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

Date of Decision: 12.05.2015

+ CS(OS) 12/2006

GLAXO GROUP LTD. & ANR. Plaintiffs

Through: Mr. Manav Kumar, Adv.

versus

S.D. GARG & ORS. Defendants

Through: Mr. Inder Deep Singh, Adv.

CORAM:

HON'BLE MR. JUSTICE NAJMI WAZIRI

NAJMI WAZIRI, J.

1. This suit seeks permanent injunction against infringement of the trademarks 'ZANTAC' and 'ZINETAC' and their passing-off by the defendants. Plaintiff No.1 is a company incorporated under the laws of the United Kingdom while plaintiff No.2 was incorporated in India in 1924 under the name of H.J. Foster & Co. It became a wholly owned subsidiary of Joseph Nathan & Co. in 1926. In October 2001, plaintiff No.2 was renamed as GlaxoSmithKline Pharmaceuticals Ltd, following the merger with SmithKline Beecham Pharmaceuticals (India) with Glaxo India Limited.
2. Plaintiff No.1 is the owner of the trademarks 'ZINETAC' and 'ZANTAC', which were registered in the year 1985 and 1981 respectively. The trademarks are associated with medicinal

preparation, and it contains ‘Ranitidine Hydrochloride’ which is used in the treatment of gastric ailments. It is stated that ‘ZANTAC’ is administered in the form of tablets, suspension and injection. It is the case of the plaintiffs that these two trademarks have been used in India consistently and extensively to the extent that a common man might associate these names for the treatment of gastric ailments, akin to how one would associate popular branded Paracetamol tablets for the treatment of fever. It is stated that the plaintiffs’ pharmaceutical products bearing the marks ‘ZINETAC’ is extensively sold in India; whereas the medicinal products bearing the trademark ‘ZANTAC’ is available in many parts of the world. As a result of their extensive recognition and goodwill, the two trademarks have come to be associated exclusively with the medicinal products manufactured and traded by the plaintiffs. It is further submitted that the defendants’ action of reproduction of the plaintiffs’ medicinal products under a deceptively similar mark ‘GENTAC’ amounts to infringement of their registered trademarks and also to passing-off.

3. Mr. Manav Kumar, the learned counsel for the plaintiffs submits that while the plaintiffs medicinal product are predominantly sold in the form of tablets as opposed to the defendants’ selling their medicinal product in the form of injection vials, the method of administration of the medicines would not affect the plaintiffs’ suit against infringement. The learned counsel further submits that in a suit for infringement what requires determination is, whether the infringing products are likely to create confusion in the mind of a purchaser. In support of this contention, the learned counsel

relies upon *Cadila Health Care Limited v. Cadila Pharmaceuticals Limited*¹ and *Novartis AG v. Crest Pharma Pvt. Ltd & Anr*². The learned counsel submits that ‘ZANTAC’ is an invented word having no specific dictionary meaning thereby containing a high degree of distinctiveness. In such circumstances, the defendants’ action to use the mark ‘GENTAC’ would amount to passing off and infringement of the plaintiffs’ trademarks. Apart from the packaging of GENTAC being similar to that of the plaintiffs’ medicinal products, the learned counsel submits that ‘GENTAC’ is phonetically similar to that of the plaintiffs’ medicinal products. There is hardly a discernible difference between the two classes of medicinal products. The difference between ZANTAC and GENTAC is rather difficult to be differentiated by a man with average intelligence. Furthermore, keeping in view of the literacy rate of the population in the country, it is likely that a purchaser would buy GENTAC instead of the plaintiff’s products. In support of this contention, the learned counsel relies on *K. Krishna Chettiar v. Ambal & Co.*³ which held:

“ 9. The vital question in issue is whether, if the appellant’s mark is used in a normal and fair manner in connection with the snuff and if similarly fair and normal user is assumed of the existing registered marks will there be such a likelihood of deception that the mark ought not to be allowed to be registered? (see in the matter of Broadhead’s

¹ AIR 2001SC 1952

² 2009(41) PTC 57(del)

³ AIR 1970 SC 146

Application for registration of a trade mark, 1950-67 RPC 209). It is for the Court to decide the question on a comparison of the competing marks as a whole and their distinctive and essential features. We have no doubt in our mind that if the proposed mark is used in an normal and fair manner the mark would come to be known by its distinguishing feature “Andal”. There is a striking similarity and affinity of sound between the words “Andal” and “Ambal”. Giving due weight to the judgment of the Registrar and bearing in mind the conclusions of the learned Single Judge and the Divisional Bench, we are satisfied that there is a real danger of confusion between the two marks.

