

Win-Medicare Pvt Ltd vs Galpha Laboratories Ltd & Ors on 4 January, 2016

Author: Manmohan Singh

Bench: Manmohan Singh

* IN THE HIGH COURT OF DELHI AT NEW DELHI

% Judgment pronounced on: 4th January, 2016

+ I.A. Nos.22711/2014 & 26365/2014
in CS(OS) No.3507/2014

WIN-MEDICARE PVT LTD
Through

..... Plaintiff
Mr.Neel Mason, Adv. with
Ms.Sanya Bhatnagar, Adv.

versus

GALPHA LABORATORIES LTD & ORS Defendants
Through Mr.Binay Kumar, Adv. with
Mr.Utkarsh & Ms.Anshu, Adv. for
D-1.

CORAM:
HON'BLE MR.JUSTICE MANMOHAN SINGH

MANMOHAN SINGH, J.

1. By way of this order, I propose to decide two pending applications, one being I.A. No.22711/2014 under Order XXXIX Rule 1 and 2 CPC filed by the plaintiff and another being I.A. No.26365/2014 under Order XXXIX Rule 4 CPC filed by the defendants for vacation of the interim order passed on 14th November, 2014.

2. The plaintiff has filed the suit for permanent injunction restraining infringement of trademark, copyright, passing off, delivery up, rendition of accounts of profit, damages, etc. against the defendants.

3. Brief facts of the case as per the plaint are:-

(i) The plaintiff Company was incorporated in the year 1981 and is engaged inter alia in the business of manufacturing, distributing and marketing of high quality pharmaceutical preparations.

(ii) The plaintiff's key therapeutic segments include antiseptics, analgesics, gastroenterology, gynaecology, dermatology and neurocare and protein supplements.

Some of the pharmaceutical preparations manufactured/ marketed by the plaintiff are available in the market under well-known trademarks such as BETADINE, HEPA-

MERZ, CARNITOR, CORION, PANSORAL, GONABLOK, UDIHEP, SOOTHEX, DICLOMOL, MOVICOL, CONTRACTUBEX, SENSIGEL, ELUDRIL, ELUGEL, MAYOSPAZ, URGENDOL etc.

(iii) The plaintiff is the registered proprietor of the trademark BETADINE in India in relation to pharmaceutical preparations. The trademark BETADINE was earlier registered in favour of Mundipharma AG under Registration Nos.203023 and 425874 in class 5 as of 13th June, 1961 and 17th August, 1984, respectively. These registrations were assigned in favour of the plaintiff vide Deed of Assignment dated 1st September, 1990. The registration No.425874 in class 05 claims use of the mark BETADINE in India since the year 1979. By virtue of the aforesaid assignment, the plaintiff has been assigned all rights, title and interest in the trademark BETADINE along with the goodwill and reputation associated therewith. Details of the registrations in favour of the plaintiff for the trademark BETADINE are provided here as under:

Trademark Reg. No. Date			Class of Goods
BETADINE	203023	13th June, 1961	[CLASS 5]: Topical Antiseptics and Pharmaceutical
			Preparations
BETADINE	425874	17th August , 1984	[CLASS 5]: Medicinal and Pharmaceutical Preparations
The aforesaid trademarks have been renewed, valid and			

subsisting on the Register of Trade Marks in India.

(iv) In addition to the above registrations, the plaintiff has secured its statutory rights in the trademark BETADINE in various countries, details of some of which are outlined below:

Trademark Application Date Country Status No. BETADINE 22602 17/07/1979 Sri Lanka Registered BETADINE 25300 23/04/1987 Bangladesh Registered BETADINE 24945 25/03/2007 Nepal Registered BETADINE 821/61 20/04/2010 Zambia Registered BETADINE 29723 22/08/2013 Bahamas Pending BETADINE 1243963 16/08/2000 European Registered Union (CTM) BETADINE 325982 24/02/1971 Benelux Registered (Belgium, Netherland and Luxembourg) BETADINE M/035474 19/05/2010 Malaysia Registered BETADINE 54736 03/08/1959 Norway Registered BETADINE 81039 24/07/2002 Syrian Arab Registered Republic

(v) The plaintiff had launched its range of medicinal preparations consisting of a Povidone-Iodine combination under the trademark BETADINE in the year 1990. It is stated that as of today, the plaintiff manufactures microbicidal solutions, surgical scrubs, microbicidal ointments, germicidal gargles, vaginal pessaries and various other pharmaceutical preparations under the trademark BETADINE bearing a distinctive trade dress. These products under the trademark BETADINE are sold in various packaging including tubes, bottles, jars, cartons etc.

(vi) The plaintiff has developed a series of distinctive trade dress including packaging, labels and bottles for its range of products under the trademark BETADINE, comprising of unique get up, layout, colour scheme and arrangement of features closely resembling one another. All forms of packaging bear the distinctive trade dress/label consisting primarily of a white background with dark blue lettering prominently featuring a 'two stripe' mark accompanied by the trademark BETADINE appearing on the label. The 'two stripe' on the label comprises of a navy blue broad stripe which is common to all products under this trademark and is the consistent elements of the entire range of the plaintiff's products under the trademark BETADINE. The labels for the plaintiff's products under the trademark BETADINE bear the upper stripe as above mentioned consistently in all its products along with the common navy blue lower stripe.

Significantly, the plaintiff has been using the two stripes, in the above colour combinations, prominently coupled with the long, continuous and extensive use thereof.

(vii) The copy of Povidone-iodine range of the products of the plaintiff under the trademark BETADINE available in distinctive label/ packaging are reproduced here as under:

(viii) The plaintiff has applied for and secured trademark registrations for its various label marks in class 5 in respect of medicinal and pharmaceutical preparations, details of which are mentioned herein below:

(ix) On account of long, extensive and continuous use in India since 1979 by the plaintiff's predecessors-in-title and since 1990 by the plaintiff, the trademark BETADINE and/or its variants and the packaging pertaining thereto have come to be associated exclusively with the plaintiff. The trademark BETADINE has a source identifying significance origin associated with the plaintiff alone.

(x) Owing to the excellent quality of the products of the plaintiff under the trademark BETADINE, envious goodwill and reputation has accrued in favour of the plaintiff which is evident from the sales turnover which have been mentioned herein below:

PERIOD	SALES FIGURES (In Lakh Rupees)
1.4.1992 to 31.3.1993	1313

1.4.1993 to 31.12.1993	1398
1.1.1994 to 31.12.1994	1788
1.1.1995 to 31.12.1995	2144
1.1.1996 to 31.12.1996	3086
1.1.1997 to 31.12.1997	3176
1.1.1998 to 31.12.1998	3870
1.1.1999 to 31.12.1999	4298
1.1.2000 to 31.12.2000	4835
1.1.2001 to 31.12.2001	5503

1.1.2002 to 31.12.2002	6111
1.1.2003 to 31.12.2003	6252
1.1.2004 to 31.12.2004	6466
1.1.2005 to 31.12.2005	7498
1.1.2006 to 31.12.2006	8310
1.1.2007 to 31.12.2007	9431
1.1.2008 to 31.12.2008	1,0625
1.1.2009 to 31.12.2009	1,2570
1.1.2010 to 31.12.2010	1,4254
1.1.2011 to 31.12.2011	1,6551
1.1.2012 to 31.12.2012	1,8120
1.1.2013 to 31.12.2013	1,8592
1.1.2014 to 31.6.2014	9304

(xi) The plaintiff's trademark BETADINE and its formative variants have been acclaimed by several medical journals in India as well as around the world. As a result, the medical fraternity as well as the public associate recognize the trademark BETADINE as distinctive of the products and business of the plaintiff and no one else.

(xii) The plaintiff has invested a considerable sum of money on promoting and popularizing the products under the trademark BETADINE and/or its variants and packaging pertaining thereto, the details of the promotional expenses incurred by the plaintiff are mentioned herein below:-

PERIOD	SALES FIGURES (In Lakh Rupees)
1.4.1990 to 31.3.1991	4984
1.4.1991 to 31.3.1992	5190

1.4.1992 to 31.3.1993	5816
1.4.1993 to 31.12.1993	4441
1.1.1994 to 31.12.1994	1144
1.1.1995 to 31.12.1995	1195

1.1.1996 to 31.12.1996	1442
1.1.1997 to 31.12.1997	1612
1.1.1998 to 31.12.1998	1690
1.4.1999 to 31.12.1999	2475
1.1.2000 to 31.12.2000	2513
1.1.2001 to 31.12.2001	2855
1.1.2002 to 31.12.2002	3255
1.1.2003 to 31.12.2003	3137
1.1.2004 to 31.12.2004	3589
1.1.2005 to 31.12.2005	5157
1.1.2006 to 31.12.2006	4597
1.1.2007 to 31.12.2007	4726
1.1.2008 to 31.12.2008	3776
1.1.2009 to 31.12.2009	4476
1.1.2010 to 31.12.2010	5075
1.1.2011 to 31.12.2011	4544
1.1.2012 to 31.12.2012	3619
1.1.2013 to 31.12.2013	4377
1.1.2014 to 31.6.2014	1696

(xiii) It is alleged that the trademark BETADINE and the trade dress/label/packaging pertaining thereto are therefore solely associated with the plaintiff. The labels are novel, unique and are artistic works, created by the employees of the plaintiff during the course of their employment with the plaintiff and are capable of protection under the Copyright Act. The said labels are registered as artistic works in the name of the plaintiff under No.A-64764/2003 and A-64765/2003. Any unauthorized use of the said artistic works without the prior consent of the plaintiff, being the rightful owner thereof, would amount to infringement of the Copyright vested with the plaintiff.

