

I.A. No. 12593/2007 in CS (OS) NO. 2176/2007

Modi-Mundipharma Pvt. Limited v. Preet International Pvt. Ltd.

2009 SCC OnLine Del 3922

(BEFORE MANMOHAN SINGH, J.)

Modi-Mundipharma Pvt. Limited Plaintiff

Mr. Pravin Anand with Mr. Sagar Chandra, Mr. Bhagwati Prasad and Ms. Abhilasha Kumbhat, Advs.

v.

Preet International Pvt. Ltd. & Anr Defendants

Ms. Sumeet Kaur, Adv. For D-1, Mr. D. Vemkat Reddy with Mr. Gagan Gupta, Mr. S. Venkateshwar and Mr. Raman Kapoor, Advs. For D-2

I.A. No. 12593/2007 in CS (OS) NO. 2176/2007

Decided on December 3, 2009

MANMOHAN SINGH, J.

1. The plaintiff has filed the present suit for permanent injunction against the defendants for restraining the infringement of trademark, passing off, delivery up, damages and rendition of accounts of profits etc.

2. The brief facts are that the plaintiff company was established in the year 1990 and is engaged in the field of manufacturing and marketing pharmaceutical formulations. As per the plaint, the plaintiff is the proprietor of trademark 'CONTIN', which is registered under NO. 518594 in Class 5. Apart from the trademark CONTIN, the plaintiff is also the proprietor of other trademarks in the series having CONTIN as a common feature including CONTINUS, DILCONTIN, NITROCONTIN, INDICONTIN, ARCONTIN, BUCONTIN, CORBUCONTIN, DIUCONTIN-K, FECONTIN-F etc. The products sold under the said trademarks are used extensively and therefore came to be associated exclusively with the plaintiff. CONTIN is the common feature of these trademarks and can be identified as the CONTIN family/series of trademarks. List of the trademarks that form the family of CONTIN trademarks is as under: -

S. No. Trademark Application no.

Status Class

1. ACOCONTIN 1069493 Pending 5
2. ALPROCONTIN 919418 Pending 5
3. AMBROCONTIN 615104 Registered 5
4. ANGICONTIN 873009 Registered 5
5. ARCONTIN 590595 Registered 5
6. ASACONTIN 1039218 Registered 5
7. ASPICONTIN 1039217 Registered 5

8. BUCOCONTIN 567189 Registered 5

9. BUCONTIN 522926 Registered 5

10. CONTIN 518594 Registered 5

11. CONTINUS 412096 Registered 5

12.

CORBUCONTIN 590592

Registered 5

13.

DILCONTIN

610199

Pending

5

14.

DIUCONTIN

623780

Registered 5

15.

DIUCONTIN-K 518595

Registered 5

16.

FECONTIN

939544

Registered 5

17.

FECONTIN-F

518596

Registered 5

18.

FECONTIN-Z

715042

Registered 5

19.

FENCONTIN

475929

Registered 5

20.

GLIPICONTIN

919420

Registered 5

21.

INDICONTIN

919419

Registered 5

22.

ISOCONTIN

475931

Registered 5

23.

METOCONTIN 515540

Registered 5

24.

MORCONTIN

522275

Registered 5

25.

NAPROCONTIN 590594

Registered 5

26.

NITROCONTIN 518598

Registered 5

27.

PYRICONTIN

518599

Pending

5

28.

SALCONTIN

631859

Registered 5

29.

THEOCONTIN 462160

Registered 5

30.

TRD-CONTIN

852340

Pending

5

31.

UNICONTIN

412095

Registered 5

32.

VASCONTIN

571424

Registered 5

3. One such pharmaceutical preparation manufactured by the plaintiff and having the registered trademark CONTIN as a common feature is marketed under the trademark FECONTIN-F containing Ferrous Glycine Sulphate equivalent to 100 mg. Ferrous Iron

and Folic Acid I.P. 0.5 mg Tablets. The said trademark FECONTIC-F is registered in favour of the plaintiff under trademark registration No. 518596 in Class 5. The plaintiff has been using the said trademark in respect of the products manufactured and marketed by it since March 1993. The trademark FECONTIN-F has been well accepted in the trade. Furthermore, the plaintiff has widely advertised its products under the CONTIN family/series of marks and the trademark FECONTIN-F by distributing literature among persons in the medical profession and the trade and has incurred substantial expenditure.

4. The contention of the plaintiff is that by virtue of the long, continuous and extensive user since 1993, the plaintiff's registered trademark FECONITN-F has been widely accepted and has acquired tremendous goodwill and reputation that has been further reinforced and strengthened by the plaintiff's prior adoption and use. The plaintiff's products under CONTIN family/series of marks and the trademark FECONTIN-F have been trusted by millions of consumers all over the country. The plaintiff, therefore, contends the exclusive use of the CONTIN family/series of marks and the trademark FECONTIN-F with respect to their product.

5. In July 1999, representatives of the Plaintiff came across a pharmaceutical product bearing the trademark FEMICONTIN that was allegedly being manufactured by M/s Eubiotics Pharmaceuticals and marketed by Defendant No. 2, Speciality Meditech Pvt. Ltd. The said pharmaceutical product contained Dried Ferrous Sulphate I.P, 1 SO' mg, Zinc Sulphate Monohydrate D.S.P. 61.8 mg, Cyanocobalamin I.P. 1.2 mcg, Folic Acid 1.2 mg with Vitamin B12 capsules having the same chemical composition as that of the FECONTIN-F product of the Plaintiff. The trademark FEMICONTIN is also deceptively similar to the Plaintiffs CONTIN family/series of marks and the trademark FECONTIN-F.

6. The Plaintiff sent legal notice on 10.07.1999 through their attorney to M/s Eubiotics Pharmaceuticals, 6-4-1/1, Savarkar Nagar, Nacharam, Hyderabad 500076 and Speciality Meditech Pvt. Ltd (Defendant No. 2 in the present proceedings), calling upon them to cease and desist from using the mark FEMICONTIN, as the same amounted to infringement of the statutory trademark rights of the Plaintiff. M/ s Eubiotics Pharmaceuticals, through their counsel, replied, the notice on 3rd August, 1999 stating their unwillingness to acknowledge the rights of the Plaintiff.

7. However, as per plaintiff, it was informed to the Plaintiff by its agents that the said pharmaceutical product was not being marketed under the trademark FEMICONTIN.

8. The Plaintiff was under the impression that M/s Eubiotics Pharmaceuticals and Defendant No. 2 had stopped manufacturing and marketing the product and did not take any action immediately. However two years later, the Plaintiff again came across products manufactured and marketed under the trademark FEMICONTIN, which was causing loss of reputation to the Plaintiff.

9. The Plaintiff in 2002, therefore, instituted a civil suit in the District Court of Hyderabad being CS(OS) No. 33/2004 praying for permanent injunction restraining infringement of trademark, passing off, rendition of accounts of profits, delivery up and damages against M/ s Eubiotics Pharmaceuticals and Defendant No. 2.

10. Summons and notices were issued to the Defendants in the abovesaid suit. However, M/s Eubiotics Pharmaceuticals (Defendant No. 1 in the said suit) could not be served. On investigation done by the Plaintiff, it was discovered that M/s Eubiotic Pharmaceuticals had changed their name and address to Stanbiotic Pvt. Ltd., Plot No.

6/3, Road No. 11, IDA, Nacharam, Hyderabad-500076 and an amendment was made in 2004 in the said proceedings.