10. There is no evidence of actual confusion, but that might be due to the fact that the appellant’s trade is not of long standing. There is no visual resemblance between the two marks, but ocular comparison is not always the decisive test. The resemblance between the two marks must be considered with reference to the ear as well as the eye. There is a close affinity of sound between Ambal and Andal.

11. In the case of Coca-Cola Co. of Canada v. Pepsi Cola Co. of Canada Ltd., 1942-59 RPC 127, it was found that cola was in common use in Canada for naming the beverages. The distinguishing feature of the mark cocacola was coca and not cola. For the same reason the distinguishing feature of the mark Pepsi Cola was Pepsi and cola. It was not likely that any one would confuse the word Pepsi with coca. In the present case the word “Sri” may be regarded as in common use. The distinguishing feature of the respondent’s mark is Ambal while that of the appellant’s mark is Andal. The two words are deceptively similar.”

4. The learned counsel further submits that since both parties are involved in the manufacture and trade of identical products, it is possible that the buyers would confuse the defendants' product to be that of the plaintiffs'. It is submitted that the past actions of the defendant reflect their intention to infringe the plaintiffs' registered trademarks. It is stated that the plaintiffs had initiated a suit for infringement of trademarks and copyrights, being suit No. 326 of 2004, against the defendant when the latter started to manufacture a medicine under the trade name 'BECNATE' with a packaging similar to that of the plaintiffs' product 'BETNOVATE'. However, by order dated 06.04.2005, this Court restrained the defendants from manufacturing or dealing in products that were similar to the product of the plaintiffs.
5. Mr. Inder Deep Singh, the learned counsel for the defendants submits that the trademark 'ZANTAC' is not associated with any medicinal product and that the trademark is a dummy registration. Furthermore, the plaintiffs have failed to lead evidence apropos 'ZINETAC'. Under such circumstances, the plaintiffs cannot claim any protection of their trademarks. It is submitted that while 'GENTAC' has commercial goodwill, the plaintiffs have failed to show the existence of the same for their products. It is submitted that there can be no possible cause for confusion between the two classes of the medicines as the defendants' product is exclusively sold in the form of injections as opposed the plaintiffs' products being sold in the form of tablets. In addition, the two classes of medicines being 'H' scheduled drugs;

a buyer cannot procure the medicines without producing a medical prescription to the chemist. Accordingly, it is submitted, that there is no possibility of any confusion being created in the mind of the buyer.

6. The learned counsel further contends that the plaintiffs cannot claim an infringement of a trademark when they have failed to prove that the said registration subsists; that the plaintiffs have not produced any document to show that they have applied for renewal of the registration of trademarks and that non-use of a trademark for a long period of time would bar the applicant from such seeking registration or renewal thereof. It is submitted that the object of a registered trademark is to enable proprietorship over the same when it is put to use and not to monopolize the trademark indefinitely. On this point, the learned counsel relies upon *Veerumal Praveen Kumar v. Needle Industries (India) Ltd. and Anr.*⁴ wherein this Court held:

“ 33. On appreciation of the facts of the case we are unable to agree with the conclusion of the learned Single Judge that the adoption of the trademark ‘555’ is dishonest. Delay simplicitor may not be a defence in a suit for infringement of trademark but where a trader allows a rival trader to expend money over a considerable period in building up a business with the aid of a mark similar to his own he will not be allowed to stop his rivals’ business. If he were permitted to do so great loss would be caused not only to the rival trader but to those who depend on his business for

⁴ 93(2001) DLT 600(DB)

their livelihood. (Reference to Law of trade Marks and Passing Off by P. Narayanan, 5th Edition, page 444)

34. It may, however, be pointed out that there cannot be any hard and fast rule in determining the cut-off point when non-use of the registered mark would disentitle the trader to any protection. It would depend upon the facts and circumstances of each case.”

