

(2013) 11 IPAB CK 0005

In the Intellectual Property Appellate Board

Case No : M.P. No. 75/2011 In ORA/83/2011/TM/AMD

M/S. Wockhardt Pvt. Limited

APPELLANT

Vs

M/S. Kamaron Laboratories Ltd. And Registrar Of Trade Marks

RESPONDENT

Date of Decision : 13-11-2013

Acts Referred:

Trade Marks Act, 1999 — Section 9, 11, 12, 20, 23, 47, 57

Citation : (2014) 1 MIPR 41 : (2013) 56 PTC 529 (IPAB)

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

Bench : Division Bench

Advocate : Y.J. Jasani, Nakul Sharedala, Y.J. Trivedil

Final Decision : Allowed

Judgement

S. Usha, J

1. The original rectification application is filed for the removal of the trade mark "ZECODEX" under No. 713669 in Class 5 under the provisions of the Trade Marks Act, 1999. The applicant through its predecessors commenced its business in the year 1963 in manufacturing of pharmaceutical and medicinal preparations in India. The applicants were earlier carrying on business under the name M/s. Wockhardt Private Limited.

2. The applicant during the course of its business started using various distinctive trade marks in order to distinguish its goods from those of its competitors and one such trade mark is "ZEDEX" which the applicant adopted in the year 1983. The drug licence was obtained on 12.11.1982.

3. The applicants' applied for and obtained registration of the trade mark "ZEDEX" word per se under No. 408232 in class 5 as of 20.07.1983. The applicant also obtained registration of the trade mark "ZEDEX" under No. 1042801 in Class 5 dated 06.09.2001. The applicant has introduced pharmaceutical products under the trade mark "ZEDEX" and has been using the trade marks "BRO-ZEDEX" since 1988. The name was changed to "ZEDEX T"

from "BRO-ZEDEX". The applicant also obtained registration of the trade mark "BRO-ZEDEX" under No. 1053825 as of 22.10.2001 and under No. 1075458 as of 23.01.2002.

4. In the year 1992, the applicant introduced another variant of its trade mark "ZEDEX" namely "ZEDEX P". The same was registered under No. 497023 in class 5 as of 01.09.1988. The said pharmaceutical preparations have been sold extensively.

5. The trade mark was widely advertised in various newspapers since the year 1998. By virtue of extensive use of the trade marks by the applicant, the right extends to restrict others from using the trade marks.

6. In the 3rd week of February, 2011, the applicants came to know of the respondents impugned trade mark ZECODEX registration. The applicant was surprised that when an earlier trade mark was already on the register, then how the Registrar granted the registration for a deceptively similar trade mark which is subsequent to that of the applicants? No ground exists for honest concurrent Registration under Section 12 of the Act.

7. The 1st respondent have never used the trade mark ZECODEX in respect of the goods for which they have applied for and obtained registration and therefore for this reason the mark deserves to be cancelled.

8. The respondent had no bona fide intention to use the trade mark and is therefore liable to be removed. The registration of a deceptively similar trade mark amounts to a clear violation of the provisions of Section 11 of the Act. The adoption of the impugned trade mark is visually, phonetically and structurally similar to the prior adopted trade mark which is bound to lead to confusion and deception and amounts to dilution of the registered trade mark of the applicant.

9. The impugned trade mark is devoid of any distinctive character and is not capable of distinguishing the respondents' goods. The applicant is a person aggrieved by the existence of the deceptively similar impugned trade mark for similar goods. The applicants are prior adopter and user of the trade mark. The impugned adoption of the trade mark is dishonest and the respondents were aware of the applicant's adoption and use.

10. The respondents obtained registration by making false, misleading and wrong statements. The registration has been obtained by fraud and by making false and misleading statements regarding proprietorship. The registration is in contravention of the provisions of law. The use of the impugned trade mark is bound to lead to infringement and passing off.

11. The said impugned registration has been registered without sufficient cause and is wrongly remaining on the register. The impugned trade mark was advertised before acceptance and was never accepted and therefore could not proceed for registration.

12. In reply, the respondent stated in the counter statement that they are manufacturing various kinds of pharmaceutical products. In order to distinguish its goods from the other goods, the respondent adopted number of trade marks. Amongst the various trade marks, the respondents obtained registration of the impugned trade marks.

13. The respondent had coined and adopted the trade mark "ZECODEX". The respondent applied for registration on 12.08.1996 and obtained registration as there was no opposition by any party. On 12.08.1996, the respondents before making an application for registration made a search in the trade marks Registry and found that there was no mark pending for registered and therefore filed this application.

14. The applicants having not opposed the trade mark when the same was advertised in the Trade Marks Journal are not aggrieved person and cannot now file an application for rectification.

15. The trade mark "ZECODEX" and "ZEDEX" are totally different and there is no possibility of confusion. The applicants have not proved any confusion or deception. The rest of the averments were denied by the respondent.

16. We heard Mr. Y.J. Jasani, the learned counsel for the applicant and Mr. Nadcol Sharedalal, the learned counsel for the respondent No. 1.

