mark in the register maintained by the trade mark registry did not prove its user by the persons in whose names the mark was registered and was irrelevant for the purposes of deciding the application for interim injunction unless evidence had been led or was available of user of the registered trade marks. In our opinion, these clear rules of law were not kept in view by the learned single Judge and led him to commit an error.”

37. Now, the question of jurisdiction. The plaintiffs have invoked the territorial jurisdiction of this Court in view of statement made in para 22 of the plaint which reads as under :

“22. This Hon’ble Court has jurisdiction to entertain and try the present suit under Section 134 of the Trade Marks Act, 1999 as the plaintiffs carry on their business from New Delhi from the address mentioned in the cause title above. The plaintiff No.1, being the registered proprietor of the trade mark has its registered office in Delhi. The registered proprietor thus works for gain, reside and carry on business within the territorial jurisdiction of this Hon’ble Court. The goods of the plaintiffs are also being sold throughout India. The impugned goods of the defendant are also being sold and offered for sale at Delhi, though without issuance of supporting invoices. Hence, the cause of action for infringement as well as passing off has also arisen within the territorial jurisdiction of this Hon’ble Court.”

In *Exphar SA v. Eupharma Laboratories Ltd.*, (2004) 3 SCC 688, the Supreme Court has held that when an objection to jurisdiction is

raised, the Court can proceed on the basis that the facts as pleaded by the initiator of the impugned proceedings are correct.

38. In view of the settled law, prima facie this Court finds that this Court has got the territorial jurisdiction. However, issue of jurisdiction has to be decided after framing of issues when the matter is taken for final disposal of the suit. The said issue is thus kept open.

39. In the light of aforesaid reasons, the plaintiffs is also able to make out a strong prima facie case for grant of injunction. The balance of convenience lies in favour of plaintiffs and against the defendants. In case, an interim order is not issued the plaintiffs would suffer irreparable loss and injury. Thus, an interim order is issued against the defendants or any person on their behalf from using the trade mark DROTAMOL in respect of medical and pharmaceutical products till the disposal of suit. As the defendants failed to comply the order dated 5th February, 2013 for furnishing the accounts, they are burdened with costs of Rs.10,000/- which shall be deposited by defendants within four weeks.

40. Both applications are accordingly disposed of.

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41. List the matter for framing of issues on 4th August, 2014.

**(MANMOHAN SINGH)
JUDGE**

MAY 26, 2014