7. The learned counsel for the defendants submits that GENTAC has been approved by the Drug Licensing Authority to be sold to the public. Accordingly, once the approval of the Drug Licensing Authority is obtained, the plaintiffs cannot restrain the defendants from manufacturing the injections. In such circumstances, the plaintiffs have failed to make out a case for infringement and passing off and the suit ought to be dismissed.
8. The Court, while adjudicating a suit for infringement of trademark, is required to consider the trademark in its entirety. The primary claim of the plaintiffs is that the defendants' medicinal product 'GENTAC' is deceptively similar to the plaintiffs' medicinal products 'ZANTAC' and 'ZINETAC' in terms of the packaging, trade style and the phonetic similarity. Under such circumstance, the plaintiffs are required to show that the defendants' products are deceptively similar to the plaintiffs' registered medicinal products. In pursuance of establishing the similarity between the two classes of medicinal products, ZANTAC, ZINETAC marked as Ex Pw1/ 5 and GENTAC marked as Ex Pw 1/8 respectively are placed on record. On a perusal of the exhibits, this Court finds that, insofar as similarity

of the trade style is concerned, the two classes of the medicinal products contain different packaging and trade style. On this facet alone, this Court is of the view that the two categories of medicinal products are visually distinct. However, this Court is concerned with the phonetic similarities between the two classes of medicines. It is to be noted that the product in question is to be assessed in its entirety and not based on one of the characters alone. The need to distinguish between the products is greater when the trademark in question pertains to medicinal products preparations. In **Cadila** (supra) the Supreme Court has laid down the considerations the Court would have to bear when the products in question relate to pharmaceutical products. The Supreme Court observed:

“ 32. Public interest would support lesser degree of proof showing confusing similarity in the case of trade mark in respect of medicinal product as against non-medicinal products. drugs are poisons, not sweets. Confusion between medicinal products may, therefore, be life threatening, not merely inconvenient. Nothing (sic) 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 position to differentiate between the medicine prescribed and bought which is ultimately handed over to them. This view finds support from McCarthy on Trade Marks. 3rd Edition para 23.12. of 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 purchaser and greater protection is required than in the ordinary case. If the good 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 standards has(sic) been applied to medical products such as surgical sutures and clavicle splints.”

9. In the present suit, both the plaintiffs’ medicinal product ‘ZANTAC’ and ‘ZINETAC’ and the defendants’ ‘GENTAC’ contain Ranitidine Hydrochloride, which is used in the treatment of gastric ailments. From the exhibits, it is apparent that GENTAC is manufactured and sold in the form of injection vials while the plaintiffs’ ZANTAC and ZINETAC are sold in the form of tablets they are Schedule H drugs. The Court notes that the two classes of medicinal products are Schedule ‘H’ drugs. The Court is unpersuaded by the contention of the defendants that since the medicinal products can be procured only through valid prescription, there wasn’t any likelihood of confusion in the mind of the buyer. While there may be certain amount of assurance to the purchaser of medicines against prescriptions but it does not obviate or negate the likelihood of confusion by an illiterate

person or one under stress, given the very high degree of phonetic similarity between the two competitive names for the same cure. The degree of caution in medicinal and surgical products is greater so as to avoid causing any harm to the unsuspecting consumer. Phonetic similarity is vital in the adjudication of a suit for infringement of trademark apropos medicinal products. The Supreme Court in Cadila observed:

“ 33.[...] A stricter approach should be adopted while applying the test to judge the possibility of confusion of one medicinal product for another by the consumer. While confusion in the case of non- medicinal products may only cause economic loss to the Plaintiff, confusion between two medicinal products may have disastrous effects on health and in some cases life itself. Stringent measures should be adopted specially where medicines are the medicines of last resort as any confusion in such medicines may be fatal or could have disastrous effects. The confusion as to the identity of the product itself could have dire effects on the public health.”

It is important to note that the English language is not the primary language to many in this country. There is a very large percentage of population who are unaware of the English nuances of the language. The rural population, who are yet to acquire fluency in the language, may be confused by the phonetic similarity between the two classes of the medicinal products. Though the medicines are used in the treatment of the same ailment, it does not negate the possibility of side effects from the medicines. It is established that that ZANTAC and ZINETAC are registered trademarks of the plaintiffs. The argument of the

defendants that ZANTAC is not associated with any medicinal preparation and that the same is only a dummy registration of the plaintiffs does not hold merit in the light of the fact that the plaintiffs have placed on record a sample of Ranitidine Hydrochloride tablets bearing the trademark 'ZANTAC'. Furthermore, the plaintiffs have produced the registration certificates of each of the medicinal products thereby showing that their marks have been duly registered.

10. In light of the abovementioned reasons, this Court is of the view that the plaintiffs have made out a case of infringement and passing off by the defendants. The plaintiff is entitled to the protection of their trademark and for grant for decree as prayed for. In the circumstances, the suit is decreed in terms of paragraph No. 25 (i), (ii) and (iii) of the plaint. Let the decree sheet be drawn up accordingly.

11. The suit is disposed off in the above terms.

MAY 12, 2015
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NAJMI WAZIRI, J.