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

% **Date of Decision: 25th March, 2014**

+ **CS(OS) 3137/2012**

PFIZER PRODUCTS, INC Plaintiff
THROUGH: Mr.Sahil Sethi, Advocate

VERSUS

R.K. SINGH & ANR Defendants
THROUGH: None

CORAM:

HON'BLE MR. JUSTICE G.S. SISTANI

G.S. SISTANI, J. (Oral)

1. Present suit has been filed by the plaintiff for permanent injunction restraining infringement of trademark, passing off, rendition of accounts, delivery up and damages. Summons were issued in the suit on 19.10.2012, 02.01.2013, 25.02.2013 and on 19.07.2013. The plaintiff is aggrieved by use of the mark 'VIHAGRA' by defendants. Despite service, none appeared on behalf of the defendants and they were accordingly proceeded ex parte on 15.01.2014.
2. The plaintiff has filed affidavit by way of evidence of Mr. Samir Kazi (PW1), which is exhibited as Ex. PW-1/A. PW1 has deposed that he holds Power of Attorney from plaintiff in his favour and the same is exhibited as Ex. PW-1/1.
3. Mr. Samir Kazi, PW1 has deposed that the plaintiff is a wholly owned subsidiary of Pfizer Inc and the term Plaintiff shall hereinafter include Pfizer Inc, its subsidiaries, affiliates and sister concerns. He has further deposed that the Plaintiff is a global research-oriented pharmaceutical

company and has been responsible for discovering and developing innovative, value-added products that improve the quality of life of people around the world and help them enjoy longer, healthier and more productive lives. He has further deposed that the Plaintiff, as one of the world's leading healthcare companies, markets several drugs that are sold under different brand names owned exclusively by the Plaintiff. The Plaintiff has invested enormous sums of money in its aforesaid activities and in the process has created a global reputation for the high quality and efficacy of its pharmaceuticals. He has also deposed that the Plaintiff has the four business segments – pharmaceutical, consumer, nutritional and animal --and its products are available in more than 150 countries.

4. PW1 has further deposed that in the year 1998, the Plaintiff launched **VIAGRA** (sildenafil citrate), a revolutionary product for the treatment of male erectile dysfunction (hereinafter referred to as “ED”) and the drug **VIAGRA** was approved by the Food and Drug Administration [FDA] of the US Government through an approval letter dated March 27, 1998. A copy of the approval letter dated March 27, 1998 has been marked as **Mark-A**. He has also deposed that the Plaintiff's trademark “**VIAGRA**” is a fanciful and coined word having no denotative meaning. The Plaintiff's original product has been filed and same is exhibited as **Ex. PW-1/2**.
5. PW1, Mr. Samir Kazi, has also deposed that the product **VIAGRA** has attracted enormous media attention, including both a cover story in the *Newsweek* magazine and discussions in popular TV programs. The FDA approval in the U.S. in March 1998 was also widely covered in the media, including front-page coverage in the *New York Times* the following day and feature articles in other major publications such as *USA Today*. He has also deposed that by virtue of this extensive publicity and the post-approval advertising and promotion of Plaintiff, the trademark “**VIAGRA**” has

become famous and well known throughout the world as designating and connoting the Plaintiff's brand of oral therapy for ED.

6. PW1 has further deposed that the Indian magazine 'Business Week' dated August 4 2003, carried a research paper produced by Interbrand, regarding a survey conducted by them upon the Top 100 brands in the world. The Plaintiff featured at the 28th position of the said list. He has also deposed that the comments next to the Plaintiff's name are "A master acquirer and marketer, it leveraged a stable of top selling drugs that includes LIPITOR and **VIAGRA**, the world's sales leader". The Interbrand survey carried in the Business Week August 9 – 16, 2004 edition, places the Plaintiff at the 29th position, with the following words describing the company and its products: "The pharma industry's powerhouse, with 11 products each expected to top \$ 1 Billion in annual sales this year.' The same survey valued the Pfizer brand at US \$ 10.635 Billion for the year 2004. He has also deposed that the same survey of the year 2005 and 2006 places the Plaintiff at the 31st and 38th position, respectively.
7. PW1 has also deposed that apart from extensive coverage in the Indian press, the trademark "**VIAGRA**" has also been extensively covered in many major international magazines, which are widely circulated and read in India as well. He has also deposed that the product **VIAGRA** has been discussed at length in a number of medical books, journals and magazines including Newsweek, Fortune, Money, Business Week, Forbes, The Associated Press, Dow Jones News Service, The Times of London, Financial World, New York Times, and USA Today. These books, journals and magazines are also circulated and read by persons, including medical professionals, in India. He has also deposed that the overwhelming reputation and goodwill in relation to the trademark "**VIAGRA**" had therefore spilled over into India even prior to launch of the **VIAGRA**