(xiv) The plaintiff has been protecting its rights in the trademark BETADINE and the distinctive get up, lay out and colour combination for its BETADINE label and has successfully initiated suits and obtained decrees in this regard on numerous occasions including:

(a) Win-Medicare Pvt. Ltd. v. Melody Plastic Products Pvt. Ltd.

in Suit No.1195 of 2004 [Decree obtained];

(b) Win-Medicare Pvt. Ltd. v. Makers Laboratories Ltd. & Anr.

in Suit No.1598 of 2005 [Decreed in terms of Settlement];

(c) Win-Medicare Pvt. Ltd. v. Pilco Pharma Pvt. Ltd. in Suit No.1032 of 2005 [Decreed in terms of Settlement]; and

(d) Win-Medicare Pvt. Ltd. v. K. Pharmaceutical Works in Suit No.1446 of 2004 [Decreed in terms of Settlement].

(xv) It is the case of the plaintiff against the defendants that the defendants are engaged in the business of manufacturing/marketing/selling inter alia pharmaceutical products under the mark BECTODINE.

(xvi) In or about May 2013, the plaintiff, for the first time, became aware of the defendant No.1 when the plaintiff noticed an advertisement appearing in Trade Marks Journal No.1584 dated 15th April, 2013 on page 140 for registration of the mark BECTODINE-M (word per se) under application No.1803770 in Class 05. The plaintiff immediately took appropriate steps and filed an opposition, numbered as 802564 dated 23rd May 2013, within the prescribed time. The opposition proceeding inter se is currently pending before the Trade Marks Registry. (xvii) On or about 16th June, 2014, the plaintiff was served with evidence in support of application No.1803770 by way of an affidavit in the said opposition proceeding. The affidavit of Mr.Lekh Narayan Karna dated 11th June, 2014 and the documents filed therewith by the defendant No.1 claims use of the mark BECTODINE/BECTODINE-M and other variants throughout most of India including Delhi. It further appears from paragraph 5 of the said affidavit that defendant No.4 manufactures products under the mark BECTODINE on behalf of the defendant No.1. Meanwhile, recently in the first week of November 2014, the plaintiff also came across the products of the defendant No.1 in the market which indicates that these were manufactured by defendant No.3. The plaintiff has approached this Court immediately upon identifying the products of the defendants in the market. It is apparent from a bare perusal of the defendants' products obtained from the market that they have not only adopted a deceptively similar mark BECTODINE for identical products but have also adopted an identical get up, lay out and colour scheme as used by the plaintiff. Furthermore, the arrangement of features printed on packaging of the defendants' product is similar to that of the plaintiff's products.

(xviii) The plaintiff had also noticed that the defendant No.1 on its website www.galpha.com claims to be marketing ointments, gargle and solutions of Povidone-Iodine under the mark BECTODINE. The photographs of the defendants' products from its website are reproduced herein below:

4. It is submitted by the plaintiff that the mark BECTODINE used by the defendants is deceptively similar to the well-known trademark BETADINE of the plaintiff. It is pertinent to mention that the words BETADINE (the trademark of the plaintiff) and BECTODINE (the mark of the defendants) are and would be pronounced in the same/similar manner. The competing marks are deceptively similar and are not distinguishable to a person with imperfect recollection, not having the benefit of side-by-side comparison. The defendants' conduct in adopting the mark BECTODINE, being deceptively similar to the plaintiff's trademark BETADINE, is fraught with dishonesty and malafide intent. It is submitted that the product of the defendants under the mark BECTODINE is bound to

cause deception and confusion in the normal course of business amongst the members of the trade and public at large. The adoption of the impugned mark is intended solely to ride piggyback on the enviable reputation and goodwill created by the plaintiff in its trademark BETADINE.

5. It is alleged that the defendants are deliberately trying to cause confusion amongst the people in the trade and the public at large by manufacturing/marketing/selling its products under the mark BECTODINE in packaging/ label/ trade dress comprising of similar get up, lay out, colour scheme and arrangement of features as used by the plaintiff. Some similarities between the plaintiff's products under the trademark BETADINE as well as the defendants' product under the mark BECTODINE are outlined below:

S.NO. PLAINTIFF'S PRODUCT DEFENDANTS' PRODUCT

1. PRODUCT NAME: BETADINE PRODUCT NAME:

BECTODINE

2. COLOUR SCHEME OF NAVY COPIED AND IDENTICAL BLUE ON WHITE BACKGROUND

3. COLOUR COMBINATION OF COPIED AND IDENTICAL "TWO STRIPES" COMPRISING OF NAVY BLUE AND EITHER SKY BLUE, RED, PINK OR GREEN STRIPE TO DENOTE THE PRODUCTS

4. BETADINE WRITTEN IN NAVY BECTODINE IN IDENTICAL BLUE COLOUR COLOUR

5. OVERALL GET UP AND COPIED AND IDENTICAL LAYOUT POSITIONING OF ALL CONTENT IN THE SAME MANNER

6. The defendants have filed the written statement/reply as well as the application under Order XXXIX Rule 4 CPC for vacation of the interim order. The grounds taken in the application are same as taken in the written statement. Thus, the pleas taken in the written statement are dealt with. It is alleged that the defendant No.1 is the proprietor of the trademark BECTODINE. The defendant Nos.2 to 4 are the authorized manufacturers/dealers of defendant No.1.

WRITTEN STATEMENT

7. The following defences are raised in the written statement:

(I) In early 2006, the defendant No.1 had honestly, independently coined, conceived and adopted the mark BECTODINE-M for use in respect of its medicinal and/or pharmaceutical preparation containing the molecule Povidone-Iodine. The product

BECTODINE is an Anti-Bacterial preparation. Thus, the said mark was coined by taking prefix "BECT" from BACTERIA and suffix "ODINE" from the generic name/molecule "IODINE" to make out pronounceable word.

(II) The defendants have coined and invented the mark as stated above in a bonafide and honest manner. There are more than 700 trademarks registered or pending with the common suffix "DINE" available on the Register of the Trademarks. The said suffix "DINE" is a publici juris word/ expression which is common to the pharmaceutical trade. Specimen/ colour copies of some products in the market with the expression DINE have been placed on record.

(III) The defendant No.1's products under the trademark BECTODINE have been manufactured under valid drug license since the year 2006. Currently, defendant No.4, M/s. Innova Captab under the supervision and quality control of the defendant No.1 manufacturing the products of the defendant No.1 bearing the mark BECTODINE.

(IV) The defendant No.1 launched their product in March, 2006 and since then the said mark BECTODINE-M is in extensive use throughout most of India. The defendant No.1 is the only entity who is using the trademark BECTODINE as on date. The year wise statement of sales turnover of the said product has been reproduced herein below:-

YEAR	NET QTY	RS. IN LAC
2005-06	25682	1.95
2006-07	46776	3.42
2007-08	332911	18.60
2008-09	232796	15.12
2009-10	288426	18.80
2010-11	233383	18.49
2011-12	406137	38.40
2012-13	323774	34.64
2013-14	344625	33.82
2014-15 (Till Oct.14)	69351	9.11

Copies of few sales invoices of the defendants under the trademark BECTODINE-M have been placed on record.

(V) The defendant No.1 made the trademark application No. 1803770 in class 5 dated 8th April, 2009 claiming use since 31st March, 2006 with a view to obtain statutory protection for mark BECTODINE. The trademark was published and under opposition filed by the plaintiff. The defendant No.1's products under the trademark BECTODINE are marketed in labels and packages which are distinctive of the defendant No.1's products and business. The defendant No.1 does not claim any exclusive rights over the use of the Navy Blue, Sky Blue, Green as well as White Colour background of packaging which is common to trade.

(VI) It is stated in the written statement that the malafide conduct of the plaintiff is evident from the fact that the notice of oppositions filed by the plaintiff against third party are pending since the year 2011 and another opposition pending between the parties since the year 2013 but the plaintiff had no complaint about the actual use of the mark BECTODINE by defendant No.1. However, in June, 2014, the defendant No.1 produced its compressive evidence before the Trademark Registry which indicates the enviable goodwill and reputation of the mark BECTODINE and the plaintiff by withholding the material information despite the knowledge about the defendants' trademark, filed the present action just to stop the legal use of the mark BECTODINE by the defendants.

