



IN THE HIGH COURT OF JUDICATURE AT MADRAS

(ORDINARY ORIGINAL CIVIL JURISDICTION)

TUESDAY, THE 07TH DAY OF JUNE 2022

THE HON'BLE MR. JUSTICE SENTHILKUMAR RAMAMOORTHY

O.A.Nos.281 to 283 of 2021

in

C.S.(Comm. Div.) No.176 of 2021

Cipla Limited
106a, 106/108 Ground and First,
Alapakkam Main Road,
Alapakkam, Chennai – 600 116.

Also at
Cipla House, Peninsula Business Park,
Ganpatrao Kadam Marg,
Lower Parel, Mumbai – 400 013. ... Applicant/Plaintiff

versus

Sun Pharmaceutical Industries Ltd.
Door No.8, Plot No.3,
Old Tower Block Street,
Nandanam, Chennai – 600 035. ... Respondent/Defendant

O.A.No.281 of 2021:-

Original Application praying that this Hon'ble Court be pleased to grant an -Interim injunction restraining the Respondent, their partners or proprietors, their servants, agents, stockists, distributors, wholesalers, retailers and printers and all persons acting, by through or under the



direction of Respondent as the case may be, from reproducing, printing or publishing any label or packaging, including cartons, tubes and caps including any packaging for the purpose of exports, which are a colorable imitation or substantial reproduction of the Applicant's subject products BUDECORT RESPULES' and DUOLIN RESPULES' artistic

packaging, trade dress or labels represented as and

amounting to infringement of copyright in the artistic works.

O.A.No.282 of 2021:-

Original Application praying that this Hon'ble Court be pleased to grant an -Interim injunction restraining the Respondent, their Directors, partners or proprietors, as the case may be, from manufacturing, packaging, selling, offering for sale or distribution, exporting, advertising, directly or indirectly dealing in medicinal products, or goods of any description bearing



products and doing any other thing as may lead to passing off of their goods as those of the Applicant.

These Original Applications having been heard on 22.04.2022 in the presence of Mr.P.S.Raman, Senior Advocate for M/s.K.Premchandrar, for M/s.R.Pavithra of Anand and Anand, Advocates for the applicant in original applications and Mr.Sathish Parasaran, Senior Advocate for M/s.Rajesh Ramanathan & Mr.S.Diwakar, Advocates for the respondents in all original applications and upon reading the order dated 07.10.2021 made in A.Nos.3501 to 3503 of 2021 and O.A.Nos.281 to 283 of 2021 in C.S.(Comm.Div.)No.176 of 2021, and having stood over for consideration till this date and coming on this day before this Court for orders in the presence of the said advocates for the parties hereto, and this Court having observed that the word RESPULES is not self-evidently derived from the words respiratory capsules in comparison to a word like "INSTEAD", at the same time, when compared with DROPOVIT, it is not as difficult to discern the constituent descriptive words, from a balance of convenience and hardship perspective, when the above aspect is reckoned in the context of the fairly common use of the word RESPULES to refer to a form of medicine (including by the Applicant in the advertisement) used to treat respiratory conditions, for interlocutory purposes, this Court is not inclined



to restrain the Respondent from using the word RESPULES and the use of the lower case also does not tilt the balance in favour of the Applicant, it is ordered as follows:-

That the respondent herein be and is hereby directed to maintain accounts of revenues earned by the sale of products using the words RESPULES, including the profits derived there from and such accounts shall be filed in Court on a quarterly basis until disposal of the suit.

2) That the question as to whether RESPULES is distinctive and capable of protection as a trademark shall be framed as one of the issues in the suit.

WITNESS THE HON'BLE MR. JUSTICE MUNISHWAR NATH BHANDARI, CHIEF JUSTICE, HIGH COURT AT MADRAS AFORESAID, THIS THE 07TH DAY OF JUNE 2022.

Sd/-

ASSISTANT REGISTRAR (Comm. Cases)

//Certified to be true copy//

Dated at Madras this the day of 2022.

COURT OFFICER(O.S.)