17. The learned counsel for the applicant submitted that the applicants are the registered proprietors of the trade mark "ZEDEX" as early as 1992. The respondents' application was made in the year 1996 as proposed to be used mark.

18. The two main grounds of rectification are under Sections 47 and 57 of Act. The respondents though made an application for registration in the year 1996 proposing to use have not used the trade mark in the course of trade till date. The counsel submitted that the drug licence was necessary for manufacturing any drug and the same has not been produced. The applicants had obtained drug licence as early as 1982 and started manufacturing and selling the drugs under the said trade mark since 1983. Annexure "R" was referred to and submitted that the 1st invoice was dated 1992 which was prior to the respondents Press Notification of the year 1999 was produced.

19. The counsel then relied on Sections 20 and 23 of the Act.. The counsel for the applicants further submitted that mere registration will not help the respondents and relied on the judgment reported in Corn Products Refining Company Vs. Shangrila Food Products Limited (AIR 1942 SC 142); ii) In Karia District Co-Operative Milk Producers Union Ltd. Vs. General Mills Inc. 2012 (O) by Glhel-HC 228609); and iii) In Pathiath Babu Rajendran (Since Deceased) Gowari Rajendran Vs. Asst. Registrar of trade marks 2009 (O) by GLHEL-HC 221527). They were relied on to support the proposition that the mark after registration, if not used ought not to continue in the register and deserves to be cancelled for

non use.

20. The mere fact that the application for drug licence was filed and pending does not entitle the respondent to manufacture the drugs in State Of Kerala Vs. Orison J. Francis 2008 (O) By GLHEL-SC 42600).

21. The counsel finally referred to search report relied on by the respondent along with the counter statement. The applicant submitted that the search report is of the year 2011, whereas the application for registration is 1996 and to rely on the search report of the year 2011 after the registration will not be of any help to the respondents.

22. In reply, the learned counsel for the respondent submitted that they had been using the trade mark since 1988 and they filed the application for registration in the year 1996. Loan licence is sufficient and there is no need for drug licence. The applicant had not opposed when the mark was advertised in the Trade Marks Journal and therefore there is a long delay in filing the rectification application.

23. The provisions of Sections 9 and 11 were raised but there is no proof of confusion or deception. Balance of convenience is in favour of the respondents and the application for rectification ought to be dismissed.

24. In rejoinder, the applicants counsel submitted that the mark though registered and renewed but was not used and therefore it deserves to be cancelled.

25. We have heard the learned counsel and have carefully considered the arguments and have gone through the pleadings and documents.

26. The marks are " ZEDEX" and "ZECODEX". The trade mark "ZEDEX" is used since the year 1983 whereas the respondents have proposed to use the trade mark "XECODEX" in the year 1996. Both the marks are used for pharmaceutical and medicinal preparations. The rival marks are deceptively similar.

27. The impugned trade mark "ZECODEX" has been proposed to be used on the date of application. The mark therefore could not have acquired distinctiveness nor is it capable of acquiring distinctiveness.

8. The respondent ought to have conducted a search in the Trade Marks Registry before applying for registration. If such search had been conducted the respondent could have avoided this litigation. That apart, the Registrar should have also carried out a search and issued a report as similar marks were already on the register. It is also seen that the impugned trade mark has been advertised before acceptance.

29. The well settled principles of law is that as regards medicinal and pharmaceutical goods are concerned, the officer concerned has to be more cautious while granting registration. The marks are similar phonetically and deceptively and are likely to cause confusion and deception among the public.

The Apex Court has held that in case of medicinal products, the confusion and deception will not only be monetary loss but also great hazard to one's life. In such circumstances, the impugned trade mark is hit by Section 11 of the Act.

30. The other main ground raised by the applicant is that the impugned trade mark though registered as in the year 2004 has not been put to use till date. The respondents have filed their counter statement but have not rebutted or denied the statement of non user. The respondents allegations were that the mark was advertised in the Trade Marks Journal and the applicants have not opposed and therefore the respondents are the registered proprietors of the trade mark. The mark is registered as of the year 1996. The applicants having not opposed and therefore after a long delay are barred from filing this rectification application.

31. In our considered view, no steps were taken for opposition does not bar a person from filing an application for rectification. The application for registration has been filed in the 1996 and the mark was granted registration in the year 2004. The application for rectification was filed in the year 2011 after the requisite period of 5 years. Therefore the delay since 1996 does not hold good.

32. The respondents have not denied the statement of non user nor have they produced any evidence to prove their use of the trade mark. The mark ought to be cancelled on this ground alone.

33. The respondents have not given any details about the obtaining of drug licence for manufacturing the drugs nor have they produced drug licence issued by the concerned authorities. It is necessary and a must for manufacturing drug a licence from the authorities concerned and a drug licence ought to have been obtained. For this reason, the trade mark deserves to be cancelled. In view of the above reasons, the application for rectification is allowed with a direction to the Registrar to cancel trade mark "ZECODEX" registered under No. 713669 in Class 5. Consequently, connected M.P. No. 75/2011 in ORA/83/2011/TM/AMD is closed. There will be no order as to costs.