REPLICATION

8. In the replication filed by plaintiff to the written statement filed by defendants, the plaintiff has denied all the pleas raised by the defendants in the written statement. It is stated that the predecessors-in-title of the plaintiff applied for registration of the trademark BETADINE in India under registration No.203023 in class 05 on 13th June, 1961 and registration No.425874 in class 05 dated 17th August, 1984 claiming use of the trademark BETADINE in India since the year 1979. These registrations were assigned in favour of the plaintiff vide Deed of Assignment dated 1st September, 1990. The plaintiff launched its range of products, Povidone-iodine combination, under the trade mark BETADINE in the year 1990. Admittedly, the defendant is involved in the same trade, inter alia, manufacturing and marketing of Povidone-iodine combination under the mark BECTODINE. It is the defendants' case that the mark BECTODINE was allegedly adopted in the year 2006.

9. It is submitted that the defendant No.1 has with malafide and dishonest intention falsely applied for registration of the mark BECTODINE in class 05 under application No.1803770 dated 8th April, 2009, claiming use since 31st March, 2006. A simple search on the records of the Trade Marks Registry and/or in the market would have revealed the presence of the plaintiff and its popular and well-known trademark BETADINE.

10. The defendant No.1 has made false and misleading statements. The defendant No.1 has stated the following in paragraph 10 of the preliminary submissions - "The defendant No.1 is the only entity who is using the trademark BECTODINE as on date...." It is submitted that another entity being Ranbaxy Laboratories Limited has applied for registration of the mark BECTODINE under application No.1389240 in class 05 dated 3rd October, 2005. The plaintiff has filed an opposition under No.784326 dated 15th November, 2011 against registration of the said application. Contrary to the defendant No.1's submissions, it appears that the defendant No.1 was well aware of the adoption of the mark BECTODINE by Ranbaxy Laboratories at time of filing of the written statement since the defendant No.1 has opposed this application, being opposition No.783481 dated 10th October, 2011, evident from the online records of the Trade Marks Registry. The oppositions filed by both the plaintiff and the defendant No.1 are pending adjudication before the Registrar of Trade Marks. It is pointed out that Ranbaxy's date of application is prior to the alleged date of use claimed by the defendant No.1. It is, thus, evident that the defendant No.1 has approached this Court with unclean hands.

11. It is submitted that it cannot be said that there was any delay in bringing about the present suit. The plaintiff first became aware of its dishonest adoption of the impugned mark in May 2013, when the defendant No.1's application was advertised in the Trade Marks Journal for opposition. The defendant filed a counter statement in support of its application No.1803770. In the counter statement, the defendant's mark was throughout indicated to be 'BACTODINE-M' and not 'BECTODINE'. In the order dated 19th November, 2014, this Court had rightly held that: "As far as the question of delay is concerned, in the trademark matters, it is a recurring cause of action where every sale gives fresh cause of action in favour of the plaintiff and against the party who is infringing the registered trademark of the plaintiff. In fact, the delay is not fatal in an action for infringement..." It is submitted that the grant of injunction in the present matter is necessary since the adoption of the mark BECTODINE/BECTODINE-M by defendant No.1 is dishonest and the use of the same would cause confusion and/or deception amongst the members of the trade and consumer at large.

12. Both the parties have made their submissions in both the applications. I have carefully gone through the pleadings and the documents placed on the record.

13. In the case of Cadila Healthcare Ltd. Vs. Cadila Pharmaceuticals Ltd., (2001) 5 SCC 73, the Supreme Court considered a large number of judgments of foreign courts as also the Indian courts and laid down the following principles:

(a) Though drugs are sold under prescription, the actual conditions of the society have to be kept in mind.

(b) Dispensing of drugs by chemists in urban and rural areas as also the linguistic difference, lead to higher level of confusion.

(c) Strict measures to prevent confusion especially in medicinal cases should be taken.

(d) Public interest supports that a lesser degree of proof is required for a plaintiff to prove infringement in a pharmaceutical case if the marks are similar especially in medicinal cases.

(e) Since confusion in drugs and medicines could be life threatening, drugs should be treated as poisons and not sweets.

(f) In a society like India, doctors are under tremendous pressure and therefore, any confusion at their level should also be avoided.

(g) Drugs are available on verbal requests even on telephone and therefore, there are higher chances of confusion.

(h) Under Section 17B of the Drugs and Cosmetics Act, 1940 any drug which is an imitation or resemblance of another drug is in fact a 'Spurious Drug' which even has

penal consequences.

14. In the judgment of Allergan Inc Vs. Milment Oftho, 1999 PTC (19) (DB) 160, the Division Bench of the Calcutta High Court was considering the case of Ocuflux. The word 'Ocu' was derived from Ocular and 'Flox' from Ciprofloxacin. Though the above said judgment was passed prior to Cadila (supra), the Court on the basis of trans- border reputation and keeping in view the interest of the public, enjoined the use of Ocuflux. In para 36, the Court held as under :

"To sum up: In the interest of the public there cannot be two medicinal preparations bearing the same name from different sources and with different compositions. One must go."

The said judgment was challenged by the defendants in the Supreme Court in the case Milment Oftho Vs. Allergan Inc., 2004 (28) PTC 585 (SC) who after hearing both the parties dismissed the appeal filed by the defendants. The Supreme Court noted in para 2 that the defendant claims to coin the word from Ocular and Ciprofloxacin. In para 7, the Cadila (supra) judgment was discussed and the Court held that exacting judicial scrutiny is required when a Court is dealing with medicinal products. It also held that because of lack of competence, Schedule 'H' drugs may still be sold across the counter and confusion and mistakes could arise. The Supreme Court opined as under that:

".....in present times and particularly in the field of medicines, the courts must also keep in mind the fact that nowadays, the field of medicine is of an international character..... The court must ensure that public interest is in no way imperiled....."

15. The Supreme Court in the case of Heinz Italia v. Dabur India Ltd. 2007 (35) PTC 1 (SC) dealt with the two trademarks , Glucose-D and Glucon-D, both products containing Glucose power. The learned Single Judge of the Punjab and Haryana High Court held that word Glucose being generic of the contents, no monopoly can be granted and thus, refused to grant the injunction in this case. The Supreme Court reiterated the judgment of Cadila Healthcare (supra) while granting the injunction and it was held that both Glucon-D and Glucose-D are items containing glucose which are phonetically so similar that it can easily confuse a purchaser and small changes in the packaging is merely an attempt to continue to mislead the purchasers and to make it more difficult for the owner to protect their mark.

Legal Effect of Registration

16. On registration of a trademark the registered proprietor under Section 28 of the Trade Marks Act, 1940 gets the exclusive right to the use of such trademarks in relation to the goods in respect of which the trademark is registered and to obtain relief in respect of any infringement of such trademark. The action for infringement is a statutory remedy conferred on the registered proprietor of a registered trademark for the vindication of the exclusive right to the use of the trade mark in relation to those goods. Reliance is placed on Kaviraj Pandit Durga Dutt Sharma v. Navaratna Pharmaceutical Laboratories AIR 1965 SC 980 and National Bell Co. and Gupta Industrial Corporation v. Metal Goods Mfg. Co. (P) Ltd. AIR 1971 SC 898.

17. It is settled law that where the defendant's mark contains the essential feature of the plaintiff's mark combined with other matter, the correct approach for the Court is to identify an essential feature depending particularly "on the Court's own judgment and burden of the evidence that is placed before the Court". In order to come to the conclusion whether one mark is deceptively similar to another, the broad and essential features of the two marks are to be considered. They should not be placed side by side to find out if there are differences, rather overall similarity has to be judged. While judging the question as to whether the defendant has infringed the trademark or not, the Court has to consider the overall impression of the mark in the minds of general public and not by merely comparing the dissimilarities in the two marks.

Essential Features

18. The Courts have propounded the doctrine of prominent and essential feature of the trademark for the purposes of adjudication of the disputes relating to infringement of trademark. While deciding the question of infringement, the Court has to see the prominent or the dominant feature of the trademark. All composite marks are to be compared as whole. However, it is dependent on case to case to basis as a matter of jury question as to what can be the possible broad and essential feature of the trade mark in question.

19. In the case of Kaviraj Pandit (supra) it has been held as under:-

"In an action for infringement, the plaintiff must, no doubt, make out that the use of the defendant's mark is likely to deceive, but where the similarity between the plaintiff's and the defendant's mark is so close either visually, phonetically or otherwise and the court reaches the conclusion that there is an imitation, no further evidence is required to establish that the plaintiff's rights are violated. Expressed in another way, if the essential features of the trade mark of the plaintiff have been adopted by the defendant, the fact that the get-up, packing and other writing or marks on the goods or on the packets in which he offers his goods for sale show marked differences, or indicate clearly a trade origin different from that of the registered proprietor of the mark would be immaterial;.....