11. Summons were thus issued to Stanbiotic Pvt. Ltd. who was the one manufacturing the pharmaceutical product under the trade mark FEMICONTIN.

12. Defendant no. 2 filed its Written Statement stating, inter alia, that the trademark FECONTIN-F of the Plaintiff and FEMICONTIN of the Defendant are different and also challenged the jurisdiction of the Hyderabad District Court under various grounds. It was contended by the defendants that they were not selling their pharmaceutical product under the trademark FEMICONTIN in Andhra Pradesh.

13. The Plaintiff in view of statement made in the written statement instead of contesting with Defendant No. 2 on the point of jurisdiction withdrew the said suit being CS(OS) No. 33/2004 on 23rd August, 2004 with liberty to file a fresh suit in the appropriate Court.

14. After withdrawal, the plaintiff submitted that the manufacturer of the pharmaceutical product under the trademark FEMICONTIN had again changed from Stanbiotic Pvt. Ltd. to Mark Drugs Ltd. having their office at Plot No. 11, 12 & 13, Central Park, Kompally, R.R. Distt., Secunderabad-500014, Andhra Pradesh. However, the company marketing the product remained the same. As per plaintiff, thus, the Defendant No. 2 who markets the said product, regularly changes its manufacturer by licensing out the manufacture of the pharmaceutical product.

15. The Plaintiff, thereafter filed the suit being CS(OS) No. 577/2005 before this Court on the ground that Defendant No. 2 had admitted sale of their product in New Delhi wherein by order dated 24th May, 2005, this Court passed an ex-parte ad-interim injunction against the Defendants restraining them from using the trademark FEMICONTIN or any other trademark deceptively similar to the Plaintiffs CONTIN series of trademarks and the trademark FECONTIN-F as it amounts to an infringement of the Plaintiffs registered trademark bearing No. 518596 & 518594.

16. The Defendants filed their written statement and other documents pertaining to the case. After hearing an application under order 39 Rules 1 and 2 CPC, the court by its order dated 22nd May, 2007 returned the plaint mainly on the ground that the Plaintiff had arbitrarily valued the suit in order to bring the matter within the pecuniary jurisdiction of this Court. It was observed that the valuation of Rs. 20,05,000/- was fixed arbitrarily by the Plaintiff with the view to file the case in this Court and that the suit was not valued properly. It was ordered that the plaint should be presented in the appropriate Court.

17. Aggrieved by the impugned order passed by the Learned Single Judge, the plaintiff preferred an appeal being FAO(OS) No. 476/ 2006 before the Division Bench and prima facie showed some evidence of sale of the defendants. The plaintiff then withdrew its appeal with the liberty to move an appropriate application before the learned Single Judge of this court in the main suit. Liberty was granted to the Plaintiff to file an appropriate application vide order dated 30th August, 2006.

18. The Plaintiff then filed an application under Order 6 rule 17 of the Code of Civil Procedure, 1908 seeking to amend its plaint in order to enhance the valuation of the present suit in view of the sales figures filed by the Defendants along with their Written Statement.

19. It is to be noticed here that as the plaint had been returned, the said application

could not be entertained by the Court unless the present suit was revived. The Plaintiff thereafter, filed the review petition under Order 47 Rule 1 read with Section 114 & Section 151 CPC being Review Application No. 07/2007 praying for reinstatement of the plaint in Suit No. 577/2005. Reply to the said application was also filed on 17th May, 2007. It has been mentioned by the defendant no. 2 that the plaintiff withdrew the review application.

20. The plaintiff submits that since the order dated 22nd May, 2006 returning the plaint was passed on technical grounds and not on merits, the Defendant No. 2 continues to openly market the product bearing the trademark FEMICONTIN now being manufactured by Defendant No. 1. The said sale is causing incalculable loss to the business and reputation of the Plaintiff. Hence, in view of recurring and continuous cause of action, the plaintiff filed the fresh present suit.

21. The Plaintiff, by the present suit, is seeking an order of injunction restraining the Defendants from making use of the name FEMICONTIN or any other deceptively similar name leading to infringement and passing off of the Plaintiffs registered trademarks CONTIN family/series of marks and FECONTIN-F.

22. It is submitted by the Plaintiff that the use of the mark FEMICONTIN by the Defendants tarnished the quality of the Plaintiffs well known and world-renowned CONTIN family/series of marks and is likely to cause tremendous loss to the reputation and goodwill on account of the following factors: -

(a) The trademark FEMICONTIN as adopted by the Defendants amounts to infringement of the Statutory and Common Law rights of the Plaintiff in the CONTIN family/series of marks.

(b) The trademark FEMICONTIN as adopted by the Defendants is almost identical to that of the Plaintiffs registered trademark FECONTIN-F.

(c) The pharmaceutical product and chemical composition of the products being dealt with by the Defendants are identical to those of the Plaintiffs manufacture.

(d) The class of consumers and the channel of sale are the same.

23. The conduct of the defendants is thus classified as patently dishonest and is motivated to encash upon the goodwill and reputation earned by the Plaintiff in their CONTIN family/series of marks and the trademark FECONTIN-F.

24. The defendant no. 1 filed its written statement and has, inter alia, alleged as under :-

a) That the suit is not maintainable as against the Defendant no. 1 since there has been no infringement of trade mark by the said Defendant as alleged or otherwise. Further the Plaintiff has also failed to show how the answering Defendant is liable and the extent thereof, if at all, for the losses as alleged to be incurred by the Plaintiff.

b) The suit is bad for nonjoinder of necessary and proper parties. The Defendant No. 1 have manufactured FEMICONTIN, only from November/December 2005 till September/October 2007 before which the said drug was admittedly being manufactured by other manufacturers who were not been impleaded as parties, despite being necessary parties.

c) It is admitted that the defendant started production for the Defendant no. 2 in the

year 2005 and has obtained the relevant permission for the manufacture of drugs including FEMICONTIN PLUS for production and supply to the Defendant No. 2 as per the purchase orders. It is further submitted that the Defendant No. 1 has its own drug manufacturing license and is carrying out production for various companies.

d) As per the plaintiff's own admission, in the previous litigation between the Plaintiff and the Defendant no. 2, the defendant No. 1 had no involvement and it is the Defendant No 2 who markets the said product and "regularly changes its manufacturer" by licensing out the manufacture of the pharmaceutical product under the trade mark FEMICONTIN to different Companies. Hence the Defendant No. 1 cannot be held liable for the acts of the Defendant no. 2 even as per the Plaintiff's own case.

25. On 18th January 2008, the Ld. Counsel for the Defendant no. 1 has made the statement before the Court that the production of the capsule in question namely FEMICONTIN has been completely stopped by the Defendant No. 1 from its factory premises situated at Baddi.

26. The defendant No. 2 has filed a separate written statement and has raised defence for dismissal of the suit and refusal of interim application. The main contentions are as under :

(a) that the word "CONTIN" is not invented by the plaintiff. It is has been derived from the dictionary word "CONTINUE", which means, "to go on happening or moving".

(b) that nobody should be allowed to use and acquire monopoly over any ordinary words commonly used in the trade.

(c) plaintiff does not have sales of "FECONTIN-F" all over India and no documents in support of its claim of the user's status have been filed. Further the Plaintiff does not have sales in New Delhi. The plaintiff cannot take the advantage of territorial jurisdiction of this Court nor can take the benefit of Section 134 (2) of Trade Marks Act, 1999.