product in India, on 18th December, 2005. The documents/extracts reflecting the reputation and goodwill of the Plaintiff’s trademark “**VIAGRA**” have been collectively exhibited as **Ex. PW-1/12(Colly)**.

8. The annual worldwide sales figures of **VIAGRA** till the filing of this suit are as follows:

YEAR	Worldwide Revenues (US Dollars)
1998	788 million
1999	1.016 billion
2000	1.344 billion
2001	1.518 billion
2002	1.735 billion
2003	1.879 billion
2004	1.678 billion
2005	1.645 billion
2006	1.657 billion
2007	1.764 billion
2008	1.934 billion
2009	1.892 billion
2010	1.928 billion
2011	1.981 billion
2012	2.051 billion
RUNNING TOTAL	24.810 Billion

9. PW1 has deposed that the aforesaid figures are taken from the Annual Reports of the Plaintiff.

10. PW1 has further deposed that the trademark “**VIAGRA**” has been registered and/or is pending registration in more than 150 countries around the world. The trademark “**VIAGRA**” already stands registered in Andorra, Antigua, Albania, Antilles, Algeria, Angola, Anguilla, Argentina,

Armenia, Aruba, Australia, Austria, Azerbaijan, Bahamas, Bahrain, Barbados, Barbuda, Belarus, Belize, Benelux, Bermuda, Bolivia, Bosnia-Herzegovina, Botswana, Brazil, British Virgin Islands, Bulgaria, Cambodia, Cayman Islands, Chile, China P.R., Colombia, Community Trademark (European Union), Costa Rica, Croatia, Cuba, Cyprus, Czech Republic, Denmark, Dominican Republic, Ecuador, Egypt, El Salvador, Estonia, Ethiopia, Finland, France, Gaza Strip, Georgia, Germany, Ghana, Gibraltar, Great Britain, Greece, Grenada, Guatemala, Guernsey, Guyana, Haiti, Honduras, Hong Kong, Hungary, Iceland, India, Indonesia, Iran, Ireland, Israel, Italy, Jamaica, Japan, Jersey, Jordan, Kazakhstan, Kenya, Korea South, Kosovo, Kyrgyzstan, Latvia, Lebanon, Liberia, Lithuania, Macao, Macedonia, Malawi, Malaysia, Mauritius, Mexico, Moldova, Monaco, Montenegro, Morocco, Myanmar, Namibia, Nepal, Netherlands, New Zealand, Nicaragua, Nigeria, Norway, O.A.P.I., Oman, Pakistan, Panama, Paraguay, Peru, Philippines, Poland, Portugal, Qatar, Romania, Russian Federation, Saudi Arabia, Serbia, Singapore, Slovak Republic, Slovenia, South Africa, Spain, Sri Lanka, St. Kitts & Nevis, St. Lucia, St. Vincent, Sudan, Swaziland, Sweden, Switzerland, Syria, Taiwan, Tajikistan, Tanganyika, Thailand, Trinidad & Tobago, Tunisia, Turkey, Turkmenistan, Turks & Caicos, Uganda, Ukraine, United Arab Emirates, United States of America, Uruguay, Uzbekistan, Venezuela, Vietnam, West Bank, Yemen Arab Republic, Zambia, Zanzibar and Zimbabwe. A list containing details of registrations of the Plaintiff's trademark "VIAGRA" worldwide is exhibited as **Ex. PW-1/3**.

