

* **HIGH COURT OF DELHI : NEW DELHI**

+ **C.S. [OS] No. 2354/2007**

% Decided on: 10th November, 2009

Modi Mundi Pharma Pvt. Ltd. Plaintiff
Through : Mr. Pravin Anand with
Ms. Divya Vijan, Advs.

Versus

Matrix Formulations & Anr. Defendants
Through : None

Coram:

HON'BLE MR. JUSTICE MANMOHAN SINGH

1. Whether the Reporters of local papers may be allowed to see the judgment? No
2. To be referred to Reporter or not? Yes
3. Whether the judgment should be reported in the Digest? No

MANMOHAN SINGH, J.

1. The plaintiff Modi Mundi Pharma Pvt. Ltd. is a company incorporated under the Companies Act having its registered office at 1400, Modi Tower 98, Nehru Place, New Delhi-110019. The plaintiff company has instituted the suit through Mr. Rajiv Bahl who is the constituted attorney of the plaintiff under a Power of Attorney being exhibited as Ex. PW-1/1. The reliefs claimed in the suit are as under:-

“a) An order for permanent injunction restraining the defendants, its partners or proprietor, as the case may be, its offices, servants, and agents from selling, marketing, manufacturing, causing the manufacture, advertising or in any manner dealing directly or indirectly in medical and pharmaceutical preparations and products, bearing the name CONTIN independently and/or as a suffix and/or prefix and the name NEUROCONTIN-800 which

is identical or deceptively similar to the plaintiff's CONTIN family/series of marks or any other trademark deceptively similar to the plaintiff's trademark CONTIN amounting to an infringement of the plaintiff's registered trademark No. 518594.

b) An order for permanent injunction restraining the defendants, its partners or proprietor, as the case may be, its offices, servants, and agents from selling, marketing, manufacturing, causing the manufacture, advertising or in any manner dealing directly or indirectly in medical and pharmaceutical preparations and products, bearing the name CONTIN independently and/or a suffix and/or prefix and the name NEUROCONTIN-800 which is identical or deceptively similar to the plaintiff's CONTIN family/series of marks or from doing any other act which would amount to passing off of the defendant's goods or business as the goods and business of the plaintiff.

c) An order for delivery up of all the goods bearing the impugned mark, dies, cartons, labels, packaging and any other infringing material to the authorized representative of the plaintiff for the purposes of destruction/erasure;

d) An order directing the defendants to pay a sum of Rs. 20,05,000/- towards damages which is the estimated loss of sales by the plaintiff as also the loss of reputation and goodwill owing to the illegal activities of the defendants.

e) An order for rendition of accounts of profits of the defendants on account of sales of the medicines bearing the trademark NEUROCONTIN-800 and for any other products bearing the plaintiff's trademarks and the sum due paid to plaintiff."

2. Summons/notices were dispatched to defendant no. 1 and defendant no. 2 on 19th January, 2008 and 15th January, 2008 respectively. Ex parte injunction was granted in favour of the plaintiff on 30th November, 2007. The defendants failed to appear and there was no representation on their behalf. Thus by virtue of order dated 19th August, 2008 they were proceeded against ex parte.

3. As per the plaintiff, company Modi Mundi Pharma Pvt. Ltd., was established in the year 1990 and is engaged in the manufacturing,

development and marketing of high quality pharmaceutical formulations. The plaintiff is the proprietor of trademark bearing CONTIN and also obtained its registration under No. 518594 in Class 5 in its favour on 19th October, 1989 in respect of pharmaceutical preparations. The plaintiff is also the proprietor of other trademarks in the series containing CONTIN as a common feature including CONTINUS, DILCONTIN, NITROCONTIN, INDICONTIN, ARCONTIN, BUCONTIN, CORNUCONTIN, DIUCONTIN-K, FECONTIN-F etc. The word CONTIN is the common feature of these trademarks which can be identified as CONTIN family/series of trademarks. The plaintiff has filed a list of trademarks that form the family of CONTIN trademarks belonging to the plaintiff.

4. The plaintiff avers that it has widely advertised its products under the CONTIN family/series of trademarks and also distributed literature among the medical preparation. The plaintiff submits the break up of its sales turnover in respect of the products bearing the trademark CONTIN as the suffix and/or prefix and also its annual advertisement expenses which amount Rs. 8396 lac and Rs. 712 lac respectively for the year 2006.

5. The plaintiff by virtue of long, continuous and extensive user of the trademark bearing CONTIN as the suffix and/or prefix through India alleged to acquire tremendous goodwill and reputation in the market. Therefore, the plaintiff claims to be entitled to the exclusive use of the CONTIN family/series of marks with respect to the pharmaceutical products. It is alleged that the use of the trademark CONTIN

independently or as a suffix and/or prefix by any third party would amount to infringement of trademark registration No. 518594 in class 5.

6. The plaintiff alleges that in the month of April, 2007 representatives of the plaintiff came across a pharmaceutical product bearing the name NEUROCONTIN-800 that was being manufactured and marketed by the defendants. As per the plaintiff, the defendant no. 1 is operating as Matrix Formulations, 23, N.B. Complex, Vikroli East, Mumbai and defendant no. 2 is operating as M/s. Essel Pharma N.H. 22, Kather Bypass, Solan, Himachal Pradesh.