(d) there is no question of any confusion and deception among the purchasers. It was further stated that according to the Drugs and Cosmetics Rules-1945, the said products fall under Schedule-'H' drugs which indicates that the said product cannot be sold or made freely available to the general customers without a prescription from a qualified Doctor.

(e) there are contradicting and misleading statements made by the plaintiff before the Court of the District Judge, Ranga Reddy district, Hyderabad wherein the plaintiff stated that they came across the Defendants pharmaceutical products bearing Trade Mark "FEMICONTIN" in the month of January, 2004.

(f) in the present suit, the plaintiff claimed that they came to know about the Defendant's Trademark in the month of July, 1999 which is contradictory and misleading. The Plaintiff has not approached this Court with clean hands and is thus not entitled for any relief.

(g) that the Trademark of the Defendant No. 2 "FEMICONTIN" is not deceptively similar to the Plaintiffs alleged trademark "FECONTIN-F" family / series of marks or the Trademark "CONTIN", hence, the question of infringement and passing off does not arise.

(h) that the word "FEMI" is derived by adding letters "MI" to "FE", which indicates "Female" The word

"CONTIN" is derived from the dictionary word

"CONTINUES", which means to go on happening or moving. In total, the Trademark "FEMICONTIN" means and indicates a drug which releases iron continuously in a sustained release manner into the body of a pregnant woman to avoid side effects and improves the quality of blood by increasing RBCs. The Defendant No. 2 has thus adopted "FEMICONTIN" as its Trademark and has not stopped marketing its goods.

(i) there are number of companies marketing their products with the prefix "FE" There are many Trademarks which are using the words CONTIN, as a part of their Trademark for which the Plaintiff is claiming monotonous rights.

Identical Application No.

No.

Status Proprietor marks

CONTINUS

547328 -- Elder

Pharmaceuticals

Ltd, Delhi

CONTINA 769168

Registered Schering

Aktiengesellschaft, Germany

CONTINUE 1011707

--

Weave Pharmaceuticals Pvt. Ltd, Chennai

(j) the comparative chart of both the Trademarks, Femicontin and Fecontin-F has been submitted by the defendants and is reproduced below: -

FEMICONTIN NN

SUBJECT

FECONTIN-F REMARKS

Application No 837309

518596

Date of Application

18.01.1999

March 1993

Class

05

05

Organisation

Speciality

Modi Mundi Meditech Private Pharmaceutical ticals

Limited.

Limited.

Registered office

Situated at

JAI PUR

Situated at

NEW

DELHI .

Yes

Yes

Is it schedule "H"

drug

only on doctors Prescription.

Both should be sold

Cures which

HAEMITINIC HAEMITINIC

disease Is it a tablet or Capsules

Tablets capsule Areas of

operation

Rajasthan,

Delhi

Haryana, Assam, Manipur, Madhya Pradesh, Some Places of Uttar Pradesh

Rate of Tablets Cost of 10

Cost of 10

All over India There is no sales in

is

no

sales

Maharashtra, Himachal

Andhra Pradesh

Pradesh,

and New D

The price of the

/ Capsules for Capsules is

tablets is Rs.

51-

Plaintiff Product is

Strip Rs. 24-00 only. 05 only. approximately

(Variable) (Variable) doubles to the price

of Defendant. Colour of the Ponceau 4R Sun set yellow Totally Different Tablets
(Capsules) (Tablets) Colour of

Packing

Lite Saffron Ash colour Both are

Different

Box Colour Similarities Word Marks Word Marks Visually,

Phonetically or Structurally Different.

Contents of Dried Ferrous Ferrous Glycine Contents are Tablets Sulphate I.P. -
Fumurate different.

200mg equivalent to Zinc Sulphate 100mg Ferrous Monohydrate - Iron and Folic

61.8mg., Acid I.P. -

0.5mg

Cynocobalamin

I.P 10mcg, Folic Acid-

1.5mg, Quotation Sustained Controlled There are no mentioned on strip

Release System Release System chances of getting confused.

DIFFERENCE BETWEEN TWO TRADE MARKS:

(k) since the Plaintiff has withdrawn its Review Petition without any leave to file a fresh suit and this Court passed the orders on 12.11.2007.

27. After hearing learned counsel for the parties, now I shall deal with the rival submissions made by them.

28. Infringement of Trademarks

The first contention is whether the two marks, 'FECONTIN-F' of the plaintiff and 'FEMICONTIN' of the defendants, are deceptively similar or not. Admittedly, the plaintiff is the registered proprietor of the trademark 'FECONTIN-F' bearing no. 518596 and the family/series mark 'CONTIN' under no. 518594 in Class 5 of the Classifications. Under Section 28 and 29 of the Trade Marks Act, 1999 the plaintiff has exclusive and statutory rights to protect the said mark in case another party is either using the deceptively similar or identical trademark as that of the plaintiff in relation to which the mark is registered.

29. It is settled law that while comparing the two marks in an action for infringement, only the marks are to be compared and in case the court reaches the conclusion that the two trademarks in dispute are similar, the case of infringement is made out. No further evidence is required in this regard. (Ref. AIR 1965 SC 980 *Kaviraj Pandit Durga Dutt Sharma v. Navratna Pharmaceutical Laboratories.*)

30. In the present case, the defendants have specifically alleged that the two trademarks are not similar and tried to give justification that they derived the mark CONTIN from the dictionary word 'continue' and the word 'femi' is derived from the letters 'mi' and 'fe', which indicate female, hence, the mark adopted by the defendants is bonafide and is not deceptively similar to that of the plaintiff.

31. The contention of the plaintiff is that the plaintiff is the registered proprietor of the mark FECONTIC-F and separately of the suffix 'CONTIN' which is a family/series mark of the plaintiff, the same being used as a common feature with various other registered trademarks of the plaintiff, details of which are given in the plaint. Therefore, clear case of infringement and passing off is made out by the plaintiff.

32. To decide the question as to whether the two marks 'FECONITIN-F' and 'FEMICONTIN' are deceptively similar or not, the case of *Corn Product Refinding Co. v. Shangrila Food Products Ltd.* AIR 1960 SC 142 can be looked into. The Apex Court in this case held that the two trademarks GLUVITA used for biscuits and GLUCOVITA used for glucose are likely to cause confusion and deception. In deciding the question of similarity between the two marks, the court has to approach it from the point of view of a man of average intelligence and of imperfect recollection. The overall structural and phonetic similarity of the idea in the two marks should

reasonably be likely to cause a confusion between them.

33. In the case reported as *Amritdhara Pharmacy v. Satya Deo Gupta* AIR 1963 SC 449, after considering the various judgments, the Supreme Court came to the conclusion that the two names 'Amritdhara' and 'Laxmandahara' are deceptively similar and are likely to deceive or cause confusion.

34. The test of comparison of marks was also laid down in the case of *Re Pianotist Co.'s* [1906] 23 RPC 774 wherein it has been observed by Parker, J. that :-

"You must take the two words. You must judge them, both by their look and by their sound. You must consider the goods to which they are to be applied. You must consider the nature and kind of customer who would be likely to buy those goods. In fact you must consider all the surrounding circumstances; and you must further consider what is likely to happen if each of those trade marks is used in a normal way as a trade mark for the goods of the respective owners of the marks."

35. There are many other judgments on the question of deceptive similarity wherein the point of similarity has been decided in the case of infringement of the marks. Some of the same are referred as under: -

(a) 2004 (28) PTC 456 (Del) Pifzer Ireland Pharmaceuticals v. Intas Pharmaceuticals and Anr. where the marks Lipitor and Lipicor were held to be deceptively similar.

