

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

% Decided on: 24th July, 2017

+ **CS(COMM) 1470/2016**

UNITED BIOTECH PVT. LTD. Plaintiff

Represented by: Mr. Mohit Goel, Mr.
Bharadwaj Jaishankar and Mr.
Abhishek Kotnala, Advocates

versus

BIOCHEM PHARMACEUTICALS
INDUSTRIES PVT. LTD. & ANR.Defendants

Represented by: None

CORAM:
HON'BLE MS. JUSTICE MUKTA GUPTA

MUKTA GUPTA, J. (ORAL)

1. In the present suit plaintiff prays for the following reliefs:
 - (a) *A decree for permanent injunction restraining the Defendant No. 1 and the Defendant No. 2, their directors, partners or proprietor as the case may be, their assigns in business, franchisees, licencees, distributors and agents from manufacturing, selling, offering for sale, advertising, directly or indirectly dealing in identical or similar goods/services under the infringing mark BIOLAC or any other trade mark as may be likely to cause confusion or deception, leading to passing off of the goods/services of the Defendants for those of the Plaintiffs;*
 - (b) *A decree for permanent injunction restraining the Defendant No. 1 and the Defendant No. 2, their directors, partners or proprietor as the case may be, their assigns in business, franchisees, licencees, distributors and agents from manufacturing, selling, offering for sale, advertising, directly or*

indirectly dealing in identical or similar goods/services under the infringing mark BIOLACTIN or any other trade mark as may be likely to cause confusion or deception, leading to passing off of the goods/services of the Defendants for those of the Plaintiffs;

(c) A decree directing the Defendant No. 1 and the Defendant No. 2 to deliver up all the infringing advertising and promotional material, including, brochures, pamphlets, newspaper articles, stationery, etc. to an authorized representative of the Plaintiffs for destruction;

(d) An order for rendition of accounts of profit illegally earned by the defendants and a decree for an amount so found due or in the alternative, a decree for ₹ 21,00,000/- (Rupees Twenty Lakhs) towards token damages may be passed in favour of the Plaintiffs and against the defendants;

(e) An order of costs in these proceedings; and

(f) Any further orders as this Hon'ble Court deems fit and proper in the facts and circumstances of the present case may be passed in favour of the plaintiff and against the defendant.

2. Summons in the suit were issued to the defendants on 26th November, 2010 and an ad interim ex parte order was passed in favour of the plaintiffs and against defendants, their employees, representatives, distributors, dealers or anyone acting on their behalf restraining them from using the trade mark "BIOLAC" or any of its variants or using any other mark deceptively or confusingly similar to the said trademark and also from using the plaintiff's name "BIOLAC" in relation to its products. Since none appeared for the defendant No.2 despite service of summons nor any written statement was filed and defendant No.1 though entered appearance but did not file written statement and later stopped appearing, defendants were proceeded ex-parte vide order dated 18th April, 2013.

3. As per the plaint, plaintiff is a company incorporated under the existing laws of India and since its incorporation in the year 1997, it has been one of the fastest growing pharmaceutical company in India. It is claimed that the plaintiff has established an enviable reputation and track record for adopting latest manufacturing technologies introducing world-class quality products, ground breaking research & development efforts in association with its foreign counterparts and for setting new standards of customer service. The Plaintiff has a portfolio of around 160 trademarks, all of which are either pending trademark registration or are duly registered by the Registrar of Trade Marks.

4. The Plaintiff, in the month of January 2001, coined and adopted, in priority, the mark “BIOLAC” for its medicinal preparations containing “Lactulose solutions”. The Plaintiff acquired the license for manufacture and sale of the pharmaceutical preparation under the trademark “BIOLAC” from the Drug Authorities on October 11, 2002 and on February 22, 2006. The pharmaceutical product of the Plaintiff bearing the mark “BIOLAC” is sold in the form of syrup which is packed in bottles and packaging carries a highly artistic and distinctive trade dress.

5. It is the case of the plaintiff that he is the prior user and adopter of the trademark “BIOLAC” since the year 2001 for products falling in class 05. The plaintiff has also filed an application for registration of the trademark “BIOLAC” under the provisions of the Trade Marks Act, 1999.