"When once the use by the defendant of the mark which is claimed to infringe the plaintiff's mark is shown to be "in the course of trade", the question whether there has been an infringement is to be decided by comparison of the two marks. Where the two marks are identical no further questions arise; for then the infringement is made out...."

Likelihood of Confusion and Deception

20. In the decision reported as James Chadwick & Bros. Ltd. v. The National Sewing Thread Co. Ltd. AIR 1951 Bombay 147 M.C.Chagla, C.J. and Bhagwati, J., referring to the words "likely to deceive or cause confusion" in Section 10 of the Trade Marks Act, 1940, held that:-

"Now in deciding whether a particular trade mark is likely to deceive or cause confusion, it is not sufficient merely to compare it with the trade mark which is already registered and whose proprietor is offering opposition to the registration of the former trade mark. What is important is to find out what is the distinguishing or essential feature of the trade mark already registered and what is the main feature or the main idea underlying that trade mark, and if it is found that the trade mark whose registration is sought contains the same distinguishing or essential feature or conveys the same idea, then ordinarily the Registrar would be right if he came to the conclusion that the trade mark should not be registered. The real question is as to how a purchaser, who must be looked upon as an average man of ordinary intelligence, would react to a particular trade mark, what association he would form by looking at the trade mark, and in what respect he would connect the trade mark with the goods which he would be purchasing. It is impossible to accept that a man looking at a trade mark would take in every single feature of the trade mark. The question would be, what would he normally retain in his mind after looking at the trade mark? What would be the salient feature of the trade mark which in future would lead him to associate the particular goods with that trade mark?"

21. It is not the right practice of a meticulous comparison of two marks, letter by letter and syllable by syllable. It is the person who only knows the one mark and has perhaps an impression, or imperfect recollection of it, who is likely to be deceived or confused. In fact it depends on first impression of a person. In case he is aware or familiar with both rival marks of the parties he will neither be deceived or confused.

22. The degree of similarity between the two rival marks which depends upon the first impression-whether visual or phonetic and in case, the Court finds that there is a risk of confusion which is the matter of public interest, the same should not be authorised. The question is merely the dispute of inter se between the parties but it is matter of right by the registered proprietor who got the exclusive rights to protect the same, otherwise, many competing marks would be available in the market in due course and uncertainty might happen in case the infringer is allowed to use similar mark.

Validity of Registered Trade Mark

23. It is well settled that if the party is holding the valid registration and two rival marks are either identical with or deceptively similar in relation to the goods in which the trademark is registered, a case of infringement is made out. The Supreme Court in various cases has dealt with this aspect.

a) In the case reported as National Bell Co. (supra) it was observed as under:

"On registration of a trademark the proprietor gets under Section 28 the exclusive right to the use of such trade mark in relation to goods in respect of which the trade mark is registered and to obtain relief in respect of any infringement of such trademark."

b) Again, in the case of American Home Products Corporation Vs. Mac Laboratories Pvt. Ltd. AIR 1986 SC 137 it was observed as under:

"When a person gets his trademark registered he acquires valuable rights by reason of such registration."

24. In the case of Automatic Electric Limited v. R.K. Dhawan and Anr. 1999 PTC (19) 81 (Del) (para 15) and S.A.P. Baulraj and Ors. v. S.P.V. Nadar and Sons and Another, AIR 1965 Mad 33, it was held that validity of registration of the trademark cannot be challenged.

25. The details of few relevant cases are given as under:-

Sr. Case Name Citation Name of Drug Compound of Allowed/ No. by the parties
Origin Restrained

i) Anglo-French AIR 1984 Beplex(P) Vitamin-B Injunction Drug Co. P&H 430
Complex granted (Eastern) Ltd. (DB) Belplex(D) Vs. Belco Pharma

ii) Allegran Inc., 1999(19) Ocuflux Ocu-ocular Injunction Vs. Milment PTC 160
granted Oftho Inds. (Cal) (DB) Ocuflux Flox-

iii)	Astra-ldl Limited Vs. Ttk Pharma Limited	AIR 1992 Bom 35	Betaloc(P) Betalong(D)	Ciprofloxacin Beta receptors - arteries - drug was to work on this part of body	Injunct granted
iv)	Medley Laboratories (P) Ltd. & Anr. Vs. Alkem Laboratories Limited	2002(25) PTC 593 (Bom.) (DB)	Spoxin(P) Supaxin(D)	Sparfloxacin	Injunction granted
v)	Sun Pharmaceutical Industries Vs. Cadila Healthcare Ltd.	2010 (43) PTC 483 (Mad) DB	VENIZ (P) VENZ (D)	Venlajaxine	Injunction granted
vi)	Apex Laboratories Ltd. Vs. Zuventus Health Care Ltd.	2006 (33) PTC 492 (Mad) DB	ZINCOVIT (P) ZINCONIA (D)	Zinc	Injunction granted
vii)	Torrent Laboratories	MANU /GJ/0344/	CIBA (P)	CLIMETIDINE	Appeal allowed

	Ltd. Vs. Ciba-Geigy Ltd.	1998 (DB)	ULCIBAN (D)		Trademark granted
viii)	United Biotech Vs. Orchid Chemicals & Pharmaceuticals Ltd.	2012 (5) PTC 433 (Del.) (DB)	ORZID(P) FORZID(D)	CEFTAZIDINE used to treat many kinds of bacterial infections	Division Bench held marks are similar
ix)	Pankaj Goel Vs. Dabur India Ltd.	2008 (38) PTC 49 (Del.) (DB)	RASMOLA(A) HAJMOLA(R)	Digestive tables	Appeal dismissed Injunction granted
x)	Arvind Laboratories vs. Hahnemann Laboratory Pvt. Ltd.	2007(35) PTC 244 (SJ)	EYETEX (P) EYELEX (D)	Eye Lotion	Injunction granted
xi)	USV Limited vs. IPCA Laboratories Limited	2003(26) PTC 21 (SJ)	PIOZ (P) PIOZED (D)	Pioglitazone Hydrochloride	Injunction granted
xii)	Aravind Laboratories vs. V.Annamalai Chettiar	1981(1) MLJ 75 (SJ)	EYETEX (P) EYESOL (D)	Eye Tonic	Injunction granted
xiii)	Serum Institute of India Limited vs. Green Signal Bio Pharma Pvt. Ltd. and Anr.	2011(47) PTC 452 (Bom) (SJ)	ONCO BCG(P) BCG ONCO BP (D)	Bacillus Calmette Guenn	Injunction granted
xiv)	Wyeth Holdings Corporation and Anr. vs. Burnet Pharmaceuticals (Pvt.) Ltd.	2008(36) PTC 478 (Bom) (SJ)	FOLVITE (P) FOLV (D)	Folic Acid Vitamin	Injunction granted
xv)	Wyeth Holdings Corp. and Anr. vs. Sun Pharmaceuticals Industries Ltd.	2004(28) PTC 423 (Bom) (SJ)	PACITANE(P) PARIKTANE (D)	Trihexylphenidyl, Anti Spasmodic Preparations	Injunction granted
xvi)	Boots Company Plc vs. Registrar of Trade Marks	2002(4) BomCR 36 (SJ)	BRUFEN (P) CROFEN (D)	Ibuprofen	Registration rejected
xvii)	Medley Laboratories (P) Ltd., Mumbai and Anr. vs. Alkem Laboratories Limited	2002(4) BomCR 70 (DB)	SPOXIN (P) SUPAXIN (D)	Sparfloxacin Ofloxacin	Injunction granted

xviii	Glaxo Group Limited vs. Vipin Gupta	2006(33) PTC 145 Del (SJ)	BETNOVATE (P) BETAVAT (D)	BETA from Betamethason e and VAT from Valerate IP	Injunction granted
xix)	Remidex Pharma Private Limited vs. Savita Pharmaceuticals	2006(33) PTC 157 (Del) (SJ)	ZEVIT (P) EVIT (D)	Vitamins	Injunction granted
xx)	Win-medicare Limited vs. Somacare Laboratories	65(1997) DLT 369 (SJ)	DICLOMOL (P) DICMOL (D)	Diclofenac Sodium	Injunction granted

26. It is rightly mentioned in McCarthy on Trade Marks and Unfair Competition about the anti-dissection Rule, particularly, in para 23.15 which is reproduced here as under:

"23.15 Comparing Marks: Differences v. Similarities [1] The Anti-Dissection Rule [a] Compare composites as a Whole Conflicting composite marks are to be compared by looking at them as a whole, rather than breaking the marks up into their component parts for comparison. This is the "anti-dissection" rule. The rationale for the rule is that the commercial impression of a composite trademark on an ordinary prospective buyer is created by the mark as a whole, not by its component parts. However, it is not a violation of the anti-dissection rule to view the component parts of conflicting composite marks as a preliminary step on the way to an ultimate determination of probable customer reaction to the conflicting composites as a whole. Thus, conflicting marks must be compared in their entirety. A mark should not be dissected or split up into its component parts and each part then compared with corresponding parts of the conflicting mark to determine the likelihood of confusion. It is the impression that the mark as a whole creates on the average reasonably prudent buyer and not the parts thereof, that is important. As the Supreme Court observed: "The commercial impression of a trademark is derived from it as a whole, not from its elements separated and considered in detail. For this reason it should be considered in its entirety."

