
(2013) 09 KAR CK 0018
In the Karnataka High Court
Case No : W.P. No. 8810/2012 (IPR)

Pramod Hegde

APPELLANT

Vs

Indchemie Health Specialities Pvt. Ltd.

RESPONDENT

Date of Decision : 16-09-2013

Acts Referred:

Citation : (2014) 58 PTC 83

Hon'ble Judges : D.H. Waghela, C.J;B.V. Nagarathna, J

Bench : Division Bench

Final Decision : Dismissed

Judgement

1. The order of the Intellectual Property Appellate Board (hereinafter, referred to as the "Appellate Board") dated 22/11/2011, is assailed in this writ petition. The relevant facts leading to the passing of that order are as follows:

The petitioner is stated to be engaged in the manufacture of medicinal and pharmaceutical products since the year 2000 and adopted "Z-CAL" as a trade mark in the year 2003 and filed an application seeking registration of the same under the provisions of the Trade Marks Act, 1999 (hereinafter, referred to as the "Act"), before the Trade Marks Registry at Chennai. On coming to know of this, the respondent filed an opposition to the registration of "Z-CAL" as a trade mark u/s 21 read with Rule 47(1) of the Act and the Rules respectively made thereunder, contending that the registration of the petitioner's mark would cause confusion and deception in the pharmaceutical industry, as the respondent is the proprietor and the prior user of its trade mark "ZECAL" which has been in use since the year 1995. The petitioner gave his reply to the Opposition filed by the respondent contending that both the marks are phonetically and visually not similar to each other and they would not cause any confusion in the market. Both parties filed their evidence by way of affidavit before the Registrar of Trade Marks. On considering the evidence, the Deputy Registrar by his order dated 02/09/2009, held that the petitioner's trade mark could be registered. A copy of the order is produced at Annexure-F to the writ petition. Being aggrieved by the

said order, respondent filed an appeal before the Appellate-Board. Pleadings were filed before the Appellate-Board and on hearing the parties, the Appellate-Board allowed the appeal filed by the respondent by holding that the rival mark of the petitioner is similar and that he was not entitled to register it. It is against the order of the Appellate-Board, that this writ petition is filed.

2. Sri. Harikrishna S. Holla, learned counsel appearing for the petitioner contended that the trade marks sought to be registered by the petitioner is "Z-CAL", whereas, the trade mark of the respondent is "ZECAL", these trade marks are dissimilar. On a comparison of the two trade marks, there are no visual, phonetic or structural similarity, thus, these trade marks are not similar, there would be no confusion in the industry if both the marks are used simultaneously. That it is a common practice in the pharmaceutical industry to adopt the name of the chemical compound utilized in the manufacture of the medicinal products as part of the name of the product preceded by an alphabet or combination of any two chemical compounds followed by a numerical as the trademark of the product. That there are several instances where the product name is a combination of the chemical compounds used in the manufacture of the products. That the Appellate-Board was not right in holding that the Deputy Registrar ought not to have allowed the registration of the petitioner's mark, as it is a generic name. That the Appellate-Board was also not right in holding that the petitioner had failed the test of honest adaptation. He thus contended that the decisions relied upon by the Appellate-Board are not applicable to the case and hence, the order of the Appellate-Board be quashed and the order of the Deputy Registrar be upheld by allowing the writ petition.

3. Per contra, learned counsel for the respondent stated that the respondent's trademark has been in use prior to the petitioner's trademark. The two trademarks are deceptively similar. That the respondent's trademark had been a registered trademark. The Appellate-Board by applying relevant decisions has rightly set aside the order of the Deputy Registrar. In fact, the Appellate-Board has left open the question as to whether the trade mark of the respondent is generic or not but has proceeded on the basis that the petitioner cannot adopt the trademark of the respondent. He therefore, contended that the order of the Appellate-Board be confirmed.

4. The petitioner claims that in the year 2000, it adopted the trademark "Z-CAL" and in the year 2004, it had made an application for registration of the same. The opposition of the respondent to the same is that it had conceived its trademark at an earlier point of time and adopted the trademark "ZECAL" since the year 1995 and it has been continuously and uninterruptedly in use and has received wide publicity and as it has been in extensive use, it has acquired reputation and goodwill. Thus, the respondent has contended that it is the original and prior adopter and user of the trademark "ZECAL". The further contention of the respondent is that the word "Z-CAL" which is now sought to be registered by the petitioner is not a newly coined word, but has been derived

from the respondent's trademark namely, "ZECAL", it is identical and deceptively similar and would lead to confusion in the industry and loss of business for the respondent.

5. Section 2(1)(zb) of the Act defines a "Trade Mark" as a mark capable of being represented graphically and it is capable of distinguishing the goods or services of one person from those of others and a mark includes shape of goods, their packaging and combination of colours. Chapter II deals with the registration of Trade Marks and Section 11 deals with the grounds for refusal of registration. Sub-section (1) of Section 11 states that a Trade Mark shall not be registered because of its identity with an earlier Trade Mark and similarity of goods or services covered by the Trade Mark or it has similarity to an earlier Trade Mark and the identity or similarity of the goods or services covered by the Trade Mark, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier Trade Mark. Sub-section (2) states that a Trade Mark which is identical with or similar to an earlier Trade Mark and is to be registered for goods or services which are not similar to those for which the earlier Trade Mark is registered in the name of a different proprietor shall not be registered if the earlier Trade Mark is a well known Trade Mark in India and the use of the later Trade Mark without due cause would take unfair advantage or be detrimental to the distinctive character or repute of the earlier Trade Mark. Sub-section (3) states that the Trade Mark shall not be registered if, or to the extent its use in India is liable to be prevented by virtue of any law and in particular, the law of passing off protecting an unregistered Trade Mark used in the course of trade or by virtue of the law of copyright. Sub-section (4) is not relevant for the purpose of this case as it deals with consent to the registration of a Trade Mark in spite of the aforesaid reasons. As per sub-section (5) of Section 11, unless objection on any one or more of the aforesaid grounds is raised in opposition proceedings by the proprietor of the earlier Trade Mark, a Trade Mark shall not be refused registration. Sub-section (6) deals with the considerations to be taken into account in the determination as to whether a Trade Mark is a well-known Trade Mark. Sub-sections (7) to (11) deal with a well-known Trade Mark, which are not relevant for the purpose of this case.