7. Realising the use of the trademark CONTIN by the defendants, a legal notice was sent by the plaintiff to the defendants on 12th April, 2007 to cease and desist from using the trademark CONTIN on its product name of NEUROCONTIN-800.

8. The plaintiff avers that the use of the word CONTIN by the defendants in their name NEUROCONTIN-800 amount to infringement of trademark registration number 518594 in class 5 which is registered in favour of the plaintiff. Further, the use of the trademark CONTIN by the defendants in their name NEUROCONTIN-800 would lead the consumer, being a person name of reasonable intelligence and imperfect recollection, to believe that the same is associated with the large range of pharmaceutical products being manufactured and marketed by the plaintiff which bear the trademark CONTIN either as their suffix and/or prefix and that it forms part of the plaintiff's family of marks. The plaintiff contends that the conduct of the defendants leads to passing off their products as that of the plaintiff and amounts to riding upon the

goodwill and reputation earned by the plaintiff in the CONTIN family/series of marks. It will also cause confusion and deception in the minds of the general public about a connection or affiliation of the defendants' products with that of the plaintiff's product.

9. The plaintiff has produced the evidence by way of affidavit of Mr. Rajiv Bahl, duly constituted attorney of the plaintiff company. In his affidavit, Mr. Bahl has reaffirmed the statements made in the plaint. Copy of the Registration Certificate for the trademark CONTIN bearing registration No. 518594 along with renewal certificate was proved as Ex. PW-1/5. The plaintiff has also filed copies of the Registration Certificate of the trademarks in favour of the plaintiff containing the CONTIN family/series which are exhibited collectively as Ex. PW1/8. The sample invoices of the products sold under the CONTIN family/series of marks by the plaintiff since the year 1993 and the statements showing the sales and advertisement figures of the plaintiff company are proved as Ex. PW1/9 and Ex. PW1/10 respectively. The plaintiff has established the invoice showing the purchase of the defendants' products by Ex. PW1/13.

10. Copy of the legal notice sent to the defendants was also proved on record as Ex. PW-1/14. The letter sent by defendant no. 2 on 20th December, 2007 in reply to the letter of the plaintiff was marked as Ex. PW-1/16. In this letter the defendant no. 2 affirmed the plaintiff that it will not produce any batch after the present batch of NEUROCONTIN-800 and will discontinue this brand strictly.

11. I have heard learned counsel for the plaintiff and have also gone through the relevant pleadings and documents on record. It is clear that the plaintiff since 1990 has been manufacturing pharmaceutical formulations and acquired tremendous reputation in the medical trade and also amongst the public at large through large scale advertisement campaign and extensive sale. The registered trademark CONTIN has become a distinctive mark in the market within the meaning of Section 9 of the Trademarks Act, 1999.

12. It is also established by the plaintiff that the use of the mark CONTIN by the defendants would cause confusion and deception in the mind of the general public which will cause irreparable damage to the goodwill of the plaintiff company.

13. The defendant no. 2 vide its letter dated 20th December, 2007 exhibited as Ex. PW-1/16 admitted that they have been using the mark NEUROCONTIN-800 and will discontinue its use. Furthermore, the plaintiff has also been able to demonstrate that the defendant no. 1 is engaged in the sale of NEUROCONTIN-800 by filing the invoice showing the purchase of defendant's product and its present carton and packaging bearing the trademark NEUROCONTIN-800.

14. The learned counsel for the plaintiff relied upon the case of **Cadilla Health Care Ltd. V. Cadila Pharmaceutical Ltd. AIR 2001 SC 1952 and Laxmikant V. Patel V. Chetanbhat Shah & Anr. AIR 2002 SC 275.**

15. In my view in the above circumstances, the continuous use of trademark NEUROCONTIN-800 by the defendants would tarnish,

degrade or dilute the distinctive trademark of the plaintiff and its reputation. It is likely to deceive or cause confusion in the minds of the general public as the trademark of the defendant resembles that of the plaintiff.

16. In the case of **Amritdhara Pharmacy vs. Satyadeo Gupta; AIR 1963 SC 449**, it was held that the question whether a trade name is likely to deceive or cause confusion by its resemblance to another mark already registered is a matter of first impression and one for decision in each case and has to be decided by taking an overall view of all the circumstances. The standard of comparison to be adopted in judging the resemblance is from the point of view of a man of average intelligence and imperfect recollection. It was held further that the two names as a whole should be considered for comparison and not merely the component words thereof separately.

17. The acts of the defendants also amounts to passing off as representation by the defendants by the name NEUROCONTIN-800 in the course of trade to prospective customers might lead to the belief that the products of its manufacture belong to or are associated with the plaintiff. As a result, the plaintiff is entitled to the reliefs claimed in para 22(a) and (b) of the plaint.

18. As regards the question of damages, the plaintiff has claimed damages of Rs. 20,05,000/- as the estimated loss for sales as also the loss of reputation and goodwill owing to the illegal activities of the defendants. But the same have not been proved by the plaintiff, therefore, the said relief cannot be granted.

19. Since the evidence of the plaintiff has gone un rebutted and plaintiff has established the case for passing off and injunction. The suit of the plaintiff is thus decreed in terms of prayer made in para 22(a), (b) and (c) of the plaint. The plaintiff is also entitled to costs. The suit is disposed of in terms of the above.

20. A decree sheet be prepared accordingly.

MANMOHAN SINGH, J

NOVEMBER 10, 2009
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