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ARS
20.06.2022

O.A.Nos.281 to 283 of 2021
in
C.S.(Comm. Div.) No.176 of 2021

ORDER

DATED: 07.06.2022

THE HON'BLE MR. JUSTICE
SENTHILKUMAR RAMAMOORTHY

FOR APPROVAL: 21.06.2022

APPROVED ON : 22.06.2022



IN THE HIGH COURT OF JUDICATURE AT MADRAS

Order reserved on	22.04.2022
Order pronounced on	07.06.2022

CORAM

The Hon'ble Mr. Justice **SENTHILKUMAR RAMAMOORTHY**

O.A. Nos.281 to 283 of 2021
in
Civil Suit(Comm. Div.) No.176 of 2021

Cipla Limited
106a, 106/108 Ground and First,
Alapakkam Main Road,
Alapakkam, Chennai – 600 116.

Also at
Cipla House, Peninsula Business Park,
Ganpatrao Kadam Marg,
Lower Parel, Mumbai – 400 013.

... Applicant/Plaintiff
(in All O.As.)

vs.

Sun Pharmaceutical Industries Limited,
No.8, Plot No.3,
Old Tower Block Street,
Nandanam, Chennai – 600 035.

... Respondent/Defendant
(in All O.As.)



PRAYER IN O.A.No.281 OF 2021: This Original Application is filed under Order XIV Rule 8 of Original Side Rules and Order 39 Rule 1 and 2 of CPC praying to grant ad interim injunction restraining the Respondent, their partners or proprietors, their servants, agents, stockists, distributors, wholesalers, retailers and printers and all persons acting by through or under the direction of Respondent as the case may be, from reproducing, printing or publishing any label or packaging, including cartons, tubes and caps including any packaging for the purpose of exports, which are a colorable imitation or substantial reproduction of the Applicant's subject products BUDECORT RESPULES' and DUOLIN RESPULES' artistic packaging,



trade dress or labels represented as and amounting to infringement of copy right in the artistic works.

PRAYER IN O.A.No.282 OF 2021: This Original Application is filed under Order XIV Rule 8 of Original Side Rules and Order 39 Rule 1 and 2 of CPC praying to an ad interim injunction restraining the Respondent, their

Directors, partners or proprietors, as the case may be, from manufacturing,



packaging, selling, offering for sale or distribution, exporting, advertising, directly or indirectly dealing in medicinal products, or goods of any description bearing the mark RESPULE and/ or any other marks that are identical or deceptively similar to the Applicant's registered trademark RESPULE or containing any component of the subject trademark RESPULE, i.e., amounting to infringement of the Applicant's registered trademark number 1127296.

PRAYER IN O.A.No.283 OF 2021: This Original Application is filed under Order XIV Rule 8 of Original Side Rules and Order 39 Rule 1 and 2 of CPC praying to an ad interim injunction restraining the Respondent, their partners or proprietors, their servants, agents, stockists, distributors, wholesalers, retailers and printers and all persons acting by through or under the direction of Respondent as the case may be, from manufacturing, packaging, selling, offering for sale or distribution, exporting, advertising, directly or indirectly dealing in medicinal products, or goods of any description, using a packaging identical, or deceptively similar to the Applicant's packaging for "Budesonide Respules" and "DUOLIN



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Levosalbutamol Respules" represented as and either alone or in combination with the mark RESPULE, or any other deceptively similar mark, in any manner, in respect of medicinal products, or any other products and doing any other thing as may lead to passing off of their goods as those of the Applicant.

For Applicant : Mr.P.S.Raman, Senior Advocate
for M/s.K.Premchandrar

For Respondents : Mr.Satish Parasaran, Senior Advocate
for M/s.Rajesh Ramanathan &
Mr.S.Diwakar

COMMON ORDER

This is the third round of litigation relating to these applications. By Judgment dated 06.07.2021 in OSA(CAD) Nos.8 to 13 of 2021, the Division Bench of this Court permitted the Respondent herein to apply afresh to vacate the then subsisting order of interim injunction and also permitted the Applicant herein to seek a larger injunction than that issued at



interim orders were modified by permitting the Respondent to market the products with the modifications to the carton, pouch and label as indicated in paragraph 5 and 6 of the order. As regards the claims in respect of the word marks Respules, Budefex and Duoaz, the Court concluded that such issue could be decided only after trial. The order dated 07.10.2021 was carried in appeal by the Applicant herein. By judgment dated 15.12.2021 in OSA(CAD) Nos. 135 to 140 of 2021, the Division Bench of this Court set aside the order dated 07.10.2021 and remanded the matter to the Single Bench for re-consideration with regard to the use of the word "RESPULES" and the use of the lower case in the mark. The Division Bench, however, clarified and recorded that the dispute regarding colour scheme had been resolved between the parties and would not be re-agitated.