(b) 2003 (27) PTC 525 (Del) Sanat Products Ltd v. Glade Drugs & Nutraceuticals Pvt Ltd and Anr. where the marks Reform and Refirm were held to be deceptively similar.

(c) 2002 (25) PTC 592 (Bom) (DB) Medley Laboratories Pvt Ltd, Mumbai and Anr. v. Alkem Laboratories Ltd where the marks Spoxin and Supaxin were held to be deceptively similar.

(d) 2002 (25) PTC 482 (Del) Smithkline Pharma (India)Ltd and Ors. v. Prakash Setia and Ors. where the marks Alben and Aben were held to be deceptively similar.

(e) 1996 PTC (16) Del, Ciba Geigy Ltd v. Crosslands Research Laboratories Ltd where the marks Voltaren and Volta-K were held to be deceptively similar.

(f) (Supp.) (2) PTC 452 (P&H) (DB) Anglo French Drug Co. (Eastern) (Bombay) v. Belco Pharmaceuticals (Haryana) where the marks Beplex and Beplex were held to be deceptively similar.

(g) Ranbaxy Laboratories Ltd. v. Dua Pharmaceuticals Pvt. Ltd., AIR 1989 Delhi 44.

36. In order to stress his submission about the family mark along with the suffix of the mark of the plaintiff, learned counsel for the plaintiff has also referred to para 23.6.1. of 'McCarthy on Trademarks and Unfair Competition' 4th Edition, written by J. Thomas McCarthy :-

"A trademark owner may use a plurality of marks with a common prefix, suffix or syllable. It has the opportunity to establish that it has a family of marks, all of which have a common "surname" It relies on this to argue that defendant's mark, which incorporates the "family surname" is confusingly similar to the total "family group" In effect, the family "surname" or distinguishing element is recognised by customers as an identifying trademark in and of itself when it appears in a composite....."

37. In the case of Parke Davis & Co. v. D.B.T. Pharmaceuticals AIR 1980 PATNA 107 at page-109 in para-6, a similar situation arose and the High Court while comparing the marks in question came to the following conclusion :-

".....Now, here is a case in which admittedly the plaintiffs are the registered proprietors of a trade mark 'DRYL'. They had been in exclusive use of that trade mark and have used it in many of their other preparations such as Benadryl, Caladryl, Comodryl etc. These preparations have achieved a certain respectability in the market. When, therefore, the plaintiffs came up with a suit for perpetual injunction against the defendant's using the said registered trade mark in their preparation, definitely the court had to apply its mind to the cause as to why the defendant was enamoured of using the same mark on its preparations. If the word 'DRYL' had not had any particular attraction for customers, why should the defendant have stuck to that mark for its medicinal preparations....."

38. I agree with the submission of the learned counsel for the plaintiff that CONTIN is the family/series mark of the plaintiff. It appears from para 3 of the plaint that there are series of trademarks which are registered containing the suffix CONTIN.

39. After having gone through the well known decisions on the subject referred above, I hold without any hesitation that both the marks used by the respective parties in the present case are almost visually and phonetically identical and are deceptively similar. The defendants have only added the two letters 'MI' in their mark, otherwise both the marks are identical.

40. The justification given by the defendants for adoption of the mark is only flimsy at best, and the same cannot be accepted in law as for the purpose of comparison of the marks in an action for infringement, it is not a fair practice to split the marks and then compare them word by word. In an action for infringement, the marks have to be compared as a whole (Ref. Corn products(supra), Amritdhara(supra) and Durga Dutt Sharma v. Navratana Pharmaceuticals Laboratories AIR 1965 SC 980.

41. In the case of Corn Products (Supra), it was held that in deciding a question of similarity between two marks, the marks have to be considered as a whole. Similarly, in the case of Amritdhara (supra) it was observed that the trade mark is the whole thing. The whole word has to be considered. Also in the case of Durga Dutt Sharma (supra), the Apex Court held that where common marks are included and trade marks are to be compared, the proper course is to look at the marks as whole and not to disregard the parts which are common only because certain parts thereof may be uncommon.

42. In view of the above, the plaintiff has clearly made out a case for infringement of trademark.

43. Now I shall deal with the judgments relied upon by the learned Counsel for the defendant no. 2 and distinguish them from the facts of the present case.

a) *AIR 1998 Delhi 126, S.B.L. Limited v. Himalaya Drug Co.* This judgment is not applicable to the facts and circumstances of the present case as in para 19 of the judgment, it is observed by the Division Bench that the word "Liv" is an abbreviation of liver. This abbreviation has been used in over 100 registrations. Therefore, the Court came to the conclusion that the word "Liv" is generic and common to the trade. Further, the defendant has also produced the evidence by filing of the actual samples used by other traders in the said case. Secondly, in this case, the plaintiff was using

the name Liv.52 in respect of allopathic preparations. On the other hand, defendant was using the name Liv.T in respect of homeopathic medicine. Therefore, the facts in that case are totally different.

b) The second case referred by the defendant no. 2 is *1997 DLT (66) 741, Cadila Laboratories Limited v. Dabur India Limited*. This judgment is not applicable as it is a matter of fact that trademark 'mexate' is coined from the methotrexate sodium. Therefore, the Court had refused to grant the injunction due to the circumstances explained.

c) *2007 (34) PTC 585 (Mad.) (DB), Anji Raddy, Hyderabad-1 v. Hoechst Aktiengesellschaft*. The main reason for refusing injunction in this case was that both the drugs were schedule H drugs and the Court specifically came to the conclusion that the trademarks were dissimilar. The defence of schedule H has been re-examined in the later judgment of the Cadila case by the Supreme Court wherein the Apex Court has dealt with the said argument at length and has given its findings against the party who had pleaded the defence of schedule H which was not accepted as a valid defence on various reasons given.

d) *2006 (33) PTC 492 (Mad.) (DB), Apex Laboratories Ltd. v. Zuventus Health Care Ltd*. This judgment is also not applicable as the Court had specifically given the finding that the word 'Zinc' is common to the trade and is publici juris.

e) *AIR 1970 SC 2062, F. Hoffmann-La Roche and Co. Ltd. v. Geoffrey Manners and Co. Private Ltd*. In the said judgment, the Court had not refused the injunction and gave protection to the trademark 'Dropovit' mainly on the ground that firstly the products in question were schedule H drugs and secondly, both the prefix and suffix of the mark 'Dropovit' are common and mean drop of vitamin.

f) *2002 (24) PTC 708 (Guj.), Cadila Healthcare Ltd. v. Swiss Pharma Pvt. Ltd*. The suit in this case was filed for passing off. But in the present case the plaintiff has registration in its favour. Secondly, the Court came to the conclusion that the marks in question i.e. SUPERDAC and SPARDAC are different. Hence, the said judgment has no bearing in the present case.

g) *1991 PTC 274, Borachem Industries Pvt. Ltd. v. Fabril Gasosa, Campal Panjim*. The said judgment relates to the goods other than the pharmaceutical preparations. Moreover, the said judgment was given by the Trademarks Registry, and cannot be relied upon by the defendant no. 2.

h) *2001 PTC 601 (Del), Aviat Chemicals Pvt. Ltd. & Anr. v. Intas Pharmaceuticals Ltd*. This case was a case of passing off where the 'LIPI' prefix of the mark was held to be suggestive of the ailment and the remaining portion was different. On these grounds, the injunction was vacated. Secondly, the defendant produced sufficient evidence of actual user of the mark of third parties. The above things are missing in the present case. Therefore, the said order has no bearing in the present case.

