

(2012) 06 IPAB CK 0009

In the Intellectual Property Appellate Board

Case No : M.P. No. 105/2010 In ORA/95/2010/TM/AMD And ORA/95/2010/TM/AMD

M/s. Cipla Ltd., Mumbai Central MUMBAI - 400008

APPELLANT

Vs

Rajiv Sukhija. Trading As M/s. S.R. Pharmaceuticals 316,
Dawa Bazaar, Film Colony, Jaipur, Rajasthan

RESPONDENT

Date of Decision : 25-06-2012

Acts Referred:

Trade Marks Act, 1999 — Section 11, 12, 18, 23, 32, 34, 109

Citation : (2012) 2 MIPR 418 : (2012) 52 PTC 615 (IPAB)

Hon'ble Judges : S. Usha, J;V. Ravi, Technical Member

Bench : Division Bench

Final Decision : Dismissed

Judgement

S. Usha, J

1 . This is an application for rectification of the trade mark ""CLAVMOX"" registered under No. 1146944 in Class 5 under the provisions of the Trade

Marks Act, 1999 (in short 'Act'). The applicant is a registered proprietor of the trade mark ""CLAVMOX"" registered under No. 799706 in Class 5 in

respect of pharmaceutical and medicinal preparations. The same has been registered as early as 2005 and has been renewed up to 2018. The

applicant is one of the largest Indian pharmaceutical company carrying on business for the past 75 years and has a turnover exceeding Rs.5000

crores. The applicant is exporting bulk drugs to over 150 countries of the world.

2 . The applicant adopted the trade mark ""CLAVMOX"" in respect of pharmaceuticals and medicinal preparations in the month of April, 1998. The

company made all efforts to ascertain that no other person was using an identical and/or deceptively similar trade mark to the said trade mark

CLAVMOX"". The applicant thereafter applied for registration of the trade mark. The mark was advertised and there was no opposition. The trade

mark ""CLAVMOX"" proceeded to registration and the mark was registered on 30th May, 2005. The applicant had launched a pharmaceutical product

under the trade mark ""CLAVMOX"" in the month of February, 2008.

3. In the second week of October, 2008 the applicant came to know for the first time that the respondent had launched a pharmaceutical product

bearing the trade mark ""CLAVMOX"" and therefore issued cease and desist notice on 30.8.2008. The respondent herein sent a reply to the notice

issued by the applicant. From the reply, the applicant seems to have known the fact that the respondent has filed a Civil Suit against the applicant in

the District Court, Jaipur. The applicant has filed its written statement as well as a counter claim in the said Suit.

4. The applicant was surprised that despite the earlier registration they came to know that the respondent was also granted a subsequent registration

for an identical trade mark ""CLAVMOX"". When no grounds have been made out under Section 12 of the Act, the respondents registration does not

survive. The adoption of the impugned trade mark by the respondent amounts to infringement of the applicant's registered trade mark. From the

records available in the Trade Marks office it is also seen that a search report along with the examination report has been sent to the respondent

calling for an explanation how an identical trade mark could be registered when a trade mark was already pending registration. Despite the fact that

the Registry had sent the examination report along with the search report the Registrar has proceeded to register the impugned trade mark. The

registration thus granted is in contravention of the provisions of Section 11 of the Act. The adoption by the respondent is malafide with an intention to

violate the exclusive proprietary right of the applicants. The adoption leads to confusion and deception amongst the public. The use of an identical

mark by the respondent amounts to infringement of the applicant's registered trade mark.

5. The applicant is a ""person aggrieved"" by the existence of the entry relating to the trade mark as the applicants are prior adopters, prior users and

prior registered proprietors of an identical trade mark ""CLAVMOX"". The respondents have fraudulently claimed registration by making false and

misleading statements before the Registrar of Trade Marks. The impugned registration is in contravention of the provisions of the Act. The impugned registration causes embarrassment, loss, inconvenience and hardship to the applicant. The impugned registration has been granted without sufficient cause and is wrongly remaining on the register. The trade mark therefore ought to be cancelled in the interests of the purity of the register of trade marks.

6 . The respondent herein filed their counter statement stating that they have been carrying on the business of medicinal and pharmaceutical preparations since the year 1988 through their predecessors. The present respondent is using trade mark ""CLAVMOX"" since 1.10.2002 continuously without any interruption whatsoever. The respondent applied for registration on 28.10.2002 and obtained registration in the year 2005. The respondent filed a Civil Suit before the District Court on 12.5.2008. The applicant herein did not appear in the District Court and an ex parte decree was passed on 10.10.2002. The registered proprietor, that is, the respondent herein issued a legal notice under Order 21 of the CPC for execution of the aforesaid decree which was duly received by the applicant herein. The applicant filed an application to set aside the ex parte decree and the same was allowed by the District Court on mutual consensus of both the parties. The applicant for rectification also filed the Written Statement along with the counter claim.

