

(2012) 03 IPAB CK 0014

In the Intellectual Property Appellate Board

Case No : ORA/136/2006/TM/MUM

M/s. P.I. Pharmaceuticals Pvt. Ltd. C-257, Eastend
Apartments Chilla Delhi-110096

APPELLANT

Vs

Syncom Health Care Ltd. At 21-22, Iind Floor, Dawa Bazar,
13-14, R.N.T. Marg, Indore-452001 Madhya Pradesh

RESPONDENT

Date of Decision : 09-03-2012

Acts Referred:

Trade Marks Act, 1999 — Section 33

Citation : (2012) 03 IPAB CK 0014

Hon'ble Judges : Prabha Sridevan, J;S. Usha, J

Bench : Division Bench

Final Decision : Allowed

Judgement

S. Usha, J

1 . Application for removal of the trade mark CTZ registered under No. 1134631 in Class 5 under the Trade Marks Act, 1999 (hereinafter referred to as the 'Act').

2 . The applicant is engaged in the business of manufacturing and marketing of medicinal and pharmaceutical preparations for the last many years.

The applicant since its inception in 1988 has gained prominence in India as well as in the international market. The applicant herein adopted, invented

and conceived a trade mark CTZ-10 in 1996. The applicants have obtained drug licence for manufacturing the drug under the trade mark CTZ-10 on

29.1.1997. The applicants have also sold their first batch of products vide invoice dated 22.4.1997. The applicant also applied for registration of the

trade mark CTZ-10 on 5.8.1997 and obtained registration.

3. The applicant's adoption is honest and bonafide. By virtue of long, continuous

and prior use the public and the trade associated the trade mark CTZ-

10 with that of the applicants. The trade mark CTZ-10 has acquired a high degree of recognition and reputation among the public. The said trade mark connotes and denotes as originating only from the applicant's goods.

4 . Recently, it came to the knowledge of the applicant that the respondent have virtually copied the trade mark CTZ and have been using ""CTZ"" as a

trade mark. The respondent herein has filed a Civil Suit that they are the registered proprietors of the trade mark CTZ. The applicant also states that

in the year 2001 they came to know of the use by one Syncom Formulations and they issued a cease and desist notice for which reply was received

from Syncom Formulations demanding various documents. The applicants herein had sent those documents after which they received no reply from

the respondent. In fact the applicant's Counsel visited Syncom Formulations and discussed the matter with the Manager. Thereafter the applicants

were assured that the respondents will not use the trade mark CTZ. Being aggrieved with the Civil Suit filed by the respondent, the applicants herein

have filed application for rectification on the ground that -

- (a) the respondent is not the proprietor of the trade mark;
- (b) the respondent obtained the impugned trade mark registration fraudulently and by making material misstatements as to its user and proprietorship;
- (c) the respondent is wrong claimant of proprietary rights in the impugned trade mark;
- (d) the respondent has played fraud before the Registrar of Trade Marks;
- (e) the respondent has not disclosed the fact that the applicants are the prior user of the trade mark;
- (f) the impugned mark would cause confusion and deception among the public;
- (g) the impugned mark has not acquired distinctiveness;
- (h) the impugned mark has been on the register without sufficient cause and is wrongly remaining on the register;
- (i) the applicants are the proprietors of the trade mark and therefore the applicants are the persons whose interests would be substantially damaged if the impugned trade mark is allowed to continue on the register; and
- (j) the impugned trade mark is in contravention of the provisions of the Act.

5 . The respondents herein filed their counter statement denying the various

averments and allegations made in the application for rectification. The respondents stated that they are engaged in the selling and marketing of more than 200 pharmaceuticals and medicine formulations. In the year 1997, Syncom Formulations (India) Limited had honestly adopted, invented and coined a trade mark ""CTZ"" in respect of medicinal preparations for the treatment of allergy. In 1998, Syncom Formulations applied for registration of its trade mark ""CTZ"" under No. 826493 in respect of medicinal and pharmaceutical preparations falling in Class 5 claiming user since 3.11.1998. The impugned trade mark has been filed by Syncom Healthcare Limited on 19.9.2002 as ""proposed to be used"" mark. On 22.9.2003, they have filed an application for amendment on Form TM-16 for change in the date of user from ""proposed to be used"" to 3.11.1998. However the change was not carried out by the Trade Marks Registry and the mark was advertised before acceptance on 25.11.2003 as ""proposed to be used"". As there was no opposition from any one the mark proceeded to registration.

6 . The respondent submits that the predecessor-in-title have been using the said trade mark for more than eight years to the applicant's knowledge.

The applicant is not entitled to file the application for rectification as per Section 33 of the Act. The registration has been granted on the basis of the respondent's adoption and use. The respondents have spent substantial amount for promoting the sales of their product. The applications have been filed on some false and frivolous grounds and based on misconception of facts and law. The respondent also states that there are various other parties who have filed applications for registration of the trade mark ""CTZ"" which has not been attacked by the applicant. Having failed to oppose the impugned trade mark the applicant have waived their rights and now have filed this application which deserves to be rejected on the ground of delay, laches and acquiescence. The respondents have filed a Civil Suit and this rectification application is a counter blast to the Civil Suit. The respondents have been vigilant enough in taking action against various third parties who have been infringing the trade mark ""CTZ"".

7 . The respondents asserted that the applicants have no right to file the instant application for rectification. The adoption and use given also is false and the other allegations made as regards permission from the concerned parties to manufacture is also denied. The applicant's statement that they

came to know about the registration recently was also denied by the respondent. The respondents have obtained copyright registration and have also

obtained registration of the trade mark ""CTZ"" which is the impugned trade mark as on the date of application, that is, 19.9.2002. For the reasons stated

above the application for rectification deserves to be dismissed with costs.