i) *1992GLR(2)1053, Ciba Geigy Limited v. Sun Pharmaceutical Industries*. In this judgment the main reason for not granting the interim order was that the two trademarks 'CLOFRANIL' and 'ANAPRANIL' appeared to be different and secondly, the benefit of schedule H was given in favour of the defendant. In the present case, the two marks are very similar to each other. Therefore, this judgment referred by the defendant has no bearing.

i) *2007 (35) PTC 708 (Bom.), Charak Pharmaceuticals (India) Limited and*

Anr. v. Glenmark Pharmaceuticals Limited. The said judgment has no bearing and the order was passed at the ex-parte stage without considering the merits of the case. The ex-parte ad-interim injunction was not granted as the plaintiff was aware about the use of the mark of the defendant at an earlier point of time and no explanation for one year's delay was given by the plaintiff. Therefore, ad-interim ex-parte order was not granted, however, situation in the present case is quite different.

k) *2002 (24) PTC 141 (Del), Vijay Kumar Ahuja v. Lalita Ahuja.* This judgment is entirely on facts which are totally dis-similar to the present case. The injunction was not granted due to the long inordinate delay. Further, the field of activities in this matter were different. In the present case, the question of inordinate delay does not arise.

l) *2001 PTC 216 (Mad), Jolen Inc. v. Shoban Lal Jain and Others.* This judgment is also not applicable as in the appeal court, defendants were ultimately restrained from using the trademark 'JOLEN'.

m) *1994SCR(1)708, Power Control Appliances v. Sumeet Machines Private Limited.* This judgement does not help the case of the defendant no. 2, rather, this judgment goes against the defendant in view of para 41 and 42 of the judgment as the injunction was issued against the defendants. Further in the present case, there is no inordinate delay or acquiescence or latches as the plaintiff after becoming aware about the activities of the defendants issued the legal notice in the year 1999 and litigated with the defendants from the very beginning.

n) *2006ALT(4)581, A. Anuradha v. Canara Bank.* This judgment is not applicable as this Court has not given any finding that the plaintiff has not come before this Court after becoming aware of the infringement nor has any case of the same has been made out by the defendants. Hence, it is not applicable in the facts and circumstances of the present case.

o) *2003-AIR (SC)-0-2218, Union of India v. Modiluft Limited.* The judgment referred by the learned counsel for the defendant No. 2 has no application in the facts and circumstances of the present case because the present case has been filed by the plaintiff for infringement of trademark and there has been no delay for bringing the action. The plaintiff has been litigating with the defendant from the day one.

p) *2007 (34) PTC 469 (DB) (Del.), Astrazeneca UK Ltd. & Anr. v. Orchid Chemicals & Pharmaceuticals Ltd.* This judgment is also not applicable as the prefix 'Mero' of the trademarks used by both the parties have been taken from 'Meropenem'. However, the said 'Mero' was also held to be common to the trade. The said facts are missing in the present case.

q) *2008 (37) PTC 487 (Del.), Schering Corporation & Ors. v. Getwell Life Sciences India Pvt. Ltd.* This judgment referred by the defendant No. 2 is also not applicable as the Court had observed that the prefix 'TEMO' is already publici juris as the same has been abbreviated from the generic word 'Temozolomide' and the suffix is different. Therefore, the injunction was refused.

PASSING OFF

44. As regards the case of passing off, in the case of *Laxmikant Patel v. Chetanbhai Shah (2002) 3 SCC 65*, it was held in para 13 as under :-

"13. In an action for passing off it is usual, rather essential, to seek an injunction

temporary or ad-interim. The principles for the grant of such injunction are the same as in the case of any other action against injury complained of. The plaintiff must prove a prima facie case, availability of balance of convenience in his favour and his suffering an irreparable injury in the absence of grant of injunction. According to Kerly (ibid, para 16.16) passing off cases are often cases of deliberate and intentional misrepresentation, but it is well- settled that fraud is not a necessary element of the right of action, and the absence of an intention to deceive is not a defence though proof of fraudulent intention may materially assist a plaintiff in establishing probability of deception. Christopher Wadlow in Law of Passing Off (1995 Edition, at p.3.06) states that the plaintiff does not have to prove actual damage in order to succeed in an action for passing off. Likelihood of damage is sufficient. The same learned author states that the defendant's state of mind is wholly irrelevant to the existence of the cause of action for passing off (ibid, paras 4.20 and 7.15). As to how the injunction granted by the Court would shape depends on the facts and circumstances of each case. Where a defendant has imitated or adopted the plaintiff's distinctive trade mark or business name, the order may be an absolute injunction that he would not use or carry on business under that name, (Kerly, ibid, para 16.97)"

45. In the case of Wander Ltd. v. Antox India Pvt. Ltd.; 1990 Suppl. SCC 727, it was held as under :

"31. Trade mark is essentially adopted to advertise one's product and to make it known to the purchaser. It attempts to portray the nature and, if possible, the quality of the product and over a period of time the mark may become popular. It is usually at that stage that other people are tempted to pass off their products as that of the original owner of the mark. That is why it is said that in a passing-off action, the plaintiff's right is against the conduct of the defendant which leads to or is intended or calculated to lead to deception. Passing-off is said to be a species of unfair trade competition or of actionable unfair trading by which one person, through deception, attempts to obtain an economic benefit of the reputation which another has established for himself in a particular trade or business. The action is regarded as an action for deceit"

46. In view of the fact that two marks are deceptively similar and are used in relation to the same goods, a strong case for passing off has also been made out by the plaintiff.

COMMON TO THE TRADE

47. The contention of the defendant no. 2 is that there are many trademarks which are using the word CONTIN as a part of their marks for which the plaintiff is claiming monopoly rights. The details of pending applications are given in the written statement and in the reply to the injunction application.

48. I find no force in the contention of the defendant no. 2 as the defendants have failed to produce any evidence of the actual user of the said marks by the multiple alleged users referred by the defendants. In order for the said defence to be valid, the party has to give cogent evidence before this Court as to when and how these trademarks are being used and what is the goodwill and reputation of the said trade marks.

49. A similar defence has been raised in various cases and has been dealt with by the courts from time to time in the cases of Century Traders. v. Roshan Lal Duggal & Co. AIR 1978 Delhi 250, Corn Products (supra) and Pankaj Goel v. Dabur India

Ltd. 2008(38) PTC 49 (Del).

50. Relevant part of the decision of Corn product(supra) is reproduced hereinbelow:

"The series of marks containing the common element or elements therefore only assist the applicant when those marks are in extensive use in the market. The onus of proving such user is of course on the applicant, who wants to rely on those marks. Now in the present case the applicant, the respondent before us, led no evidence as to the user of marks with the common element. What had happened was that Deputy Registrar looked into his register and found there a large number of marks which had either 'Gluko' or 'Vita' as prefix or suffix in it. Now of course the presence of a mark in the register does not prove its user all. It is possible that the mark may have been registered but not used. It is not permissible to draw any inference as to their user from the presence of the marks on the register."

51. In Express Bottlers Services Pvt. Ltd. v. Pepsi Inc. & Ors., 1989 (7) PTC 14, it has been 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....."