11. Mr. Samir Kazi, PW1 has also deposed that the plaintiff's trademark "VIAGRA" is registered in India, since 18.07.1996, details of which are as under:

Trade Mark	Registration Number	Class	Goods
VIAGRA	710135	5	Pharmaceutical compound for treating erectile dysfunction

12. He has also deposed that the said registration has been renewed within time and is valid and subsisting. The legal proceeding certificate pertaining to the trademark “**VIAGRA**” has been exhibited as **Ex. PW 1/4**.
13. PW1 has also deposed that since 2005, the trademark “**VIAGRA**” has continuously and uninterruptedly been used by the Plaintiff in India and the same are recognized by consumers and the trade as a product originating from the Plaintiff alone. He has also deposed that the Plaintiff maintains a formidable presence on the Internet through its website <www.viagra.com>, the domain name which was registered by the Plaintiff on 20th June, 1997. Printout of the *Whois* search report of the domain name <viagra.com> has been exhibited as **Ex. PW1/5**. He has further deposed that the website <www.viagra.com> contains extensive information about the product VIAGRA and has thousands of visits from Indians looking for information about the product VIAGRA. Few printouts from the Plaintiff’s website www.viagra.com are exhibited as **Ex. PW 1/6 (Colly)**.
14. PW1 has also deposed that the Plaintiff has vigilantly initiated appropriate proceedings to defend its statutory and common law rights in the trademark “**VIAGRA**” and Indian courts have upheld the statutory and common law rights of the Plaintiff in the same. Copies of the few of such past orders

passed in favor of the Plaintiff in respect of the trademark “VIAGRA” have been marked as Mark C (Colly).

15. Mr. Samir Kazi, PW1 has further deposed that in July 2012, the Plaintiff’s attention was drawn to a website www.vihagra.in wherein the Defendants’ product VIHAGRA was being marketed and sold. Printout of the Whois search report of the domain name <vihagra.in> has been exhibited as Ex. PW1/7. He has also deposed that, as per information received by the Plaintiff, the Defendant No. 1, Mr. R.K. Singh, is the chief executive officer/ executive director of the Defendant No.2 company and is responsible for the day to day business of the Defendant No. 2. Printouts reflecting details of the Defendant No. 2 company, as available on the website of Ministry of Corporate Affairs, Government of India, have been exhibited as Ex. PW 1/8.
16. PW1 has also deposed that the Defendants’ product VIHAGRA claims to treat ED and contains the same active ingredient as the Plaintiff’s product VIAGRA, i.e. sildenafil citrate. Printouts from the website www.vihagra.in reflecting use of the mark VIHAGRA have been exhibited as Ex. PW1/9.
17. He has further deposed that on January 30 2012, the Plaintiff was alerted to a trademark application no. 2260497 for the mark VIHAGRA in class 5, filed without any territorial restrictions, in the name of the Defendant No. 2. Printout of the online status of application no. 2260497 for the mark VIHAGRA, as available on the website of the Trademarks Registry has been exhibited as Ex. PW1/10.
18. PW1 has further deposed that the Plaintiff addressed a legal notice dated 6th March 2012, to the Defendant No.2 through its counsels, calling upon the Defendant No. 2 to cease and desist from infringing the trademark rights of the Plaintiff. He has also deposed that a subsequent reminder letter dated 18th April 2012 was also sent to the Defendant No.2. However, the Plaintiff

did not receive any response to those letters. True and correct copies of the notice dated 6th March 2012 and the reminder dated 18th April 2012 have been exhibited as **Ex. PW 1/11 (Colly)**.

19. He has also deposed that the Plaintiff has suffered damages in the amount of Rupees Twenty Lakh (Rs. 20 lakh) on account of loss of sales, as well as injury to reputation and goodwill attributable to the infringing activities of the Defendants. He has further deposed that the Plaintiff No. 1 has incurred legal costs in the amount of Rupees Two Lakh Fifty Thousand (Rs. 2.5 Lakh) in prosecuting the present suit.
20. I have heard counsel for the plaintiffs and carefully perused the documents which have been placed on record along with the affidavit by way of evidence which have been filed. The evidence of the plaintiff has remained unrebutted and unchallenged. The plaintiffs trademark is registered in India since 18.07.1996. The legal proceeding certificate pertaining to the plaintiff's trademark "**VIAGRA**" has been exhibited as **Ex.PW1/4**. Documents/extracts reflecting the reputation and goodwill of the Plaintiff's trademark "**VIAGRA**" have been exhibited as **Ex. PW-1/12(Colly)**. The trademark **VIAGRA** stands registered in more than 150 countries. A list containing details of registrations of the Plaintiff's trademark "**VIAGRA**" worldwide is exhibited as **Ex.PW-1/3**. Printout of the online status of application no. 2260497 for the defendants' mark VIHAGRA, as available on the website of the Trademarks Registry and printouts from the website www.vihagra.in reflecting use of the mark VIHAGRA have been exhibited as **Ex. PW1/10** and **Ex. PW1/9**, respectively.
21. On the basis of the documents placed on record, the plaintiffs have established that plaintiff no. 1 is the registered proprietor of trademark **VIAGRA** and the plaintiffs have the exclusive right to use the same. Plaintiffs have also established that since 2005, the trademark "**VIAGRA**"