6. It is further the case of the plaintiff that the trademark “BIOLAC” has attained the designation of being a ‘well known mark’, as defined under the Act, due to the following factors:

- (a) The Plaintiffs trade mark “BIOLAC” is a highly arbitrary, fanciful and stylized mark and is prima facie distinctive of the Plaintiffs goods;*
- (b) The mark “BIOLAC” is subject matter of honest prior use and prior adoption by the plaintiffs for approx. one decade now;*
- (c) The mark “BIOLAC” has been subjected to extensive, open, continuous, uninterrupted use, with enormous volumes of sale of goods under the said trade mark;*
- (d) The prominent placement of the trade mark “BIOLAC” in the market and industry, coupled with the promotional efforts initiated by the Plaintiffs in all possible mediums.*

7. Biochem Pharmaceutical Industries Pvt. Ltd. (Defendant No. 1) and GSK pharmaceuticals (Defendant No. 2), as per the information received by the Plaintiff, are both companies limited by shares. In the month of February, 2010 the plaintiff acquired knowledge that the defendants had been selling and manufacturing pharmaceuticals product under the trademarks “BIOLAC” and “BIOLACTIN” which are identical to the plaintiff’s mark. The defendants are also manufacturing, selling, marketing and branding identical pharmaceuticals products namely, lactulose solutions, under the infringing mark “BIOLAC” which is prescribed to cure the same ailment as that of the plaintiff’s product. The use of infringing mark “BIOLAC” by the defendants in the pharma setting, which is identical to the plaintiff mark, is bound to lead confusion in the minds of the purchaser and the defendant’s product is liable to be sold by the chemist and purchased by the public as that of the plaintiff’s. The defendant’s marks is visually, structurally and phonetically identical to the plaintiff’s mark “BIOLAC”.

8. The plaintiff led ex parte evidence and examined Suresh Kumar, General Manager, authorized signatory of the plaintiff company, as PW-1. He tendered his evidence by way of an affidavit (Ex. PW-1/A). He deposed that the plaintiff company is one of the market leaders in the pharmaceutical sector and the corporate profile of the plaintiff was exhibited as Ex. PW-1/2. Documents Ex. PW-1/3 to Ex. PW-1/10, being annual sales turnover of plaintiff company, copy of drug license for manufacture and sale of pharmaceutical preparation under the trademark “BIOLAC” from the Drug Authorities, application filed by the plaintiff for registration of trademark “BIOLAC”, copy of some sample invoices of sale and purchase orders of the medicinal preparation of the plaintiff, copies of some advertisements and promotional materials for pharmaceutical products bearing the mark “BIOLAC”, copies of print media advertisement bills pertaining to the product of plaintiff, invoice of purchase of the defendant’s product from a chemist shop and internet printouts evidencing the declaration of the products of defendants under the infringing mark “BIOLAC” as sub standard drugs by the Government of India respectively, were produced in photocopies and marked A to H respectively, however, since the original documents were not produced, the documents were de-exhibited and thus cannot be read into evidence.

9. The plaintiff had send a legal notice dated 6th February, 2010 to the defendants whereby the defendants were asked to cease and desist from using the infringing mark “BIOLAC”. Copy of the legal notice was proved vide Ex. PW-1/11. Defendant No. 1 vide its reply dated 16th February, 2010 negated the claim of the plaintiff and inter alia stated that defendant No. 1 was not using the mark “BIOLAC” but was using the mark “BIOLACTIN”.

Copy of the reply of defendant No. 1 to the legal notice was proved as Ex. PW-1/12. However, defendant No. 2 in reply to the aforesaid legal notice admitted that it has been manufacturing pharmaceutical products of the defendant No. 1 under the infringing mark “BIOLAC”. Defendant No. 2 also stated that it shall not, in future, manufacture products under the infringing mark. Copy of reply of defendant No. 2 was exhibited as Ex. PW-1/13.

10. Conduct of the defendants cannot be called as a bona-fide conduct as the defendants are also in the pharmaceutical industry and the defendant No. 2 admitted the use of the infringing trade mark “BIOLAC” in his reply to the legal notice sent by the plaintiff. The evidence of the plaintiffs has gone un rebutted. Since the plaintiffs have not led evidence with respect to the profits illegally earned by the defendants, prayer (d) cannot be allowed.

11. Consequently, the suit is decreed in favour of the plaintiff and against the defendants in terms of prayer (a), (b) and (c). The suit is accordingly disposed of.

(MUKTA GUPTA)
JUDGE

JULY 24, 2017
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