52. A mere filing of the search report from the trademarks office does not prove as to whether the marks mentioned in the search report have actually been used or not. It is necessary for the party who relies upon the marks of third party to produce cogent and clear evidence of user in order to prove the defence of 'common marks to the trade' on the basis of the third party user. Hence, in the absence of valid and cogent evidence, the submission of the defendants cannot be accepted.

Territorial Jurisdiction

53. The next submission of the learned counsel for the defendant no. 2 is that the defendant no. 2 is from Hyderabad and, therefore, this Court does not have the territorial jurisdiction to entertain and try the present suit. Learned counsel for the defendants has also argued that since the present case is also a case for passing off, therefore, in view of the judgment passed by the Apex Court in *Doda's* matter, the plaintiff has to satisfy the court for the purpose of territorial jurisdiction on each of the cause of action i.e. infringement of trademark as well as passing off.

54. He further made his submission that the plaintiff has not produced any evidence before this court that its goods are available in Delhi, therefore, the plaintiff cannot take the benefit of Section 134[2] of the Trade Marks Act.

55. The plaintiff invoked the jurisdiction of this Court and made a statement in para 35

of the plaint which reads as under :

"35. This Hon'ble Court has the jurisdiction to entertain and try the present suit as the defendant No. 2 has admitted the fact that its product is sold under the trademark Femicontin in New Delhi that is within the jurisdiction of of this Hon'ble Court. The plaintiff further submits that, given the sale of activities of the defendants, there is a tangible threat of sale of counterfeits within the jurisdiction of this Hon'ble Court. Further the sales of the plaintiffs in the outlets at Delhi are also affected causing losses and harm to the plaintiff at Delhi. Each sale made by the defendants cuts into the plaintiff's business and reduces its sales at the outlets in Delhi. The harm caused to the plaintiff is due to a direct correlation between the defendants infringing activities and the plaintiff's business, and therefore the cause of action has partially arisen in Delhi. Therefore the defendants are carrying on their business for profit and gain in the jurisdiction of this Hon'ble High Court. Further the plaintiff also carries on its business and works for gain within the jurisdiction of this Hon'ble Court and has its registered office in New Delhi and hence this Hon'ble Court has the jurisdiction within Section 134(2) of the Trade Marks Act, 1999."

56. After having gone through the pleadings of the parties and documents produced, I am of the considered view that at this stage, it cannot be said that this court has no territorial jurisdiction on account of admission made by the defendant No. 2 in Hyderabad suit and also documents available on record. None of the cases referred by the defendants is applicable to the facts and circumstances of the present case as the situation in both the cases 'Doda' and 'Dabur' were totally different. In the case at hand, there is an admission on the part of defendant No. 2 regarding the availability of the infringing goods in Delhi and as a matter of fact, prima facie, this court has got the territorial jurisdiction under Section 20(c) of the Code of Civil Procedure, 1908, and it is not necessary for the plaintiff to take the benefit of Section 134 (2) of the Act.

57. Further since the point of territorial jurisdiction is a mixed question of law and fact, therefore, prima facie, on the basis of averments in plaint, this Court has the territorial jurisdiction.

Defence of Schedule-H

58. There is no force in the submissions of the learned counsel for the defendant that since the medicine in dispute by both the parties is a Schedule H drug under the Drug and Cosmetic Rules, 1945 and as per the rules it is not freely available as it is being prescribed by the doctors, hence, the question of confusion and deception does not arise. This court totally disagrees with this argument of the learned counsel for the defendants in view of settled law laid down in the Cadila case (supra) wherein the abovementioned dictate of law was referred.

59. In case of the *Cadila Health Care Ltd. v. Cadila Pharmaceuticals Ltd.* AIR 2001 SC 1952, it has been held that:-

"Public interest would support lesser degree of proof showing confusing similarity in the case of trade mark in respect of medicinal products as against other non-medicinal products. Drugs are poisons, not sweets. Confusion between medicinal products may, therefore, be life threatening, not merely inconvenient. Noting the frailty of human nature and the pressures placed by society on doctors, there should be as many clear indicators as possible to distinguish two medicinal products from each other. It is not uncommon that in hospitals, drugs can be requested verbally and/or under critical/pressure situations. Many patients may be elderly, infirm or illiterate. They may

not be in a position to differentiate between the medicine prescribed and bought which is ultimately handed over to them."

60. On this point, *McCarthy on Trade Marks*, 3rd Edn., para 23.12 can also be seen which reads as under:

"The tests of confusing similarity are modified when the goods involved are medicinal products. Confusion of source or product between medicinal products may produce physically harmful results to purchasers and greater protection is required than in the ordinary case. If the goods involved are medicinal products each with different effects and designed for even subtly different uses, confusion among the products caused by similar marks could have disastrous effects. For these reasons, it is proper to require a lesser quantum of proof of confusing similarity for drugs and medicinal preparations. The same standard has been applied to medical products such as surgical sutures and clavicle splints."

61. In the case of *Blansett Pharmaceuticals Co. v. 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."

62. In *Amritdhara* (*supra*), it was observed as under: -

".....the products will be purchased by both villagers and townfolk, literate as well as illiterate and the question has to be approached from the point of view of a man of average intelligence and imperfect recollection. A trade may relate to goods largely sold to illiterate or badly educated persons. The purchaser in India cannot be equated with a purchaser of goods in England."

63. Almost similar observations are made in the case of Assistant Commissioner Leeds of the Patent Office in *R.J. Strassenburgh Co. v. Kenwood Laboratories, Inc.* (1995) 106 *USPQ 379,380* wherein it was held that :

'Physicians are not immune from confusion or mistake. Furthermore it is common knowledge that many prescriptions are telephoned to the pharmacists and others are handwritten, and frequently handwriting is not unmistakably legible. These facts enhance the chances of confusion or mistake by the pharmacists in filling the prescription if the marks appear too much alike when handwritten or sound too much alike when pronounced.'

The defendant concedes that physicians and pharmacists are not infallible but urges that the members of these professions are carefully trained to detect difference in the characteristics of pharmaceutical products. While this is doubtless true to dos (*sic*) not open the door to the adoption by manufacturers of medicines of trade marks or names which would be confusingly similar to anyone not exercising such great care. For physicians and pharmacists are human and in common with the rest of mankind are subject to human frailties. In the field of medicinal remedies the courts may not speculate as to whether there is a probability of confusion between similar names. If there is any possibility of such confusion in the case of medicines public policy requires that the use of the confusingly similar name be enjoined (see *Lambert Pharmacol Ltd. v. Bolton Chemical Corpn., DCNY 1915, 219 F, 325*)."

64. In the book titled as *McCarthy on Trade Marks*, it is also observed in the footnote

at pp. 23-70 as under:

"Physicians and pharmacists are knowledgeable in their fields does not mean they are equally knowledgeable as to marks and immune from mistaking one mark from another." (*Schering Corpn. v. Alza Corpn, 207 USPQ 504 (TTAB 1980)*)

65. In the case of *Syntex Laboratories Inc. v. Norwich Pharmacal Co, 169 USPQ 1 (2nr Cir. 1971)* it is observed as under:

"Stricter standard in order to prevent likelihood of confusion is desirable where involved trade marks are applied to different prescribed pharmaceutical products and where confusion could result in physical harm to the consuming public."

66. In view of the settled law on the subject, I find that the defence raised by the defendants is without any substance.

