**(2015) 09 IPAB CK 0001**

**In the Intellectual Property Appellate Board**

**Case No :** ORA/79/2010/TM/DEL And Order No. 188 Of 2015

Speciality Meditech Pvt. Ltd. APPELLANT

Vs

Modi Mundi Pharma Pvt. Ltd. And Ors RESPONDENT

**Date of Decision :** 11-09-2015

**Acts Referred:**

Limitation Act, 1963 — Article 137
Trade Marks Act, 1999 — Section 9(1), 15(1), 15(2), 32, 47, 47(1), 55, 55(1), 55(2), 55(3), 57, 124
Trade And Merchandise Marks Act, 1958 — Section 46

**Citation :** (2015) 09 IPAB CK 0001

**Hon'ble Judges :** K.N. Basha, J;Sanjeev Kumar Chaswal, Technical Member

**Bench :** Division Bench

**Advocate :** D. Venkatesh Reddy, N.K. Anand

# Judgement

K.N. Basha, J

1. This application is filed for the removal of trade mark FECONTIN under registration No. 939544 in Class 05 registered in the name of respondent No. 1.

2 . The applicant stated that they are the bonafide user of the trade mark "FEMICONTIN" right from the year 1999. They have produced copies of the sales invoices under Exhibit-A. The have adopted and coined the trade mark and they are having continuous, uninterrupted use and they moved the application for the registration of the trade mark under Application No. 837309 marked as Exhibit-B. They have gained name, reputation and popularity. They have spent huge amount towards advertisement and copies produced under Exhibit-C. It is claimed that they have made meticulous enquiries in the market and ensured that there is no structural, phonetical, deceptive similarity with any other brand or trade name. The first respondent has opposed their registration of trade mark under opposition No. BOM-134927 and the matter is pending with Trade Mark Registry, Mumbai. The first respondent has also filed a suit for infringement before the Hon'ble Delhi High Court which is also pending for adjudication under

C.S. (O.S.) No. 2176 of 2007.

3 . It is further stated that the first respondent have registered the impugned trade mark "FECONTIN" trade mark No. 939544 in Class 5. The Registration Certificate is annexed as Exhibit-D. But the first respondent is not using their trade mark "FECONTIN' and having registered the said trade mark they are prejudicing the rights of others as they were not using the impugned trade mark and the same is liable to be removed from the registry on the account of non use as per provision under Section 47(1) of the Trade Marks Act, 1999 (hereinafter referred as to the Act). The first respondent without using the impugned trade mark got it registered and initiated vexatious litigation against bonafide users like the applicants. They have not filed any evidence even in the civil suit to establish their use of the impugned trade mark which is a clear indication that the first respondent is not the bonafide user of the trade mark "FECONTIN". Mere registration without bonafide use renders the trade mark liable to be removed from the registry.

4 . The first respondent filed their counter statement denying the averments of the applicant. It is stated that they are the proprietor of trade mark "CONTIN" which is registered under No. 518594 dated 19/10/1989 in Class 5. They are also the registered proprietor of other trade marks having CONTIN as a common feature including CONTINUS, DELCONTIN, NITROCONTIN, INDICONTIN, ARCONTIN, BUCON CORBUCONTIN, DIUCONTIN-K, FECONTIN-F, etc. The products sold under these tra marks are being used extensively and acquired a secondary meaning being exclusively associated with the first respondent. The use of such similar mark on the part of another is bound to create an impression of being associated with the first respondent in one way or another. They have produced the copies of registration certificate marked as Annexure A1-A72. The trade mark "FECONTIN-F" is registered in the name of the first respondent under No. 518596 dated 19/10/1989 and the said trade mark has been well accepted in the trade. The said trade mark has acquired tremendous goodwill and reputation. They have produced the invoices under Annexure B1 - B395.

5. The first respondent further stated that the present rectification application is barred by limitation under Article 137 of the Limitation Act, as the applicant has admitted having knowledge about the registrations granted to the first respondent right from the year 1999. They have issued a legal notice dated 10/07/1999 and received reply dated 5/8/1999 filed as Annexure D1 - D2 to the counter. They have also filed the notice of opposition filed against the registration of the trade mark of the applicant under Annexure-E. It is claimed that apart from actual use as per provision under Section 55 of the Act, the use of an associated or substantially identical mark is equivalent to the use of other. They have placed reliance on the order of the interim injunction granted against the applicant's trade mark "FEMICONTIN" in 2010 (42 PTC 690 of the Hon'ble Delhi High Court dated 03/12/2009 which is marked as Annexure-F. It is stated that the present application is just a counterblast to the infringement proceedings

 

pending before the Hon'ble Delhi High Court without seeking an order under Section 124 of the Act.