The anti-dissection rule is based upon a common sense observation of customer behavior: the typical shopper does not retain all of the individual details of a composite mark in his or her mind, but retains only an overall, general impression created by the composite as a whole. It is the overall impression created by the mark from the ordinary shopper's cursory observation in the marketplace that will or will not lead to a likelihood of confusion, not the impression created from a meticulous comparison as expressed in carefully weighed analysis in legal briefs.

In litigation over the alleged similarity of marks, the owner will emphasize the similarities and the alleged infringer will emphasize the differences. The point is that the two marks should not be examined with a microscope to find the differences, for this is not the way the average purchaser views the marks. To the average buyer, the points of similarity are more important than minor points of difference. A court should not engage in "technical gymnastics" in an attempt to find some minor differences between conflicting marks. However, where there are both similarities and differences in the marks, there must be weighed against one another to see which predominate.

The rationale of the anti-dissection rule is based upon this assumption: "An average purchaser does not retain all the details of a mark, but rather the mental impression of the mark creates in its totality. It has been held to be a violation of the anti-dissection rule to focus upon the "prominent" feature of a mark and decide likely confusion solely upon that feature, ignoring all other elements of the mark. Similarly, it is improper to find that one portion of a composite mark has no trademark significance, leading to a direct comparison between only that which remains."

27. The Division Bench of this Court comprising of A.K. Sikri, J. and Rajiv Sahai Endlaw, J., delivered a judgment in the case of United Biotech (P) Ltd. v. Orchid Chemicals & Pharmaceuticals Ltd., 2012(5) PTC 433 (Del.) (DB) in which law pertaining to anti-dissection rule as well as the test of deceptively similarity have been dealt with in great detail. The Division Bench has also laid down the rules of comparison in para 32 of the judgment. Two rival trade marks in the matter decided by the Division Bench were ORZID and FORZID and it was held that two trademarks are visually and phonetically similar and would cause deception in the minds of the consumer in relation to medicine. The relevant paras of this judgment reads as under:

"30. The law on this aspect, where the Courts are called upon to consider the deceptive similarity between the two marks is firmly engraved in a series of judgments pronounced by the Courts in the last half century or more. Many are cited by the learned counsel for the appellant, note whereof is taken above. Judgment of Supreme Court in the case of Cadila Health Care Limited (supra), which deals with pharmaceutical preparations, is a milestone on law relating to drugs. Application of the principles laid down in this judgment can be found in scores of subsequent judgments of this Court and other High Courts. The position which emerges from the reading of all these judgments can be summarized in the following manner:

In such case, the central issue is as to whether the Defendant's activities or proposed activities amount to a misrepresentation which is likely to injure the business or goodwill of the plaintiff and cause damage to his business or goodwill. To extend this use to answer this, focus has to be on the aspect as to whether the defendant is making some representation in course of trade to prospective customers which is calculated to injure the business or goodwill of the plaintiff thereby causing damage to him. In the process, difference between the confusion and deception is to be understood. This difference was explained by Lord Denning in "Difference: Confusion & Deception" in the following words:

"Looking to the natural meaning of the words, I would make two observations: first, the offending mark must 'so nearly resemble' the registered mark as to be 'likely' to deceive or cause confusion. It is not necessary that it should be intended to deceive or intended to cause confusion. You do not have to look into the mind of the user to see what he intended. It is its probable effect on ordinary people which you have to consider. No doubt if you find that he did intend to deceive or cause confusion, you will give him credit for success in his intentions. You will not hesitate to hold that his use of it is likely to deceive or cause confusion. But if he had no such intention, and was completely honest, then you will look carefully to see whether it is likely to deceive or cause confusion before you find him guilty of infringement.

Secondly, 'to deceive' is one thing. To 'cause confusion' is another. The difference is this: when you deceive a man, you tell him a lie. You make a false representation to him & thereby cause him to believe a thing to be true which is false. You may not do it knowingly, or intentionally, but you still do it, & so you deceive him. But you may cause confusion without telling him a lie at all, & without making any false representation to him. You may indeed tell him the truth, the whole truth & nothing but the truth, but still you may cause confusion in his mind, not by any fault of yours, but because he has not the knowledge or ability to distinguish it from the other pieces of truth known to him or because he may not even take the trouble to do so."

31. While examining the question of misrepresentation or deception, comparison has to be made between the two trademarks as a whole. Rules of Comparison was explained by Justice Parker in the following words:

"You must take the two words. You must judge of them, both by their look & by their sound. You must consider the goods to which they are to be applied. You must consider the nature & kind of customer who would be likely to buy those goods. In fact, you must consider all the surrounding circumstances; and you must further consider what is likely to happen if each of those trade marks is used in a normal way as a trademark for the goods of the respective owners of the marks. If, considering all those circumstances, you come to the conclusion that there will be confusion- that is to say, not necessarily that one man will be injured & the other will gain illicit benefit, but that there will be confusion in the mind of the public which will lead to confusion in the goods- then you may refuse the registration, or rather you must refuse the registration in that case."

32. Following Rules of Comparison can be culled out from various pronouncements of the Courts from time to time.

I. Meticulous Comparison not the correct way. II. Mark must be compared as a whole.

III. First Impression.

IV. Prima Facie view not conclusive.

V. Structural Resemblance.

VI. Similarity in Idea to be considered.

33. In this process, first, plaintiff is required to prove the following:

(i) The business consists of, or includes selling a class of goods to which the particular trade name applies;

(ii) That the class of goods is clearly defined & is distinguished in the public mind from other goods;

(iii) Because of the reputation of the goods, there is goodwill in the name;

(iv) The Plaintiff is a member of the class selling the goods is the owner of goodwill which is of substantial value;

(v) He has suffered or is likely to suffer damage.

34. While comparing the few marks in order to see as to whether there is likelihood of confusion or not, following words of wisdom of the Supreme Court in Laxmikant V. Patel Vs. Chetanbhai Shah and Another, (2002) 3 SCC 65 also need to be kept in mind:

"10. A person may sell his goods or deliver his services such as in case of a profession under a trading name or style. With the lapse of time such business or services associated with a person acquire a reputation or goodwill which becomes a property which is protected by courts. A competitor initiating sale of goods or services in the same name or by imitating that name results in injury to the business of one who has the property in that name. The law does not permit any one to carry on his business in such a way as would persuade the customers or clients in believing that the goods or services belonging to someone else are his or are associated therewith. It does not matter whether the latter person does so fraudulently or otherwise. The reasons are two. Firstly, honesty and fair play are, and ought to be, the basic policies in the world of business. Secondly, when a person adopts or intends to adopt a name in connection with his business or services which already belongs to someone else it results in confusion and has propensity of diverting the customers and clients of someone else to himself and thereby resulting in injury."

35. We would like to quote from the following passage from the book "The Modern Law of Trade Marks"

authored by Christopher Morcom, Butterworths 1999, which finds approval by the Supreme Court in Ramdev Food Products Ltd. (supra):

"The concept of distinguishing goods or services of the proprietor from those of others was to be found in the requirements for a mark to be registrable. Essentially, whatever the wording used, a trade mark or a service mark was an indication which enabled the goods or services from a particular source to be identified and thus distinguished from goods or services from other sources. In adopting a definition of 'trade mark' which simply describes the function in terms of capability of 'distinguishing the goods or services of one undertaking from those of other undertakings' the new law is really saying precisely the same thing."

37. The perusal of the judgment of the learned Single Judge would further demonstrate that 'Anti-dissection Rule' is discussed and applied holding that such a dissection is generally not permissible and can be applied only in exceptional cases. After taking note of the law on subject, the dissection of marks as suggested by the appellant is termed as 'artificial one'. We would do nothing but to extract the said discussion from the impugned order as we are in agreement with the same:

"23. No fault can also be found with the approach of the IPAB in comparing the two competing marks as a whole. That is in fact the rule and the dissection of a mark is an exception which is generally not permitted. The antidissection rule is based upon a common sense observation of customer behaviour as explained in McCarthy on Trade Marks and Unfair Competition [J Thomas McCarthy, IV Ed., Clark Boardman Callaghan 2007] under the sub-heading "Comparing Marks:

Differences and Similarities'. The treatise further states:

"23.15 The typical shopper does not retain all of the individual details of a composite mark in his or her mind, but retains only an overall, general impression created by the composite as a whole. It is the overall impression created by the mark from the ordinary shopper's cursory observation in the marketplace that will or will not lead to a likelihood of confusion, not the impression created from a meticulous comparison as expressed in carefully weighed analysis in legal briefs."