2. The changes proposed by the Respondent to the carton, pouch and label of the relevant products are acceptable to the Applicant. Therefore, arguments were advanced only with respect to the use of the word RESPULES by the Respondent and the use of the lower case in the impugned marks of the Respondent.

3. The Applicant made oral submissions through Mr.P.S.Raman,



for R.Pavithra of Anand and Anand and the Respondent made oral submissions through Mr.Satish Parasaran, learned Senior Advocate, assisted by Mr.Rajesh Ramanathan and Mr.S.Diwakar, learned counsel.

4. The Applicant contended that the word RESPULES was coined by it in the year 1993 and qualifies as a portmanteau. The Applicant stated that it applied for registration of the said word as a trademark in the year 2002 and that such registration was granted in the year 2006. Since it is an invented word for which the Applicant has obtained a valid and subsisting word mark registration, the Applicant contended that it is entitled to remedies in respect of infringement and passing off. The Applicant relied upon Section 29 (3) of the Trade Marks Act, 1999 (the Trade Marks Act) and contended that the court shall presume that there is likelihood of confusion when the trademarks in question are identical and the goods in question are also identical. With reference to the facts of the present case, it was contended that both the Applicant and Respondent are manufacturing and marketing products used for the treatment of respiratory conditions. The products of the Respondent admittedly carry the word RESPULES without any alteration thereto. Thus, the goods are identical and so are the marks. When these conditions are satisfied, sub-section 3 of Section 29



provides that the court shall presume that the use of the allegedly infringing mark is likely to cause confusion on the part of the public.

5. The Applicant asserted that the word RESPULES is an invented word and cannot be construed as a word which indicates the kind, quality, quantity, intended purpose, value, geographical origin, etc. of the relevant goods. Therefore, the Applicant contended that the Respondent cannot seek protection in terms of clause (a) of sub-section 2 of Section 30 of the Trade Marks Act. By asserting that the Applicant has a market share of about 85% in India in the relevant product category, the Applicant contended that the failure to prosecute infringers with a negligible market share is immaterial to the successful prosecution of these applications. By drawing reference to the judgment of the Division Bench of this Court in *P.M.Palani Mudaliar & Co v. Jansons Exports & Others*, AIR 2017 Mad 105, it was contended that the defence of *publici juris* is liable to be accepted only if the quantity of piracy exceeds the quantity of genuine goods. If the said test were to be applied, the Applicant contended that the use of the word RESPULES by the Applicant's competitors clearly fails to meet the threshold. The next contention was that the Applicant has not acquiesced in the use of the word RESPULES by the industry as a whole, and that an inference of acquiescence or dilution cannot be drawn against the Applicant. The



Applicant next relied on the safe distance rule. By relying on the judgment in *Innovation Ventures LLC v. N2G Distributing Inc.*, *United States Court of Appeals, 6th Circuit (Innovation Ventures)*, the Applicant contended that once a party infringes another party's trade mark or trade dress, the confusion sowed is not magically remedied by minor changes. Therefore, the court is empowered to apply the safe distance rule so as to ensure that the infringer maintains a safe distance between his mark and the registered trademark.

6. With regard to the use of the lower case, the Applicant pointed out that the Respondent does not use the lower case in any other products that it manufactures and markets. Therefore, the Applicant contended that the choice of the lower case only with regard to the infringing product is both conscious and dishonest. With regard to the balance of convenience, the Applicant pointed out that it approached the Court early and that the Respondent is in a position to continue to market its products by deleting the word RESPULES therefrom. On this issue, the Applicant pointed out that its closest competitors such as Lupin and Glenmark use the words Transtules and Smartules, respectively.