7 . The applicant herein had filed the application for registration on 23.4.1998 as ""proposed to be used"". It is an admitted case that they launched their product in February, 2008 whereas the respondent herein have used the trade mark ""CLAVMOX"" since 1.10.2002. and therefore the respondents have been the first and prior user of the trade mark ""CLAVMOX"". Merely filing an application for registration does not create any right in favour of the applicant. It is settled principle of law that the applicant cannot claim any ownership upon an applied trade mark merely by filing an application.

8 . The rectification application is filed with improper and malafide intentions. The applicant is a not a ""person aggrieved"" and therefore has no locus standi to file this rectification application. Therefore the ground taken by the applicant for rectification is wrong and not admitted by the respondent.

The respondent prays that the application for rectification be dismissed with

costs.

9. We heard Shri Ajay Sahni, Counsel for the applicant and Shri S.K. Bansal, Counsel for the respondent.

10. The learned Counsel for the applicant submitted that they adopted and used the trade mark "CLAVMOX". They applied for registration of the

trade mark "CLAVMOX on 23.04.1998. The mark was "proposed to be used" on the date of application. The impugned trade mark was also an

identical trade mark "CLAVMOX" falling in the same Class 5. The application was made on 28.10.2002 claiming user since 1.10.2002 under

application No. 1146944. The mark was registered on 22.10.2005. The user though claimed since 1.10.2002, the 1st invoice is since 1.4.2004.

11 . The Counsel then submitted that the licence dated 4.10.2002 to manufacture drug does not amount to use. The Suit filed by the respondent against

the applicant is pending. The Counsel relied on Section 11,18,23 & 34 and 109 of the Act. The Counsel finally relied on the legal user certificate and

the Examination report. The Counsel submitted that in the examination report it was clearly stated that already an identical mark was pending

registration and the search report was enclosed. The impugned trade mark was used since 2002 which is definitely subsequent to that of the

applicant's use. The Counsel then relied on the judgment reported in 1993 IPLR 39 - Charak Pharmaceuticals, Applicants Vs. M.J. Exports Pvt. Ltd.,

and Another, Respondents and submitted that the use is only for 27 days and that no amount of sales effected after the date of application can be

advanced for honest concurrent use.

12. The Counsel then relied on MANU/IC/0062/2011 - Satish Kumar Lamba, trading as M/s. Satish Soap Mills Vs. the Assistant Registrar of Trade

Marks, New Delhi - wherein the facts were identical to that of this case and the mark was not allowed to be registered as there was already a mark

on the register which was reflected in the search report.

13. The concurrent use should be of a long period unhindered, uninterrupted and unchallenged. The concurrent use is to be seen as on the date of

application and not thereafter - MANU/IC/0045/2005 - Sudhir Batra, Appellants Vs. Arjies Aluminium Udyog and the Assistant Registrar of Trade

Marks.

14 . The applicant had adopted the mark and applied for registration prior to the respondent and therefore respondent's adoption cannot be said to be

bonafide - Medical Technologies Ltd. Vs. Neon Laboratories Pvt. Ltd. and the Registrar of Trade Marks. 16. The applicant's entitlement to

registration of a trade mark has to be decided with reference to the facts as on the date of application for registration - MANU/IC/0001/2008 - Plus

Systems, Inc. and Visa International Service Association Vs. Plus Computer Systems Ltd., Assistant Registrar of Trade Marks and The Registrar of

Trade Marks.

16. The settled principle of law relating to trade mark is that there can be only one mark, one source and one proprietor - MANU/SC/0646/1994 -

Power Control Appliances and Ors., Appellants Vs. Sumeet Machines Pvt. Ltd., Respondents with Sumeet Research and Holdings, Appellants Vs.

Sumeet Machines and Anr., Respondents.

17. A trade mark registration obtained by giving wrong date of user cannot remain on the register - 2012 (49) PTC 485 (IPAB) - Manish Masala Food

Products, Applicants Vs. Radha Sarveshwar & Co. & Ors., Respondents.

18 . The learned Counsel for the respondent submitted that the applicants have applied for registration in the year 1998 as ""proposed to be used"" and

they obtained registration on 30.05.2005. The respondents applied for registration on 28.10.2002 claiming user since 01.10.2002 and obtained

registration on 28.10.2005. The applicants started using the trade mark in 2008 and filed this rectification application in the year 2010. The

respondent's user is since 2002.