"In litigation over the alleged similarity of marks, the owner will emphasize the similarities and the alleged infringer will emphasize the differences. The point is that the two marks should not be examined with a microscope to find the differences, for this is not the way the average purchaser views the marks. To the average buyer, the points of similarity are the more important than minor points of difference. A court should not engage "technical gymnastics" in an attempt to find some minor differences between conflicting marks. However, where there are both similarities and differences in the marks, there must be weighed against one another to see which predominate."

24. The dissection of the marks as suggested by learned counsel for UBPL is an artificial one. He wanted 'ZID' which was the generic part of the marks to be substituted by some other word like 'TIS' or 'BES' and then the two marks to be compared. This submission is based on the decision in Astrazeneca UK Limited where 'Mero' was identified as the generic part of the mark derived from the active pharmaceutical ingredient. In the first place, no such submission appears to have been made before the IPAB.

Secondly, the type of dissection suggested, i.e. separating 'FOR' and 'ZID' and then replacing 'ZID' with 'another word 'TIS' before comparing the marks does not appear to be permissible in law. As already noticed it is not just the generic part 'ZID' that is common to both marks. The further prefix 'OR' too is common. In other words, 'ORZID' is common to both marks. No parallel can therefore be drawn with the facts in Astrazeneca UK Limited. A person of average intelligence and imperfect recollection seeking to buy CEFTAZIDIME injection would hardly undertake any 'dissection' exercise, much less in the manner suggested by learned counsel for UBPL, to discern the fine distinction between the marks. Also, unlike a consumer durable product, the variations in the size of font, colour scheme, trade dress of the label for a medicine would not make much of a difference. In the considered view of the Court, the IPAB has applied the correct test in coming to the conclusion that FORZID is deceptively similar to ORZID."

28. Admittedly, the alleged use of the mark BECTODINE by the defendants is subsequent to the documented use of the trademark BETADINE by about 34 years. Such adoption and use by the defendants is fraught with malafide and dishonesty. The sale of products of the plaintiff under the trademark BETADINE for the year 1990 was Rs. 4,36,00,000/- which grew to Rs. 83,10,00,000/- by the year 2006 when the defendant allegedly commenced the use of the mark and Rs. 12,57,00,000/- by the year 2009 when the defendant No.1 allegedly filed its application with the Registrar of Trade Marks. The plaintiff's investment towards promotional expenses alone for the year 2009 was Rs. 4,48,00,000/-. It is apparent that the plaintiff has priority of adoption/use and that the trademark BETADINE of the plaintiff was and continues to be well-known in India as on the date the defendants allegedly adopted/commenced use of a deceptively similar mark BECTODINE in relation to identical goods.

29. The defendants being involved in the same trade ought to have been aware of the plaintiff and its medicinal products available in the market under the trademark BETADINE. It is clear that the adoption of a deceptively similar trademark and the use of a deceptively similar trade dress shows the dishonest and malafide intention of the defendants. When the very adoption is tainted with dishonesty no amount of use can cleanse the dishonesty.

30. Thus, it is beyond any doubt that the defendants knowingly adopted and used a deceptively similar mark BECTODINE, on an identical trade dress and packaging with identical colour scheme, layout, get up and distinctive features of the plaintiff's trade dress, in relation to identical products being Povidone-iodine and have evidently strained every nerve to bring their product closer to the plaintiff's product BETADINE for Povidone-iodine range of products.

31. The competing marks BETADINE of the plaintiff and BECTODINE of the defendants when compared in its entirety are deceptively and confusingly similar. The defendants adopted the mark BECTODINE, being aware, of the trademark BETADINE of the plaintiff which is evident from the fact that the packaging and the trade dress are also deceptively similar.

32. The defendants are not merely using a deceptively similar mark but have also copied the trade dress of the plaintiff and using the same in relation to identical products. The adoption and alleged use of the impugned mark / trade dress by the defendants is likely to cause confusion / deception for a man of average intelligence with imperfect recollection not having the benefit of side-by-side comparison of the competing goods.

33. It is also a matter of record that the defendant No.1 is a habitual infringer which is evident from the fact that various parties such as Times Drugs and Pharmaceuticals (P) Ltd, Smithkline Beecham PLC and Jagsonpal Pharmaceuticals Ltd. have filed suits against the defendant No.1 in the past before this Court. In the suit filed by Smithkline Beecham PLC, being suit No.2371 of 2006, the defendant No.1, it appears, was restrained from using the mark ECOCIN in violation of the trademark CROCIN. Similarly, in the suit filed by Times Drugs and Pharmaceuticals (P) Ltd. being suit No.1839 of 2008, the defendant No.1 was restrained from using the mark DPS in violation of the trademark DPS and in the suit filed by Jagsonpal Pharmaceuticals Ltd, being suit No.1605 of 2008, the defendant No.1 was restrained from using the mark RINGWORM CUTER in violation of the mark RINGCUTER.

34. Thus, both the marks are deceptively similar. The plaintiff has been able to make a classic case of infringement of trademark and passing off. The defendants are also guilty of infringement of copyright. The defendants cannot be allowed to argue that they would change the colour-combination but the mark used by them if allowed as suffix is common to the trade. It is necessary to mention here that in pharmaceutical cases the entire conduct of the defendants is to be examined, as far as the use of the mark and packaging thereof are concerned. They are not allowed to split the mark for the purpose of comparison in the cases of infringement, as it is imperative to compare the impugned mark as a whole with the registered trademark of the plaintiff. The flimsy grounds should not be allowed to be raised as the Courts are dealing with medicines which are meant for the patients who are entitled to consume the original product.

35. Law of publici juris has been discussed in many cases. The party who has taken the defence of publici juris has to prove his case.

36. A simple search on the records of the Trade Marks Registry would have revealed the presence of the registered trademark BETADINE in favour of the plaintiff. In any case, the defendants being in the same trade business ought to have been aware of the plaintiff and its well-known trademark BETADINE.

37. The plea of 'common to the trade' has no substance as the same has been dealt with by the Supreme Court and various High Courts in the following cases:

a) In *Corn Products Refining Co. v. Shangrila Food Products Ltd.*, AIR 1960 SC 142 it has been held as under:

"15. The series of marks containing the common element or elements therefore only assist the applicant when those marks are in extensive use in the market. The onus of proving such user is of course on the applicant, who wants to rely on those marks. Now in the present case the applicant, the respondent before us, led no evidence as to the user of marks with the common element. What had happened was that Deputy Registrar looked into his register and found there a large number of marks which had either 'Gluko' or 'Vita' as prefix or suffix in it. Now of course the presence of a mark in the register does not prove its user all. It is possible that the mark may have been registered but not used. It is not permissible to draw any inference as to their user from the presence of the marks on the register. If any authority on this question is considered necessary, reference may be made of *Kerly* p. 507 & *Willesden Varnish Co. Ltd. v. Young & Marten Ltd.*, (1922) 39 RPC 285 at p. 389. It also appears that the appellant itself stated in one of the affidavits used on its behalf that there were biscuits in the market bearing the marks 'Glucose Biscuits', 'Gluko biscuits' and 'Glucos Lactine biscuits'. But these marks do not help the respondent in the present case. They are ordinary dictionary words in which no one has any right. They are really not marks with a common element or elements. We, therefore, think that the learned appellate Judges were in error in deciding in favour of the respondent basing themselves on the series marks, having 'Gluko' or 'Vita' as a prefix or a suffix.

b) The Supreme Court set aside the judgment of the Division Bench of this Court and restored the order of the Learned Single Judge.

The Supreme Court dealt with the finding of the Division Bench that trademarks with the prefix or suffix 'Gluko' and 'Vita' were common features of the trade and could not be associated only with the appellant's product, and observed thus:

"The second point on which the learned appellate Judges based themselves in arriving at the conclusion that there was no reasonable apprehension of confusion or deception was, as we have earlier stated, that there were various trademarks with a prefix or suffix 'Gluko' or 'Vita' and that made it impossible to say that the common features 'Glu' and 'Vita' were only associated with the appellant's products. This view was founded on a passage which the learned appellate Judges quoted from *Kerly* on Trade Marks, 7th Edn., p.624. That passage may be summarized thus: Where there are a "series of marks, registered or unregistered, having a common feature or a common syllable, if the marks in the series are owned by different persons, this tends to assist the applicant for a mark containing the common feature. This statement of the law in *Kerly's* book is based on *In re: an Application by Beck, Koller and Co. (England) Ltd.* (1947) 64 R.P. C. 76. It is clear however, from that case, as we shall presently show, that before the applicant can seek to derive assistance for the success of his application from the presence of a number of marks having one or more

common features which occur in his mark also, he has to prove that these marks had acquired a reputation by user in the market." (emphasis supplied)

c) In *Express Bottlers Services Pvt. Ltd. v. Pepsi Inc. and Ors.*, 1989 (9) PTC 14 it has been held as under.