7. The Respondent dealt with the lower case issue first. By drawing reference to paragraph 12 of the plaint, the Respondent pointed out that the lower case issue is not part of the suit prayers and has been raised subsequent to the filing of the suit. With reference to the safe distance rule and the judgment of the US Court of Appeals in *Innovation Ventures*, the Respondent pointed out that the safe distance rule is applicable only upon issuance of final orders concluding that the defendant had infringed the plaintiff's trademark. The Respondent adverted to a communication from the Director General of Health Services and pointed out that such communication used the word RESPULES for a product category, irrespective of the manufacturer of the said product. The Respondent also referred to the website of the Drug Controller and pointed out that the said website listed approved drugs and that, at Serial No.418 thereof, the word RESPULES is used in relation to a product called Fluticasone Propionate B.P. Similarly, at Serial No.427, the word RESPULES is used with reference to the product Budesonide and the date of approval is indicated as 16.08.1995. On the basis of the said list, it was contended that RESPULES is a form in which the relevant drug is marketed and the expression is akin to vial, chewable tablet, injection, uncoated tablets, inhaler, etc.



8. In order to refute the contention that RESPULES is an invented word, the Respondent relied on the judgment in *Horlicks Malted Milk Company v. Summerskill, 1916 (13) RPC 1 (Horlicks Malted Milk)*, wherein the Chancery Division held that the words "Malted Milk" were not invented words although Horlicks may have been the first company to use the said words in combination. The Respondent next referred to various other brands, which are available in the market, and use the word RESPULES. In fact, by drawing reference to a recent advertisement by the Applicant, the Respondent pointed out that the Applicant referred to RESPULES therein as a form of medicine and not as a trademark for a product by asserting that one out of three RESPULES sold globally is made by the Applicant, thereby indicating categorically that the word RESPULES applies to a form in which medicine is marketed.

9. According to the Respondent, an easy-to-use test to determine whether a mark is distinctive is to ask the questions who are you and what are you in relation to the said mark. A genuinely distinctive mark, which warrants protection, would answer to the question who are you but not to the question what are you. If this test were to be applied to the mark RESPULES, the mark RESPULES answers to the question what are you

with the response that it is a liquid form of medicine, which is stored in a



capsule and introduced into a nebulizer for the treatment of specific respiratory conditions. With reference to the specific Budecort and Doulin products of the Applicant, the Respondent pointed out that the word RESPULES is never used separately but always as an attachment to the marks Budecort and Duolin. In conclusion, the Respondent submitted that the Applicant has relinquished the right to seek remedies for alleged infringement by allowing the word RESPULES to be used to describe a form or product category. On a *demurrer*, it was submitted that the word RESPULES cannot be held to be inherently distinctive; at best, it could be argued that it is suggestive. Any mark which is merely suggestive would acquire distinctiveness only through extended usage and by acquiring secondary meaning. By drawing reference to the word game 'scrabble', it was contended that the proprietors of scrabble never used the word 'scrabble' to describe a type of game or a category of game and always used it as the name of the game created by them. By contrast, the Respondent pointed out that the Applicant has repeatedly used the word RESPULES as describing a form or category of product.

10. By way of rejoinder, the Applicant reiterated that RESPULES is an invented word and that the Respondent also admits that the word was used first by the Applicant. By drawing reference to the judgment of the



Delhi High Court in *Caterpillar Inc. v. Mehtab Ahmed & Ors* [2002 (25)

PTC 438(Del)], it was contended that invented words are inherently distinctive and deserve the highest level of protection. By drawing reference to the renowned Medical Dictionary, Merriam Websters, the Applicant pointed out that the said dictionary does not list the word RESPULES. The Applicant also pointed out that the Directory of International Non-proprietary Names does not include the word RESPULES. The Applicant distinguished the judgment in *Nestle's Products (India) Ltd. v. P.Thankaraja and another*, 1977 SCC Online Mad 72 (**INSTEA Case**), which dealt with the mark "INSTEA", by contending that "INSTEA" is not a portmanteau. In order to substantiate the contention that RESPULES is a portmanteau, the Applicant relied on the judgment of the Hon'ble Supreme Court in *F.Hoffmann-la Roche & Co. Ltd. v. Geoffrey Manner & Co. Pvt. Ltd.* 1969 (2) SCC 716 (**DROPOVIT Case**), wherein, at paragraph 12 and 13, the Hon'ble Supreme Court held that "DROPOVIT" is a portmanteau and that the said word is entitled to protection as a trademark, although it is coined out of the words "DROP OF VITAMIN".