6. The applicant's application No. 837309 dated 18/01/1999 for the registration of the trade mark "FEMICONTIN" is under opposition filed by the first respondent under Opposition No. BOM-134927. The applicant claimed that FEMICONTIN is proposed t be used and the said trade mark is deceptively similar to the first respondents prior registered trade marks FECONTIN and CONTIN. Therefore, it is stated that the presen application filed by the applicant is liable to be dismissed with costs.

7 . Mr. D. Venkata Reddy, the learned counsel for the applicant and Mr. N.K. Anand, the learned counsel for the respondent are present and put forward their respective submissions.

8 . Mr. D. Venkata Reddy, the learned counsel for the applicant would vehemently contend that the impugned trade mark FECONTIN is not used by the first respondent and they have not produced even a single document to establish the user status not even a single product available in the market under the name FECONTIN to establish the user status. Therefore, it is contended that the said non use of trade marks is liable to be removed from the trade mark register as per provision under Section 47 and 57 of the Act.

9 . The learned counsel would contend that the Annexure A1 - A72 filed by the first respondent are not in their name. It is contended that the first respondent also not using the trade mark CONTIN and the applicant filed ORA/80/2010/TM/MUM fo rectification and the same is pending for adjudication. It is submitted that the user status of FECONTIN-F cannot be accepted as the user status of trade mark FECONTI as both are separate trade marks and one cannot be complimented for another.

10. Article 137 of the Limitation Act is not applicable to the present case as the non user of trade mark of every day gives new cause of action. Equally, Section 55 of the Act is also not applicable to the present case in view of sub section (3) of Section 55 of the Act.

11. The learned counsel would submit that the first respondent has suppressed the material facts that the order of interim injunction granted by the learned single judge in C.S. (O.S.) No. 2176/2007 reported in 2010(42) PTC 690 (DEL) is set-aside by the Division Bench on 10/01/2013 in FAO (O.S.) No. 197/2010 and the main suit in C.S. (O.S.) No. 2176/2007 was ordered to disposed of. The learned counsel would further contend that the contentions of the first respondent that the trade mark "FEMICONTIN" of the applicant is similar to the trade mark FECONTIN-F is irrelevant to the issue involved in this matter. It is contended that both are totally different in many aspects and they also visually, phonetically or structurally different and even the contents of the tablets are also different and there are no chances of confusion among the consumers. It is also submitted that the cost of FEMICONTIN is lesser than the cost of FECONTIN-F.

 

Therefore, it is contended that the applicant has made out a case for rectification of the impugned trade mark of "FECONTIN"

12. The learned counsel in support of his contentions would place reliance on the following decisions.

"1. 2013 (56) PTC 529 (IPAB) - Wockardt Pvt. Ltd. v. Kamaron Laboratories Ltd.

2 . 2005 (30) PTC 651 (IPAB) 0 Ushodaya Enterprises v. Patiath Babu Rajendra & Anr.

3 . 2005 (30) PTC 353 (Del-DB) - Feddrers Lloyd Corporation Ltd. & Anr. v. Fedders Corporation

4 . 2012 (52) PTC 418 (DEL) - Smithkline Beecham Plc. & Anr. v. Sunil Sarmalkar

5 . IPAB Order No. 239/2013 dated 31/10/2013 in ORA/25, 26, 28 & 29/2005/TM/KOL - M/s. ITC Limited v. M/s. Cadbury Schweppes Overseas Ltd.

6 . IPAB Order No. 8/2012 dated 6/1/2012 in TRA/159/2004/TM/DEL - Ms. Pops Food Products (P) Ltd. v. M/s. Kellogg Company and others.

7. IPAB Order No. 23/2013 dated 8/2/2013 M.P. Nos. 178/2011 & 33/2012 in ORA/275/2009/TM/KOL, M.P. Nos. 82/2011, 176/2011, 177/2011, 32/2012 & 326/2012 in ORA/92/2010/TM/DEL & ORA/275/2009/TM/KOL and ORA/92/2010/TM/DEL"

1 3 . Per contra Mr. N.K. Anand, the learned counsel for the respondent would strenuously contend that the applicant has not made out a case for rectification of the trade mark FECONTIN of the first respondent and put forward the following contentions.