has continuously and uninterruptedly been used by the Plaintiff in India and the same are recognized by consumers and the trade as a product originating from the Plaintiff alone. On the basis of wide coverage received by the product of the plaintiff sold under the trademark “**VIAGRA**”, in many major Indian and international magazines, medical books, journals etc, and also on the basis of enormous turnover generated by the plaintiffs for years under the trademark **VIAGRA**, the plaintiffs have been able to prove that they have built up an unparalleled reputation and goodwill with respect to their trademark “**VIAGRA**”. Plaintiffs have also established that the defendants by using the trademark **VIHAGRA**, which is identical and/or deceptively similar to plaintiffs’ mark **VIAGRA**, for the treatment of erectile dysfunction (ED) and containing the same active ingredient as the plaintiffs product i.e. sildenafil citrate, are causing infringement of rights in the trademark of the plaintiffs.

22. In a very recent judgment delivered by another bench of this court, *Mind Gym Ltd.v. Mindgym Kids Library Pvt. Ltd* CS (OS) 1029/2013, decided on 21.03.2014, plaintiffs who were carrying on business under the trade mark ‘MIND GYM’ sought permanent injunction against the defendants restraining them from infringing and/or passing off the plaintiff’s rights by using the trademark ‘MINDGYM’ as part of latter’s corporate name/trademark. Following observations were made by the court:

“9.....

(ii) In the case of Evergreen Sweet House Vs. Ever Green and Ors., 2008 (38) PTC 325 (Del), it was observed as under:

15. A mark, is said to be deceptively similar to another (Section 2(1) (h), Trademarks Act, 1999) if it so nearly resembles that other mark as to be likely to deceive or cause confusion. Section 29(1) deals with a situation where the defendant uses a mark, which is identical or deceptively similar to that of the plaintiff, in respect of the same goods or services, and in such manner that it is likely that such use is taken as being an use as a trademark. This amounts to infringement. To fall within Section 29(1), the defendant's use of the mark must be so that it is likely that the public assumes that the said mark is used as a trademark. Section 29(2) deals with three situations; one where the defendants mark is identical to that of the plaintiff and in respect of similar goods. Two, where the marks are similar and in respect of goods which are identical or similar. Three, the marks as well as the goods are identical. Infringement does not take place if only one of the three ingredients are satisfied; the plaintiff has to prove that use by the defendant is likely to cause confusion on the part of the public or is likely to have an association with the registered mark.

[Emphasis Supplied]”

23. Having regard to the evidence on record and comparing the impugned trademark of the defendant “VIHAGRA, I am of the view that the impugned trademark of the defendant is almost identical and phonetically and deceptively similar to the plaintiff's product. The use of the word "VIHAGRA" by the defendant is likely to dilute the distinctive character of the plaintiff's trademark "VIAGRA" and the same is likely to erode the goodwill and reputation of the plaintiff among its existing as well as potential customers in the market. The adoption and use of the identical trademark by the defendant in relation to identical products and advertising the same through websites amounts to an infringement of the plaintiff's

statutory rights in the registered trademark “VIAGRA”. Furthermore, the defendant in a *mala fide*, dishonest and an unethical manner is encashing upon the goodwill and reputation of the plaintiff established by the latter over the period of many years.