Maintainability of the Suit

67. The last submission of the learned counsel for the defendant no. 2 is that the suit filed by the plaintiff is not maintainable due to the following reasons :-

a] that earlier the plaintiff filed a civil suit at Hyderabad Court where the damages claimed by the plaintiff were to the tune of Rs. 5,00,000/- and within the time period of nine months, the plaintiff has claimed the damages to the tune of Rs. 20,05,000/- before this Court, which is not justified;

b] that the amount mentioned in the present suit is to create pecuniary jurisdiction with *mala fide* intention;

c] That the earlier suit filed being CS[OS] no. 577/2005 was dismissed, against which the plaintiff filed an appeal which was disposed of by the Division Bench while granting liberty to the plaintiff to file the appropriate application in the appropriate court. The plaintiff filed an application for amendment under Order 6 Rule 17 CPC and an application for review which were both dismissed as withdrawn and, thus, the orders passed in CS [OS] no. 577/2005 have attained finality and the plaintiff cannot overreach the said orders in the garb of filing a fresh suit.

68. I do not agree with the submissions of the learned counsel for the defendant no. 2. It is not in dispute that when the suit was filed by the plaintiff before the Hyderabad court, one of the objections raised by the defendants was as regards territorial jurisdiction and it was contended that the defendants were selling their products in Delhi and other adjoining areas.

69. Due to the said statement, apparently, the plaintiff had withdrawn the said suit and filed the fresh suit before this court. In the second suit, the defendants raised the objection about the pecuniary jurisdiction wherein the court returned the plaint to be presented before the appropriate court on the objection of the defendants. Later on, in appeal, the plaintiff was asked to file the application for amendment of the plaint, which was filed and subsequently, the application for amendment and the review both were dismissed and withdrawn and the fresh present suit has been filed in view of the reasons given in para-34 of the plaint.

70. It is a matter of fact that in none of the suits, the injunction application has been decided on merit nor any findings were returned by the court as to the question whether the two marks in question were deceptively similar or not. The earlier

litigation between the parties were withdrawn mainly on the objections raised by the defendants in one way or the other. As already observed hereinabove, since the defendants are guilty of breach of plaintiff's registered trademark and are also guilty of infringement and passing off, the present suit is maintainable on the basis of recurring and fresh cause of action.

71. As observed in the case of Bengal Water prof Ltd(supra), the Apex Court has held that :-

"11. As seen earlier, Order 2 Rule 2 Sub-rule (3) requires that the cause of action in the earlier suit must be the same on which the subsequent suit is based and unless there is identity of causes of action in both the suits the bar of Order 2 Rule 2 Sub rule (3) will not get attracted. The illustration below the said Rule apply brings out this position. A mere look at the said illustration shows that if a landlord sues the tenant in 1908 for the rent due till that year and omits to sue for rent for any of the previous years which had then accrued due he cannot subsequently sue the tenant for the previous rent due, claim for which was given up in the suit. It is obvious that a subsequent suit would not be barred in case of rent falling due after the first suit, say, for the year 1909 or 1910 etc. as that default would give him a fresh cause of action.So far as that cause of action is concerned no subsequent suit lies as it would be barred under Order 2 Rule 2 Sub-rule (3). But we are concerned in the second suit with entirely a different grievance of the plaintiff. In the second suit, namely, the present suit the grievance is not based on any acts of infringement or passing off alleged to have been committed by the defendants in 1980 but plaintiff's grievance is regarding the continuous acts of infringement of its trade mark 'DUCK BACK' and the continuous passing off action on the part of the defendants subsequent to the filing of the earlier suit and which had continued on the date of the second suit of 1982. The relevant averments regarding the fresh cause of action which had accrued to the plaintiff after his disposal of the earlier first suit are found in paragraphs 13 to 20 of the plaint in the present second suit..... It is obvious that thus the alleged infringement of plaintiff's trade mark 'DUCK BACK' and the alleged passing off action on the part of the defendants in selling their goods by passing off their goods as if they were plaintiff's goods has continued all throughout uninterrupted and in a recurring manner. It is obvious that such infringement of a registered trade mark carried on from time to time would give a recurring cause of action to the holder of the trade mark to make a grievance about the same and similarly such impugned passing off actions also would give a recurring cause of action to the plaintiff to make a grievance about the same and to seek appropriate relief from the court. It is now well settled that an action for passing off is a common law remedy being an action in substance of deceit under the Law of Torts. Wherever and whenever fresh deceitful act is committed the person deceived would naturally have a fresh cause of action in his favour. Thus every time when a person passes off his goods as those of another he commits the act of such deceit. Similarly whenever and wherever a person commits breach of a registered trade mark of another he commits a recurring act of breach or infringement of such trade mark giving a recurring and fresh cause of action at each time of such infringement to the party aggrieved. It is difficult to agree how in such a case when in the historical past earlier suit was disposed of as technically not maintainable in absence of proper reliefs, for all times to come in future defendant of such a suit should be armed with a licence to go on committing fresh acts of infringement and passing off with impunity without being subjected to any legal action against such future acts. We posed a question to the learned counsel for the defendants as to whether after the disposal of the earlier suit if the defendants had suspended their business activities and after a few years had resumed the same and

had started selling their goods under the trade mark 'DACK BACK' by passing them off, the plaintiff could have been prohibited and prevented by the bar of Order 2, Rule 2, sub-rule (3) from filing a fresh suit in future when such future infringement or passing off took place....."

72. As per settled law, one cannot come to the conclusion that the plaintiff has no cause of action to file the fresh matter against a party as regards the question of infringement of trademark and passing off when there is no determination of the matter in earlier proceedings. The fresh suit against the party on the basis of fresh and recurring cause of action is, therefore, maintainable. The submission of the defendants has no force and stands rejected.

DELAY

73. The next submission of the defendants is that there is a delay on the part of the plaintiff in bringing the action against the defendants. The plaintiff has admittedly issued a notice dated 10.07.1999 in this regard. On the other hand, learned counsel for the plaintiff has argued that it is a continuous cause of action and as a matter of fact, the plaintiff has been taking action against the defendants from time to time and it is the defendants who were using the mark of the plaintiff directly or indirectly through various dealers. The details of the same are also given in paras 7 to 15 of the plaint. 74. Admittedly, passing off action is another facet of tort and Section 22 of the Limitation Act, 1963 mandates that a fresh period of limitation begins to run at every moment during which the breach or the tort, as the case may be, continues. In the case of *Bengal Waterproof Ltd. v. Bombay Waterproof Manufacturing Co.* And Anr. AIR 1997 SC 1398, it has been held :-

".....It is now well settled that an action for passing off is a common law remedy being an action in substance of deceit under the Law of Torts. Wherever and whenever fresh deceitful act is committed the person deceived would naturally have a fresh cause of action in his favour. Thus, every time when a person passes off his goods as those of another he commits the act of such deceit. Similarly whenever and wherever a person commits breach of a registered trademark of another he commits a recurring act of breach or infringement of such trade mark giving a recurring and fresh cause of action at each time of such infringement to the party aggrieved....."

75. It is denied by the defendants that the plaintiff has been litigating from the very beginning in respect of the subject matter of the trade mark at various levels. The question of delay under the said circumstances does not arise in view of settled law on the subject. 76. In the case of *Ramdev Food Products Pvt. Ltd. v. Arvindbhai Rambhai Patel and Ors.* 2006(33) PTC 281 (SC) in para 111 it was held as under:

"111. Applying the aforementioned principles in the instant case, it is evident that the time gap between the issuance of the notice and filing of an application for grant of injunction was not a voluntary act on the part of the appellant herein. It had to wait for the outcome of various proceedings pending before different courts. The respondents having themselves taking recourse to judicial proceedings, as noticed hereinbefore, cannot now be permitted to set up the defence of acquiescence on the part of the appellant. Indisputably, in Page 3760 a case of infringement of trade mark, injunction would ordinarily follow where it is established that the defendant had infringed the trade mark and had not been able to discharge its burden as regard the defence taken by it."