"a. CONTIN is the common feature of these trade marks and can be identified as the CONTIN family/series of trade marks.

b. One such pharmaceutical preparation manufactured by Respondent No. 1 and having the registered trade mark CONTIN as a common feature is marketed under the trade mark FECONTIN-F containing Ferrous Glycerine Sulphate equivalent to 100 mg. Ferrous Iron and Folic Acid I.P. 0.5 mg Tablets and the trade mark FECONTIN-Z containing the same composition with zinc. Copy of the trade mark application No. 715042 for FECONTIN-Z is annexed herewith as Annexure-1.

c. The trademarks FECONTIN-F and FECONTIN-Z have been well accepted in the trade. Respondent No. 1 has widely advertised its products under the CONTIN family/series of marks and the trademarks FECONTIN-F and FECONTIN-Z by distributing literature among persons in the medical profession and the trade and has incurred substantial expenditure. The domestic sales and advertisement expense figures are provided on page 6 of the counter statement while the international export and advertisement expense figures are provided on page 7of the counter statement. Copies of the domestic invoices and trade literature have been filed as Annexure B1 to B-295 and export invoices as Annexures-C1 to C-20 along with the counter statement.

d. It is pertinent to note that the impugned trade mark FECONTIN was also advertised on 28/10/2003 in Journal No. 1305(Suppl) with the note that it is associated with 518596 i.e. trademark FECONTIN-F. The said advertisement has been filed herewith as Annexure-2.

e. The trade mark FEMICONTIN of the applicant contains the same chemical composition as that of the FECONTIN-F and FECONTIN-Z products of the first respondent.

f. The trade mark FEMICONTIN is deceptively similar to Respondent No. 1s CONTIN family/series of marks and the trade mark FECONTIN-F and FECONTIN-Z.

g. There is a close affinity of sound between the first respondent's prior used and registered mark FECONTIN, FECONTIN-F and FECONTIN-Z and that of the applicant's FEMICONTIN as such the application for the cancellation of the registration of FECONTIN sought by the applicant cannot be allowed.

h. The application filed by the applicant is barred by limitation under Article 137 of the Limitation Act as it is admitted by the applicant that they are having knowledge about the registration of the impugned trade mark by the first respondent in the year 1999 itself.

i. The contention of the applicant that the impugned trade mark FECONTIN is different from FECONTIN-F, FECONTIN-Z and CONTIN and as such the impugned trade mark is liable to be rectified on the ground of non use is unacceptable in view of provision under Section 55 of the Act which expressly provides that use of a registered associated trade mark amounts to use of the other similar associated registered trade mark."

14. The learned counsel in support of his contentions would place reliance on the following decisions.

"1. 1982 PTC 185 - M/s. Rajasthan Snuff Factory, Beawar v. M/s. Gordhan Co. and Others

2. 2010 (42) PTC 690 (Del.) - Modi-Mundipharma Pvt. Limited v. Preet International Pvt. Ltd. & Anr."

15. We have given our careful and thoughtful consideration to the rival contentions put forward by either side and also scanned through the entire materials available on record.

16. The first and foremost contention of the learned counsel for the applicant is that the first respondent is not at all using the impugned trade mark "FECONTIN" and the mere registration without bonafide use renders the impugned trade mark liable to be removed from the register. The undisputed fact remains that the first

 

respondent is not using the trade mark FECONTIN. The perusal of the counter statement of the first respondent reveals that they have not made a whisper about the use of the impugned trade mark and on the other hand it is stated that the CONTIN family series of trade marks including FECONTIN-F have been used extensively and continuously and therefore acquired a secondary meaning exclusively associated with the first respondent. It is their contention that the use of associated or substantially identical trade mark is equivalent to the use of other as per provision under Section 55 of the Act.

Section 55 reads hereunder.

"55. Use of one of associated or substantially identical trade marks equivalent to use of another - (1) Where under the provisions of this Act, use of a registered trade mark is required to be proved for any purpose, the tribunal may, if and, so far as it shall. think right, accept use of a registered associate trade mark, or of the trade mark with additions or alterations not substantially affecting its identity, as an equivalent for the use required to be proved.

(2) The use of the whole of a registered trade mark shall, for the purpose of this Act, be deemed to be also use of any trade mark being a part thereof and registered in accordance with sub-section (1) of section 15 in the name of the same proprietor.

(3) Notwithstanding anything in section32, the use of part of the registered trade mark in sub-section (2) shall not be conclusive as to its evidence of distinctiveness for any purpose under this Act."

It is also relevant to refer Section 15 of the Act which reads hereunder.

"Section 15 (1) & (2)

15. Registration of parts of trade marks and of trade marks as a series - (1) Where the proprietor of a trade mark claims to be entitled to the exclusive use of any part thereof separately, he may apply to register the whole and the part as separate trade marks.

(2) Each such separate trade mark shall satisfy all the conditions applying to and have all the incidents of, an independent trade mark.

It is pertinent to note that Section 32 reads hereunder

32. Protection of registration on ground of distinctiveness in certain cases - Where a trade mark is registered in breach of sub-section (1) of section 9, it shall not be declared invalid if, in consequence of the use which has been made of it, it has after registration and before commencement of any legal proceedings challenging the validity of such registration, acquired a distinctive character in relation to the goods or services for which it is registered."