8 . We have heard Shri Praveen Pal, the learned Counsel for the applicant and Shri Vivek Gautam, the learned Counsel for the respondent on

2.12.2011 and on 2.1.2012.

9. The learned Counsel for the applicant submitted that the applicants had been using the trade mark CTZ-10 since 1996. The respondents had applied

for registration of the trade mark CTZ on 19.9.2002 as proposed to be used. The applicants had obtained the drug licence as on 16.12.1996 for

manufacturing of the product bearing the trade mark CTZ-10. On 14.3.2001 a legal notice was issued to Syncom Formulations (India) Ltd. On

27.3.2001 a reply was received asking the applicants to furnish certain documents. On 22.4.2001 the documents were sent to the respondents for

which there was no reply. The applicants Counsel personally visited the respondents and the respondent's manager confirmed that they had applied for

registration of the trade mark as proposed to be used in the year 1998. The Counsel then relied on the 1st invoice dated 22.4.1997 at page 69 and

submitted that they had proved user since 1997. The Counsel then submitted that the respondents relied on another application under No. 826493 filed

by Syncom Foundations which according to the computer status report is withdrawn and placed the same before us. The Counsel then relied on few

judgments -

(i) 1999 (19) PTC 81 - Automatic Electric Limited, Petitioner v. R.K. Dhawan & Another, Respondents -Generic expression - A person claiming

exclusive right over an expression cannot challenge same expression as generic.

(ii) 2008 (37) PTC 668 (IPAB) - CRC Industries Europe N.V., Applicant v. Danmet Chemicals Pvt. Ltd., Respondent

(iii) 2008 (38) PTC 691 (IPAB) - Orchid Chemicals and Pharmaceuticals Ltd., Applicant v. United Biotech Pvt. Ltd. & Another, Respondents

(iv) 2010 (43) PTC 185 (IPAB) - Thayar Food Products, Applicant v. M. Sundaram, Respondent

(v) 2011 (46) PTC 131(IPAB) - Okasa Pharma Pvt. Ltd., Applicant v. Win-

Medicare Limited, Respondent

10. The learned Counsel for the respondent submitted that the applicant's user since 1996 is not correct. According to the applicants knowledge, they

were aware of the respondent's use since 2001-2002 itself and now cannot falsely state they became aware recently in 2006. On 27.3.2001 in their

reply to the cease and desist notice issued by the applicant, the respondent had stated about their use. The Counsel then submitted that the application

is not maintainable as the applicant had acquiesced the respondents use. In support of this contention the Counsel relied on the judgment reported in

1994 (2) SCC 448 - M/s. Power Control Appliances and others, Appellants v. Sumeet Machines Pvt. Ltd., Respondent with Sumeet Research and

Holdings, Appellant v. Sumeet Machines and Another, Respondents. The Counsel then relied on Section 33 of the Act.

11. The Counsel for the respondent was directed to file the request on Form TM 16 for the change in the date of user, after the arguments were

heard. The Counsel had filed the request on Form TM 16 in application No. 826493 and not under No. 1134631 as directed. Even though the

document was received, we have not considered the same as it is not relevant to this case on hand.

12. We have heard and considered the arguments of both the Counsel and have gone through the pleadings and documents.

13. The applicants have filed this application for rectification after a Civil Suit was filed by the respondent against the applicant before the District

Court, Indore. The rival marks are similar for similar goods. The word ""aggrieved"" person has been defined in Powell's trade mark case as, ""A person

aggrieved includes the rivals in the same trade who are aggrieved by the entry of the rival's mark in the register or person whose legal rights would or

might be limited if the mark remains on the register, he could not lawfully do that which, but for the existence of the mark on the register he could

lawfully do."" Both the applicant and the respondent are in the same trade. Based on the above, the applicant is prima facie an aggrieved person.

14 . The next issue would be regarding the proprietorship of the trade mark. The impugned trade mark application was filed on 19.9.2002 as proposed

to be used mark. The respondents claim user since 1998 in their counter statement to the rectification application. The other contention is that the

present respondents were assigned the trade mark on 10.5.2004 with effect from 29.7.2002. They also submit that they had filed a request on Form

TM 16 for change in the date of user on 22.9.2003. We do not find any explanation as to how Syncom Formulations is related/connected with Syncom

Health Care Ltd., the present respondent. Even if we are to accept that there is some legal relationship between the two companies, the assignment

had been executed only in 2004, then how could a request on Form TM 16 dated 22.9.2003 could have been filed in anticipation. For this reason, we

directed the respondent to produce the receipt for filing the request on Form TM 16, the respondent could not file the same. Syncom Formulations who

claim to be the earlier proprietor using it since 1998 (who are said to be assignor of the trade mark) have filed invoice only from the year 2000 and not

earlier.

15. The respondent's defense is that the applicant was aware of their mark since the year 2001 and therefore have acquiesced in the respondent's

use. The applicants had issued the legal notice to Syncom Formulations. As observed earlier the evidence is not clear as to their relationship. That

apart, the impugned trade mark has been registered in the year 2005 based on which a Civil Suit was filed by the respondent against the applicant. The

applicants had immediately filed the rectification. The applicant cannot therefore be said to have acquiesced in the respondent's use.

16. We also find that the application under No. 826493 relied on by the respondent had been withdrawn. We are not going into the various judgments

as the matter is being dealt with on the specific facts of the case.

17. The date of use and the proprietorship of the mark is not clear. We are of the view that the trade mark is wrongly remaining on the register

without any sufficient cause. The impugned trade mark therefore deserves to be cancelled. The application for rectification ORA/136/2006/TM/MUM

is allowed with a direction to the Registrar of Trade Marks to cancel the trade mark CTZ registered under No. 1134631 in Class 5 with costs of Rs.

3,000/-.