24. The plaintiff has also claimed damages on account of illegal activities of the defendant along with delivery up of the goods bearing the impugned trade mark, or any other deceptively similar mark. Counsel has however limited his prayer to punitive damages.
25. In the case of **Time Incorporated v. Lokesh Srivastava and Anr.**, 2005 (30) PTC 3 (Del) apart from compensatory damages of Rs.5 lakhs, punitive damages have also been awarded. It would be useful to reproduce paras 7 and 8 of the said judgment, which are as under :-

"7. Coming to the claim of Rs.5 lacs as punitive and exemplary damages for the flagrant infringement of the plaintiff's trade mark, this Court is of the considered view that a distinction has to be drawn between compensatory damages and punitive damages. The award of compensatory damages to a plaintiff is aimed at compensating him for the loss suffered by him whereas punitive damages are aimed at deterring a wrong doer and the like minded from indulging in such unlawful activities. Whenever an action has criminal propensity also the punitive damages are clearly called for so that the tendency to violate the laws and infringe the rights of others with a view to make money is curbed. The punitive damages are founded on the philosophy of corrective justice and as such, in appropriate cases these must be awarded to give a signal to the wrong doers that law does not take a breach merely as a matter between rival parties but feels concerned about those also who are not party to the lis but suffer on account of the breach. In the case in hand itself, it is not only the plaintiff, who has suffered on account of the infringement of its trade mark and Magazine design but a large number of readers of the defendants' Magazine 'TIME ASIA SANSKARAN' also have suffered by purchasing the defendants' Magazines under an impression that the same are from the reputed publishing house of the plaintiff company.

8. This Court has no hesitation in saying that the time has come when the Courts dealing actions for infringement of trade marks, copy rights, patents, etc. should not only grant compensatory damages but award punitive damages also with a view to discourage and dishearten law breakers who indulge in violations with impunity out of lust for money so that they realize that in case they are caught, they would be liable not only to reimburse the aggrieved party but would be liable to pay punitive damages also, which may spell financial disaster for them. In Mathias v. Accor Economi Lodging Inc., the factors underlying the grant of punitive damages were discussed and it was observed that one function of punitive damages is to relieve the pressure on an overloaded system of criminal justice by providing a civil alternative to criminal prosecution of minor crimes. It was further observed that the award of punitive damages serves the additional purpose of limiting the defendant's ability to profit from its fraud by escaping detection and prosecution. If a tortfeasor is caught only half the time he commits torts, then when he is caught he should be punished twice as heavily in order to make up for the reason that it is very difficult for a plaintiff to give proof of actual damages suffered by him as the defendants who indulge in such activities never maintain proper accounts of their transactions who they know that the same are objectionable and unlawful. In the present case, the claim of punitive damages is of Rs.5 lacs only which can be safely awarded. Had it been higher even this court would not have hesitated in awarding the same. The Court is of the view that the punitive damages should be really punitive and not flee bite and quantum thereof should depend upon the flagrancy of infringement."

See also *Hero Honda Motors Limited v. Rafiq Memon* [2012 (52) PTC 449 (Del.)]; *Gora Mal Hari Ram Ltd. Vs. Ashique Exports* [2012 (50) PTC 428 (Del.)]; *Relaxo Rubber Limited and Anr. Vs. Selection Footwear and Anr.* [1999 PTC 578].

26. I am in agreement with the aforesaid submission of learned counsel for the plaintiff that damages in such cases must be awarded and a defendant, who chooses to stay away from the proceedings of the Court, should not be permitted to enjoy the benefits of evasion of court proceedings. Any view to the contrary would result in a situation where a defendant who appears in Court and submits its account books would be liable for damages, while another defendant who, chooses to stay away from court proceedings would escape the liability on account of failure of the availability of account books. A party who chooses not to participate in court proceedings and stays away must, thus, suffer the consequences of damages as stated and set out by the plaintiffs. There is a larger public purpose involved to discourage such parties from indulging in such acts of deception and, thus, even if the same has a punitive element, it must be granted. R.C. Chopra, J. has very succinctly set out in *Time Incorporated's case (supra)* that punitive damages are founded on the philosophy of corrective justice.
27. For the reasons stated above, the plaintiff has made out a case for grant of decree as prayed in the plaint. Accordingly, the order dated 19.10.2012 is confirmed and the suit is decreed in favour of the plaintiff and against the defendants. Plaintiff is also entitled to damages to the tune of Rs.5.0 lacs.
28. Decree sheet be drawn up accordingly.

(G.S.SISTANI)
JUDGE

MARCH 25, 2014
dkb