6. In this case, the opposition to the registration is based on the condition that both the Trade Marks are identical with each other and deceptively similar and that the Trade Mark adopted by the petitioner herein would hamper the business of the respondent, as the petitioner's Trade Mark is not distinctive in character and incapable of distinguishing the respective marks of the parties.

7. While supporting their respective stands, learned counsel for the petitioner has relied upon the following cases:-

1. J.R. Kapoor Vs. Micronix India, .
2. F. Hoffmann-la Roche and Co. Ltd. Vs. Geoffrey Manner and Co. Pvt. Ltd., .
3. Schering Corporation and Others Vs. Alkem Laboratories Ltd., .

4. Astrazeneca UK Limited and Another Vs. Orchid Chemicals and Pharmaceuticals Ltd., .
5. Apex Laboratories Ltd. Vs. Zuventus Health Care Ltd., .
6. FDC Limited Vs. Ajay G. Piramal and Others, .
7. Schering Corporation and Others Vs. Getwell Life Sciences India Pvt. Ltd., .
8. Novartis A.G. Vs. Wanbury Ltd. and Another, .
9. USV Limited Vs. Systopic Laboratories Limited and Another, .
10. MERCK kgaA, A company organized under the Laws .
11. 2004 (29) PTC 482 .

8. Per contra, learned counsel for the respondent has relied upon the following decisions:-

- 1) Cadila Health Care Ltd. Vs. Cadila Pharmaceuticals Ltd., .
- 2) United Biotech Pvt. Ltd. Vs. Orchid Chemicals and Pharmaceuticals Ltd and Others, .
- 3) Jolen Inc. Vs. Doctor and Company, .
- 4) National Sewing Thread Co. Ltd. Vs. James Chadwick and Bros. Ltd. (J. and P. Coats Ltd., Assignee), .
- 5) SSG Pharma Private Limited vs. Amar Nath .

9. On consideration of the facts as well as the precedents, it is noted that the respondent has been using the mark "ZECAL" since the year 1994-95, whereas, the petitioner has been using his trademark "Z-CAL" since the year 2003 only. The Appellate-Board has also noted that the alphabet "Z" is also pronounced as "ZEE", which is phonetically similar to the respondent's trademark. There is also visual similarity between "ZECAL" and "Z-CAL" and therefore, there is a strong possibility of confusion. The products are the same and also marketed for the same purpose. By applying the test laid down in Cadila Health Care Ltd. Vs. Cadila Pharmaceuticals Ltd., , the issue regarding deceptive similarity between the two names can be answered. In Cadila Health Care Ltd., the Hon"ble Supreme Court has stated the following factors to be considered for deciding the question of deceptive similarity:

- a) The nature of the marks i.e. whether the marks are word marks or label marks or composite marks, i.e. both words and label works.
- b) The degree of resemblance between the marks, phonetically similar and hence similar in idea.
- c) The nature of the goods in respect of which they are used as trade marks.

d) The similarity in the nature, character and performance of the goods of the rival traders.

e) The class of purchasers who are likely to buy the goods bearing the marks they require, on their education and intelligence and a degree of care they are likely to exercise in purchasing and/or using the goods.

f) The mode of purchasing the goods or placing orders for the goods and

g) Any other surrounding circumstances which may be relevant in the extent of dissimilarity between the competing marks.

Weightage to be given to each of the aforesaid factors depending upon facts of each case and the same weightage cannot be given to each factor in every case.

10. While applying the said tests, it has been held in various judicial precedents that the following products are not similar and would therefore, not cause confusion namely:-

1. Temokem and Temoget

2. Recibion and Rebioni

3. Temoget and Temodar

4. Meromer and Meronek

5. Zincovit and Zinconia

6. Waltex and Voltas

7. Coriminic and Triominic 8. PioandPIOZ

9. Ores and Corex

11. But in *Ciba Geigy Ltd. v. Crosslands Research Laboratories Ltd.* (1996 PTC (16) 1), it has been held that "Volta-K" is phonetically similar to Voltaren" and that the addition of the letter IT at the end of the word "Volta", would not make any difference. If the aforesaid tests are applied in the instant case, we find that "ZECAL" and "Z-CAL" are similar and it would lead to confusion in the pharmaceutical industry, particularly having regard to the medicinal nature of the product. Therefore, the Appellate-Board was right in holding that as the respondent is the prior user of "ZECAL", the petitioner herein could not have sought registration of the trademark "Z-CAL" as they are phonetically as well as visually similar and are in respect of the same product. Even after a written prescription drawn by a medical practitioners an ordinary buyer of the product is likely to be deceived by the very slight change in the spelling of two names on account of the product being called by a phonetically identical pronunciation. Therefore, order of the Appellate-Board, in our view, would not call for any interference. The writ petition is, therefore, dismissed without any order as to costs.