"50.To establish the plea of common use, the use by other persons should be shown to be substantial. In the present case, there is no evidence regarding the extent of the trade carried on by the alleged infringers or their respective position in the trade. If the proprietor of the mark is expected to pursue each and every insignificant infringer to save his mark, the business will come to a standstill. Because there may be occasion when the malicious persons, just to harass the proprietor may use his mark by way of pinpricks.... The mere use of the name is irrelevant because a registered proprietor is not expected to go on filing suits or proceedings against infringers who are of no consequence... Mere delay in taking action against the infringers is not sufficient to hold that the registered proprietor has lost the mark intentionally unless it is positively proved that delay was due to intentional abandonment of the right over the registered mark. This court is inclined to accept the submissions of the respondent No.1 on this point...The respondent No.1 did not lose its mark by not proceeding against insignificant infringers..."

d) In *Rolex Sa v. Alex Jewellery Pvt. Ltd. and Ors.*, 2009 (41) PTC 284 (Del) it has been held as under:

"22. The next aspect to be considered is the effect/impact, if any, of a large number of other persons using the word ROLEX as claimed by the defendant. At this stage, this plea will be examined believing the same to be true. In my view, the same would be immaterial. Firstly, nothing has been shown that any of the said users has any significant presence. Secondly, it is now well settled in *Honda (supra)* in turn relying upon *Indian Shaving Products Ltd Vs Gift Pack* that merely because the plaintiff who is otherwise found entitled to the interim injunction is shown to have not taken any step against other infringers is no ground to deny relief to the plaintiff. It cannot also be said that the plaintiff's trademark has lost its distinctiveness for the said reason. The reply affidavit of the plaintiff lists the orders of the Trade Mark Registry from 1964 to 2000, where plaintiff's mark has been protected inter alia for reason of having great reputation. It also shows that the plaintiff has been enforcing its rights. Though the list filed by defendant No.1 in this regard is long but a perusal thereof shows a number of applicants to have abandoned or withdrawn their applications. This is a vast country. Mere long list of applicants/registrants of mark, without any extensive use of the mark, cannot dent the distinctive character or repute of the mark."

e) In *Dr. Reddy's Laboratories v. Reddy Pharmaceuticals Ltd.*

2004 (29) PTC 435 it was held as under:

"...the owners of trade marks or copyrights are not expected to run after every infringer and thereby remain involved in litigation at the cost of their business time. If the impugned infringement is too trivial or insignificant and is not capable of harming their business interests, they may overlook and ignore petty violations till they assume alarming proportions. If a road side Dhaba puts up a board of "Taj Hotel", the owners of Taj Group are not expected to swing into action and raise objections forthwith. They can wait till the time the user of their name starts harming their business interest and starts misleading and confusing their customers."

f) In *Century Traders v. Roshan Lal Duggar & Co.* AIR 1978 Delhi 250 it was held as under:

"21. We now come to the question of balance of convenience. It has been urged on behalf of the respondents that the mark "RAJRANI" is common to the trade and for this purpose reliance has been placed on the registration in Andhra Pradesh and Amritsar. There is a distinction between a mark being "common on the registered" and "common to the trade". There is no evidence on record to show that there is actual user of this mark by any party other than the parties before us. Inasmuch as trade mark is property right, an invasion of it should be protected and the balance of convenience would obviously be in favour of the appellant who was admittedly the first user of this mark."

38. Similar view was taken by this court in various other cases reported in *Novartis AG v. Crest Pharma Pvt. Ltd.* and Anr. 2009 (41) PTC 57, *Bhagwan Dass Gupta v. Shri Shiv Shankar Tirath Yatra Company Pvt. Ltd.*, 93 (2001) DLT 406, *Indian Shaving Products Ltd. & Anr. v. Gift Pack & Anr.*, 1998 (18) PTC 698 and *Pankaj Goel v. Dabur India Ltd.*, 2008 (38) PTC 49 (Del.)

39. Since the defendants are involved in the same trade, they ought to have been aware of the plaintiff and its products under the trademark BETADINE at the time they adopted the impugned mark BECTODINE. It is evident from the above that the adoption/use of the mark BECTODINE by the defendants is subsequent and hence malafide and void ab initio. No amount of use could purge or purify illegal, malafide and tainted adoption of a deceptively similar mark BECTODINE by the defendants when the very adoption of the mark is malafide and void ab initio.

40. The adoption and use of the mark BECTODINE by the defendants is, therefore, malafide, dishonest and intended solely to trade upon and illegally benefit from the enviable goodwill and reputation enjoyed by the plaintiff in its trademark BETADINE.

Delay

41. Now, with regard to question of delay, defendants submit that they have been using the mark in question since the year 2006 and the present suit was filed after eight years and the plaintiff had the knowledge about the use, thus there is delay in bringing an action. Thus, the plaintiff is not entitled

to discretionary relief of injunction. There is no clinching, cogent and clear evidence available on record to show that the plaintiff was definitely aware about such user.

42. The issue of delay and acquiescence has been considered by Courts in various matters. Some of them are referred to as under:

a) In the case of Midas Hygiene Industries Pvt. Ltd. v. Sudhir Bhatia and others, reported in 2004 (28) PTC 121, relevant para-5 of the said judgment reads as under:

"5. The law on the subject is well settled. In cases of infringement either of Trade Mark or of Copyright normally an injunction must follow. Mere delay in bringing action is not sufficient to defeat grant of injunction in such cases. The grant of injunction also becomes necessary if it prima facie appears that the adoption of the Mark was itself dishonest."

b) In the case of Swarn Singh v. Usha Industries (India) and Anr., reported in AIR 1986 Delhi 343 (DB) it was held as under:

"There is then the question of delay. Learned counsel for the respondents had urged that the delay is fatal to the grant of an injunction. We are not so satisfied. A delay in the matter of seeking an injunction may be aground for refusing an injunction in certain circumstances. In the present case, we are dealing with a statutory right based on the provisions of the trade and Merchandise Marks Act, 1958. An exclusive right is granted by the registration to the holder of a registered trade mark. We do not think statutory rights can be lost by delay. The effect of a registered mark is so clearly defined in the statute as to be not capable of being misunderstood. Even if there is some delay, the exclusive right cannot be lost. The registered mark cannot be reduced to a nullity....."

c) In the case of Hindustan Pencils Pvt. Ltd. v. M/s India Stationery Products Co., reported in AIR 1990 DELHI 19, it was held as under:

"29. If an action is taken by the registered owner and no interim injunction is granted, the effect is that goods bearing the infringing mark or spurious goods would continue to be sold in the market. After a number of years when the case is finally disposed of, after trial, and the plaintiff succeeds and gets a permanent injunction then, possibly, the plaintiff may also be compensated by his being awarded damages or an account of profits. In that sense the non-grant of the interim injunction would not, ultimately, prejudice the plaintiff for he may be compensated with payment of money but during this period when the defendant is allowed to continue to infringe the intellectual property it is the consumer or the purchaser who alone suffers and who ultimately cannot be compensated. Therefore, in order to curb the menace of manufacture, production and sale of spurious goods and the blatant violation of intellectual property it will be proper for the Court to take into consideration the

interest of the general public. In this regard reference may usefully be made to the following observations of McCarthy at page 346, para 30.21, which deals with the protection of third parties:

"Some Courts also consider the necessity of protecting third parties. In trade mark infringement cases, "third parties" means the buying public. If the equities are closely balanced, the right of the public not to be deceived or confused may turn the scales in favour of a preliminary injunction."

30. It would appear to be difficult to accept that relief of temporary injunction should not be granted, because of the delay on the part of the plaintiff, even though the Court feels, at that point of time, that, ultimately permanent injunction will have to be granted.

31. Even though there may be some doubt as to whether laches or acquiescence can deny the relief of a permanent injunction, judicial opinion has been consistent in holding that if the defendant acts fraudulently with the knowledge that he is violating the plaintiff's rights then in that case, even if there is an inordinate delay on the part of the plaintiff in taking action against the defendant, the relief of injunction is not denied. The defense of laches or inordinate delay is a defense in equity. Inequity both the parties must come to the Court with clean hands. An equitable defense can be put up by a party who has acted fairly and honestly. A person who is guilty of violating the law or infringing or usurping somebody else's right cannot clarify the continued misuse of the usurped right. It was observed by Romer, J. in the matter of an application brought by J. R. Parkington and Co. Ltd., (1946) 63 RPC 171 at page 181 that "in my judgment, the circumstances which attend the adoption of a trade mark in the first instance are of considerable importance when one comes to consider whether the use of that mark has or has not been a honest user. If the user in its inception was tainted it would be difficult in most cases to purify it subsequently". It was further noted by the learned Judge in that case that he could not regard the discreditable origin of the user as cleansed by the subsequent history. In other words, the equitable relief will be afforded only to that party who is not guilty of a fraud and whose conduct shows that, there had been, on his part, an honest concurrent user of the mark in question. If a party, for no apparent or a valid reason, adopts, with or without modifications, a mark belonging to another, whether registered or not, it will be difficult for that party to avoid an order of injunction because the Court may rightly assume that such adoption of the mark by the party was not a honest one. The Court would be justified in concluding that the defendant, in such an action, wanted to cash in on the plaintiff's name and reputation and that was the sole, primary or the real motive of the defendant adopting such a mark. Even if, in such a case, there may be an inordinate delay on the part of the plaintiff in bringing a suit for injunction, the application of the plaintiff for an interim injunction cannot be dismissed on the ground that the defendant has been using the mark for a number of years. Dealing with this aspect Harry D. Nims in his "The Law of Unfair Competition and Trade Marks", Fourth Edition, Volume Two at page 1282 noted as follows:

"Where infringement is deliberate and willful and the defendant acts fraudulently with knowledge that he is violating plaintiff's rights, essential elements of estoppels are lacking and in such a case the protection of plaintiff's rights by injunctive relief

never is properly denied. "The doctrine of estoppels can only be invoked to promote fair dealings".

d) In the case of M/s. Bengal Waterproof Limited v. M/s.