19. The Counsel then relied on Section 32 and submitted that the impugned trade mark though had not acquired distinctiveness but on the date of

rectification had acquired distinctiveness by use. The Counsel then submitted that their adoption was not dishonest as the applicant's mark was not

available in the market. The drug licence was issued only on 18.12.2007. The applicants mark was a Part B registration. The respondent's drug

licence was issued as early as 4.10.2002.

20. The respondent's trade mark has been used continuously since the year 2004. In the year 2008, a Civil Suit was filed by the respondents against

the applicant.

21. The following judgments were relied on by the respondent -

(i) 2008 (36) PTC 523(Del) (DB) - Yash Arora, Appellant Vs. Tushar Enterprises & Ors., Respondents - There is no statutory provision making a

search essential before filing an application for registration.

(ii) AIR 1978 Delhi 250 - Century Traders, Appellant Vs. Roshan Lal Duggar & Co. and others, Respondents.- Mere presence of the mark in the

register will not prove its use and Priority in use prevails even over a registered proprietor.

(iii) PTC (Suppl) (2) 564 (Del)- L.d. Malhotra Industries, Appellants Vs. Ropi Industries, Respondents - Appellant prior and anterior in use and

opponent prior in registration. Applicant has a better right and the application for registration cannot be objected.

22. The Counsel further submitted that the Manish Masala case (cited supra) relied on by the applicant has no relevance to the case on hand.

23 . In rejoinder, the learned Counsel for the applicant submitted that all the judgments relied on by the respondent were not relevant as these were in

a passing off action and in a registration case and not in a rectification proceedings.

24. We have heard and considered the Counsel on both sides and have also gone through the pleadings and documents.

25. The rectification application shall be filed only by a person aggrieved and not by any person as in the case of an opposition proceedings. The

respondent herein filed a Civil Suit against the applicant for infringement of the trade mark ""CLAVMOX"". The applicant is the prior registered

proprietor of the trade mark. Person who is in any way interested in having removed the mark and is in any way affected or damaged if the mark

continued to remain on the register then that person is said to be a person aggrieved. In case on hand the applicant is the registered proprietor of the

trade mark as of 1998. An identical trade mark if allowed to be registered subsequently would definitely cause damage and therefore the applicant is a

person aggrieved"".

26. As held by Lord Herschel in Powell's TM case - 1894 (11) RPC 4, where it can be shown that the applicant is in the same trade as the person

whose trade mark is registered and wherever it can be shown that if the trade mark if remained in the Register would or might limit the legal rights of

the applicants, then the applicant is said to be a "person aggrieved". The applicant herein is not able to carry on the business using the trade mark and therefore is a "person aggrieved".

27. The only issue is whether the impugned trade mark can continue to remain on the register when already a mark was on the register. The examination report and the search report produced by the applicant would clearly prove that an identical trade mark for identical goods was already on the register. The officer concerned ought not to have granted registration when an identical trade mark was pending registration.

28. The impugned trade mark is an entry wrongly made. The trade mark should not have been registered for any reason and has been wrongly remaining on the register. The impugned trade mark therefore ought to be removed for an entry wrongly made.

29. The other reference was that the applicant's mark was not put to use on the date of application of registration of the impugned trade mark. The impugned trade mark when said to be wrongly made, the conduct of the applicant is immaterial. In *Re Addly Burnis TM*, Farwell J held, "No consideration of the rights of third persons arise except as against the person who is on the register, because he is claiming a monopoly to the exclusion of the public at large, and if.....the Court finds out in the course of the case that the mark is wrongly on the Register, however great the demerits of the applicant, the Court is bound to set the Register right for the benefit of the public at large.

30. The Registrar also has the power to rectify the register on his own motion in such case. Therefore we are of the opinion that the impugned trade mark deserves to be rectified. We are not going into the merits of the matter for the above reasons.

31. The officers in charge of the registration shall be more cautious while granting registration. In the instant case, the Registrar was aware of the earlier pending identical trade mark and has issued an examination report calling upon the applicants (the respondent herein) for an explanation as to how the registration can be granted as already an identical mark was pending. We think if strict view is taken by the Controller General in such cases then this can be avoided. If there is a direction that severe consequences will follow in such cases then the officers will be more cautious. A suitable

computer alert at the time of printing of registration certificate would avoid such embarrassing situation in the future. The application

ORA/95/2010/TM/AMD is therefore allowed with a direction to the Registrar of Trade Marks to cancel the trade mark registered under No. 1146944

in Class 5. There shall be no order as to costs. M.P. No. 105/2010 is dismissed as infructuous.