77. In the case of *Colgate Palmolive Company and Anr. v. Anchor Health and*

Beauty Care Pvt. Ltd. 2003 (27) PTC 478 (Del) in paras 65 and 66 it was held as under:

"65. As regards the plea of the defendant that plaintiff are not entitled to interim injunction because of delay, laches and acquiescence inasmuch as notice was issued in July, 1998 and action was brought in 2003, such a defense is not available as it is well settled principle of law that if use is found to be dishonest, delay or acquiescence has no relevance. The very fact that notice was served upon the defendant, the bringing of the action after two or three years becomes insignificant and irrelevant.

66. Further, though notice was given to the defendant on 13/7/98 against the old product but when the defendant discontinued with the old product and brought out a new product in 2002 the instant action was taken within three months and therefore the question of delay does not arise. The notice was given against the use of red and white colour combination with blue line in between. Admittedly the plaintiff did not take any action as the sales were insignificant but when they modified the product with red and white colour combination alone in October, 2002 and the sales of the defendants goods have suddenly went up the instant action was taken."

78. In view of above, question of misrepresentation and not coming to the court with clean hands by the plaintiff does not arise and there is no force in the contention raised by the defendants. All the decisions referred by the learned counsel for the defendants are irrelevant under the facts and circumstances of the case.

79. It is well settled law that in the cases of infringement of trademark wherein a party has got the exclusive and statutory rights by virtue of registration, the said right cannot be defeated by raising the defence of delay.

80. In the case of Swaran Singh v. Usha Industries (India) & Anr. reported in AIR 1986 Delhi 343 DB in para 7, it was held as under:

"(7) There is then the question of delay. Learned counsel for the respondents had urged that the delay is fatal to the grant of an injunction. We are not so satisfied. A delay in the matter of seeking an injunction may be a ground for refusing an injunction in certain circumstances. In the present case, we are dealing with a statutory right based on the provisions of the trade and Merchandise Marks Act, 1958. An exclusive right is granted by the registration to the holder of a registered trade mark. We do not think statutory rights can be lost by delay. The effect of a registered mark is so clearly defined in the statute as to be not capable of being misunderstood. Even if there is some delay, the exclusive right cannot be lost. The registered mark cannot be reduced to a nullity. The principles governing other types of injunctions are not to be readily applied to a case like the present. Of course, if it was a case of a similar mark as opposed to the same mark, the concurrent user coupled with delay might be a ground for refusing an injunction. However, when the same mark is being used, in a sense, the public is deceived into purchasing the defendant's goods on the belief that they are the plaintiff's goods, so a registered trade mark is a casualty, it is the duty of the Court to protect the registered mark. That is the whole concept of registration. So, we cannot refuse an injunction even if there is some delay especially when the mark is the same. To refuse the injunction would tantamount to permit a fraud being practiced on unwary customers. This is a matter of principle on which the Court cannot refuse the injunction."

81. The plea of delay is merely a defence. If action is initiated by the rightful registered owner of the trade mark and if the court reaches the conclusion that the

activities of the defendants are fraudulent and amount to infringement of statutory rights granted in favour of the plaintiff, normally, an injunction would not be refused. If no injunction is granted in favour of the proprietor of the trade mark the effect would be that the goods bearing infringed trade mark would continue to be sold in the market and the suit would be finally disposed of after trial which may take a few years. Awarding damages and costs at the time of passing the decree after the trial is not an adequate relief as by that time the market of the plaintiff has already been spoiled by the other party. It is well settled law that a statutory and exclusive right cannot be defeated by delay, otherwise the said exclusive right will become a nullity.

82. Particularly in the cases of pharmaceutical preparation, it is the duty of the court to protect the interest of the third party. 'Third party' here means the 'buying public'. The court has to see that the buying public may not be cheated by sale of the infringing drugs even though the plaintiff has initiated action after certain period of time. It is very unfortunate that in common practise, spurious medicines of everyday use as well as life saving drugs are being sold in the market and at the same time the public is purchasing the same. Therefore, it is appropriate that a court has to watch the interest of the general public who may not be deceived by the party who is intentionally and deliberately not only infringing the exclusive right of the rightful owner, but also harming the health and lives of the innocent buyers as well.

83. No doubt India is a poor country and majority of its people are villagers and illiterate and they are the people who are a major part of the purchasers of the medicines. Purchasers in the villages cannot be compared to purchasers in metropolitan cities, therefore, the chances of confusion in those areas are much more than in the cities. It has been seen from experience that the benefit of delay, if any, always goes to the defendant and not to the plaintiff. It is settled law that mere delay in taking action by the plaintiff against the infringers is not sufficient to rule that the registered proprietor has lost his statutory rights, unless it is proved that the delay is intentional by the plaintiff who has fraudulently abandoned the trade mark in question.

84. In the present case, no doubt, the plaintiff at the first instance has issued the legal notice to the defendant in the year 1999. In the said notice the rights of the plaintiff are informed to the defendant. If the defendants have subsequently used the deceptively similar trade mark in spite of having knowledge of its deceptive similarity, then the actions of the defendants are definitely at the risk and peril of the defendants themselves. The present case is not a case where the plaintiff has acquiesced to the defendants' infringing user or has abandoned the trade mark, rather, the plaintiff has been litigating against the defendant from day one.

85. Obviously, if the defendants have infringed the mark for number of years despite the litigation pending in one court or the other, the benefit has come to the defendants and not to the plaintiff.

86. It has also been argued by the learned counsel for the defendant No. 2 that the plaint is not properly signed, verified and instituted by the proper person and in support of his contention he has referred to the judgment report in *1990DLT(41) 633, Nibro Limited v. National Insurance Company Limited*.

87. As a matter of fact, the plaint has been signed by Mr. Rajiv Behl and his authority is already placed on record. Hence, the judgment referred by the learned counsel for the defendant No. 2 is not applicable in the present circumstances.

88. After giving my thoughtful consideration and having gone through the pleadings and documents, I am of the considered opinion that the plaintiff has made out a *prima facie* case for grant of interim injunction as it is the registered proprietor of FECONTIN-F as well as the family/series mark CONTIN and the defendants' mark is deceptively similar to that of the plaintiff.

89. The balance of convenience also lies in favour of the plaintiff and against the defendants. The present case is a case of pharmaceutical products which are ultimately used for human consumption and the medicinal preparations are to cure the ailments of the human body. The confusion and deception due to a similar name can have serious repercussions for the patients and the same must be avoided, for which infringement must be prevented. In case the injunction order is not passed, the plaintiff will suffer irreparable loss and injury as the two trademarks are closely similar and the mark used by the plaintiff appears to be a known trademark.

90. Therefore, till the disposal of the suit, the defendants, their agents, stockists, dealers, servants etc. are restrained from using the trademark FEMICONTIN in respect of pharmaceutical preparations. However, the defendants are granted three months time to dispose of their stock lying with them or available in the market.

91. With these observations, this application stands disposed of. Needless to say, this order shall have no bearing on the merits of the case.

List this matter before the Joint Registrar on 15th January, 2010 for further directions.

MANMOHAN SINGH, J.

December 3, 2009

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