Bombay Waterproof Manufacturing Company and Another, reported in AIR 1997 SC 1398, it was held as under:

"20.....It is now well settled that an action for passing off is a common law remedy being an action in substance of deceit under the Law of Torts. Wherever and whenever fresh deceitful act is committed the person deceived would naturally have a fresh cause of action in his favour. Thus every time when a person passes off his goods as those of another he commits the act of such deceit. Similarly whenever and wherever a person commits breach of a registered trade mark of another he commits a recurring act of breach or infringement of such trade mark giving a recurring and fresh cause of action at each time of such infringement to the party aggrieved. It is difficult to agree how in such a case when in historical past earlier suit was disposed of as technically not maintainable in absence of proper relief, for all times to come in future defendant of such a suit should be armed with a license to go on committing fresh acts of infringement and passing off with impunity without being subjected to any legal action against such future acts."

Passing Off

43. Even the test of confusion and deception in order to prove the case of passing off has been very well discussed in the case of Laxmikant V. Patel v. Chetanbhat Shah and Another, reported in (2002) 3 SCC 65, wherein the Supreme Court while considering a plea of passing off and grant of ad interim injunction held in no uncertain terms that a person may sell his goods or deliver his services under a trading name or style which, with the passage of time, may acquire a reputation or goodwill and may become a property to be protected by the Courts. It was held that a competitor initiating sale of goods or services in the same name or by imitating that name causes injury to the business of one who has the property in that name. It was held that honesty and fair play are and ought to be the basic policy in the world of business and when a person adopts or intends to adopt a name which already belongs to someone else, it results in confusion, has the propensity of diverting the customers and clients of someone else to himself and thereby resulting in injury.

44. It was also held in Laxmikant v. Patel (supra) that the principles which apply to trademark are applicable to trade name also. Para 10 of the aforesaid judgment reads as under:-

"The law does not permit any one to carry on his business in such a way as would persuade the customers or clients in believing that his goods or services belonging to someone else are his or are associated therewith. It does not matter whether the latter person does so fraudulently or otherwise. The reasons are two. Firstly, honesty and fair play are, and ought to be, the basic policies in the world of business.

Secondly, when a person adopts or intends to adopt a name in connection with his business or services which already belongs to someone else it results in confusion and has propensity of diverting the customers and clients of someone else to himself and thereby resulting in injury."

In this case, the Supreme Court further observed that:

"Where there is probability of confusion in business, an injunction will be granted even though the defendants adopted the name innocently."

45. In the case of B.K. Engineering v. UBHI Enterprises AIR 1985 Delhi 210 (DB) it was observed :

"Competition must remain free. It is true it is the life blood of free enterprise system. It is essential that trading must not only be honest but must not even unintentionally be unfair."

Infringement of Copyright

46. In the case of Burroughs Wellcome (India) Ltd v. Uni-Sule Pvt. Ltd. reported at 1999 PTC Page No.188, it was observed at Page No.192 as under:-

"Copyright is a form of intellectual property. With advancement in technology it is very easy to copy. The basic test in actions based on the infringement of the copyright is that if a thing fetches a price, it can always be copied and therefore, it needs adequate protection. It is well settled that although under the Copyright Act, 1957, there is a provision of registration, under Section 44 of the Act. It is not in doubt that the said procedure is an enabling provision and registration is not compulsory for the purpose of enforcing copyright. Section 44 of the Act provides for registration of work in which copyright exists but in order to claim copyright registration is not necessary. This is because registration is only to raise a presumption that the person shown in the certificate of registration is the author. This presumption is not conclusive, but no further proof is necessary unless there is a proof rebutting the contents of the said certificate. Under Section 48 of the Registration Act, therefore, the act of registration is ex-facie prima facie evidence of the particulars incorporated in the certificate. There is no provision under the Act which deprives the author of the rights on account of non registration of the copyright. There is nothing in the Act to suggest that the registration is condition precedent to the subsistence of the copyright or acquisition of copyrights or ownership thereof or for relief of infringement of copyright. The sine-qua non of existence of a copyright is expenditure of skill, labour and capital on any work expended by a person/author and unless the original work is produced in court to prima facie show that the work has originated from author, no relief can be granted.

In other words, copyright exists even without it being registered for the purpose of its enforcement. The nature of copyright is also meant to be borne in mind. It subsists in any material form in which ideas are translated. Copyright is an incorporeal right. It does not lie in any idea, but it lies in the expression in which the idea is expressed. The work of an author therefore, becomes the subject matter of the copyright. In essence the copyright is a negative right of preventing copying of physical material in the field of art, literature etc. Once an idea is written down, the writing becomes the subject matter of copyright. With globalisation and advancement of technology, even computer programmes come within the copyright. Any work conveying a particular information comes within the subject matter of a copyright and it needs protection."

47. In another case of *Hoffmann-La Roche & Co.A.G. v. D.D.S.A. Pharmaceuticals Limited* reported in 1972 RPC Page 1 the plaintiffs manufactured and marketed chlorthalidone in distinctive black and green capsules bearing the word "Roche" on each capsule, the defendants also marked and advertised the drug chlorthalidone in black and green 10mg capsules which were identical to those of the plaintiffs except that they bore the letters "DDSA" instead of the plaintiffs' name. The plaintiffs were granted interlocutory injunction to restrain the defendants from passing off capsules of the patented drug as the goods of the plaintiffs. It was held that marketing of the capsules by the defendants in almost identical form to those of the plaintiffs was calculated to cause damage to the plaintiffs. It was further held that there was a likelihood of confusion as both the capsules contained the same drug. The public were not concerned with the identity of the manufacturing of the capsules as long as the capsules contained the same substance and had the same effect.

48. In view of the above said well known settled law on the subject, it is clear that the defendant is guilty of infringement of copyright and passing off their goods as the goods of the plaintiff. Also the packaging materials produced by both the parties are seen, both are deceptively similar. It appears that the defendants have designed their packaging material after having seen the packaging material of the plaintiff. From the above said judgments cited it is clear that in most of the cases the copyright has been claimed by the plaintiff on the article itself. It is also pertinent to mention that the subject matter of the colour combination, get-up and layout are not only covered in the subject matter of copyright but also covered under the common law remedy i.e. law of passing off. Even in the New Trade Mark Act 1999 the definition of the mark is given in Section 2(m) which says that "Mark" include a device, brand, style, label, ticket, name, signature, word, letter, numeral, shape of goods, packaging or combination of colours or any combination thereof. As per the definition and as per the judgments mentioned above it is clear that the colour scheme, get up, layout and combination of colours is covered under the action for passing off also. In view of this, in the present case the defendants have infringed the Copyright of the plaintiff. This issue is accordingly decided in favour of the plaintiff.

49. Under these circumstances, this Court is of the view that the plaintiff has been able to make a strong prima facie case for grant of interim order. Since the plaintiff is the registered proprietor of the trademark BETADINE and the same has been used earlier than the defendants, thus, the balance of convenience also lies in favour of the plaintiff and against the defendants. In case the injunction order is not passed, the plaintiff will suffer irreparable loss and injury. An ex- parte

ad-interim injunction granted on 14th November, 2014 thereby restraining the defendants from using the trademark "BECTODINE/BECTODINE-M" or any other mark which is identical or deceptively similar to the plaintiff's registered trade mark "BETADINE" is made absolute. The application being I.A. No. 22711/2014 under Order XXXIX Rule 1 and 2 CPC filed by the plaintiff is accordingly allowed.

50. The defendants' application being I.A. No. 26365/2014 under Order XXXIX Rule 4 CPC is rejected.

51. No costs.

List before the Joint Registrar on 25th February, 2016 for admission/denial of documents.

(MANMOHAN SINGH) JUDGE JANUARY 04, 2016