11. The central issue that the contentions of the parties throw up is whether the word RESPULES is distinctive and capable of protection as a trade mark under the Trade Marks Act. The admitted position is that the



Applicant has registered the word RESPULES as a trade mark. Such registration was obtained in the year 2006 based on an application in the year 2002. The registration certificate indicates that the mark has been used since the year 2002. Until date, proceedings for rectification have not been initiated by any party including the Respondent herein. While sub-section 1 of Section 28 of the Trade Marks Act extends the benefits of registration to a trade mark subject to the validity thereof, such registration qualifies as *prima facie* evidence of the validity of a registered trade mark.

12. The Respondent sought to rebut the *prima facie* evidence through registration by contending that the mark does not indicate the origin or source of the relevant goods; instead, it indicates the form or category of the medicinal product. To put it differently, the Respondent contended that RESPULES are similar to tablets, syrup, capsules or injections - all of which are forms in which medicine is marketed - and, additionally, RESPULES is indicative of the fact that this form of medicine is used only in relation to respiratory ailments.

13. In the *INSTEA Case*, this Court concluded that the word "INSTEA" is not entitled to protection as a trademark because it immediately brings to mind instant tea. Therefore, the Court held that



"INSTEAM" is a self-evident fused form of the generic words "INSTANT" and "TEA" and that the person coining such self-evident combination of two descriptive words is not entitled to trademark protection. By contrast, the Hon'ble Supreme Court in the ***DROPOVIT Case*** concluded that "DROPOVIT" is a portmanteau and that it is entitled to trade mark protection although it is a combination of the generic words "DROP OF VITAMIN". Such conclusion was drawn on the basis that the word "DROPOVIT" does not readily bring to mind the generic words "DROP OF VITAMIN". The ***Horlicks Malted Milk Case*** is also distinguishable because that case did not involve fusion of two or more descriptive words into one word and merely dealt with the use of descriptive words in combination. Thus, the test appears to be whether the coined word, which is formed by combining two or more words which are descriptive, readily brings to mind the descriptive words that are combined therein. As a thumb-rule, the more complex the fusion the more likely it is to be construed as distinctive. The assessment of distinctiveness should be made from the view point of a potential consumer of the relevant products of average intelligence and imperfect recollection. If viewed from such perspective, the word RESPULES cannot be equated with "INSTEAM". While a consumer with a medical or pharmaceutical background or one who is particularly discerning



difficult to conclude *prima facie* that such inference would be drawn by the consumer of average intelligence and imperfect recollection. However, the contentions on widespread use warrant consideration before conclusions are drawn on the relief prayed for.

14. The evidence on record indicates *prima facie* that the word RESPULES is used both by other manufacturers and by authorities such as the Director General of Health Services and the Drug Controller. On examining the usage of the word by the aforesaid entities or authorities, it appears *prima facie* that the word RESPULES has been used to describe a form in which the medicine is marketed. In other words, the word RESPULES has been used for medicines contained in capsules in liquid form, which are intended for injection into a nebulizer and used in the treatment of respiratory ailments. Indeed, as correctly pointed out by the Respondent, even the Applicant has used the word RESPULES in its advertisement as referring to a form in which the medicine is marketed.

15. At the interlocutory stage, it is not advisable to draw definitive conclusions since it would prejudice parties at the time of final disposal. Therefore, only tentative conclusions are recorded. As discussed above, the word RESPULES is not self-evidently derived from the words respiratory capsules in comparison to a word like "INSTEAD". At the same time, when



compared with DROPOVIT, it is not as difficult to discern the constituent descriptive words. From a balance of convenience and hardship perspective, when the above aspect is reckoned in the context of the fairly common use of the word RESPULES to refer to a form of medicine (including by the Applicant in the advertisement) used to treat respiratory conditions, for interlocutory purposes, I am not inclined to restrain the Respondent from using the word RESPULES. The use of the lower case also does not tilt the balance in favour of the Applicant. Instead, the Respondent is directed to maintain accounts of revenues earned by the sale of products using the words RESPULES, including the profits derived therefrom. Such accounts shall be filed in Court on a quarterly basis until disposal of the suit. The question as to whether RESPULES is distinctive and capable of protection as a trademark may be framed as one of the issues in the suit.

16. These applications are disposed of on the above terms.

Sd/-S.K.R.J.
07.06.2022

//Certified to be true copy//

Dated at Madras this the day of 2022.

COURT OFFICER(O.S.)

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