17. The reading of the above said provisions makes it crystal clear that the provision under section 55 (1) should be read along with the provisions under

 

Section 55 (2) & (3), 15 (1) and 32. Section 55 (1) cannot be construed and interpreted in isolation of the above said provisions.

18. As per provision under Section 15(1) where proprietor of a trade mark claims exclusive use of any part thereof separately he may apply to register the whole and the part as separate trademarks.

19. It is made clear as per provision under Section 55 (3) of the Act that the use of part of the registered trade mark in sub section (2) shall not be conclusive as to its evidence of distinctiveness. There is also a provision under the Act for the registration of associated trade marks. It is pertinent to note that the first respondent has not availed the above said remedies of separate registration of associated trade mark. By no stretch of imagination the first respondent could take shelter under Section 55 (1) of the Act.

20. The yet another factor to be borne in our mind is that the first respondent has stated in their counter about the registration of the list of trade marks which formed the family of CONTIN trademarks and among them the applicant herein has come forward with the present application for rectification of the impugned trade mark "FECONTIN" and it is seen that the applicant has also filed yet another application for rectification of the trade mark CONTIN and the same is pending in ORA/80/2010/TM/MUM for adjudication. The fact remains that the applicant has sought for the rectification of two trade marks as stated above from the series of the family of CONTIN trade marks on the ground of non use. Therefore, even as per the admitted case of the respondent they got the registration of series of trade marks under the CONTIN family and as contended by the learned counsel for the applicant that the first respondent is not using the impugned trade mark as they have not established the use by producing even a single document namely invoice etc. It is pertinent to note that the first respondent has acquired registration of the impugned trade mark FECONTIN under Trade Mark No. 939544 in the year 2000 itself, but they have not at all used the said trade mark till date as per the admitted version of the first respondent. Therefore, it is abundantly clear that the first respondent has miserably failed to prove their distinctiveness in respect of the impugned trade mark. Mere registration of the trade mark without bonafide use renders the impugned trade mark liable to be removed from the register. The very object of the trade mark law would be defeated if the impugned trade mark is allowed to remain in the register without any use. The object of the trade mark law is that a person should not be allowed to squat on a trade mark without actual and bonafide use of the same. It is relevant to refer the Division Bench decision of the Hon'ble Delhi High Court in 2005 (30) PTC 353 (Del.- DB) - Feddrers Lloyd Corporation Ltd. & Anr. v. Fedders Corporation held that

"23. Though the object of the Trade Marks Act is to protect the proprietary rights of a registered trademark holder at the same time the object is not to facilitate any monopoly of such registered trade mark holder, despite non use of the trade mark by him as contemplated by the Act. A trademark has no meaning, even if it is registered, unless it is used in relation to goods and/or services. A Trademark which drops out of the use, dies when there are no goods offered for sale as there is no use of the trademark (emphasis supplied by us). The mark can lose its distinctiveness by non use, where non use is on the part of registered trade mark holder but not on account of external factors beyond the control of such registered trade mark holder."

The principle laid down in the decision cited supra is squarely applicable to the issue involved in this matter as in the instant case also the first respondent inspite of the registration of the impugned trade mark not used the same. Therefore in view of the aforesaid factors, the non use of the impugned trade mark by the first respondent renders the impugned trade mark FECONTIN is liable to be cancelled.

2 1 . We are unable to countenance the contention of the learned counsel for the respondent that the present rectification application filed by the applicant is barred by Limitation Act under Article 137 on the ground that the applicant is having the knowledge from the year 2000 for the simple reason that the non user of trade mark of everyday gives rise to fresh cause of action. The learned counsel for the applicant also rightly placed reliance on the decision of the Division Bench of the Hon'ble Delhi High Court in 2005 (30) PTC 353 - Feddrers Lloyd Corporation Ltd & Anr. v. Fedders Corporation in the said decision, the Hon'ble Delhi High Court held that

"47. On a conjoint reading of the provisions under the Trade and Merchandise Marks Act, 1958 and the Limitation Act, 1963, it is apparent that the application under Section 46 of the Act can be filed after there has been 'non-use' of the trade mark for a continuous period of five years and one month. The provision does not contemplates that the application has to be filed just after completion of five years and one month of 'non use' and cause of action will crystallize on that date irrespective of continuous non use by the proprietor of trade mark. The provision also does not stipulate as to when the cause of action will start. Emphasis is not on the time when the cause of action will start but that at the time of filing the application, a continuous period of five years and one month must elapse of such non use before an application can be filed. Thus, what is relevant is not when the right to sue commenced but when the right to sue matured for institution of the application under Section 46 of the Trade & Merchandise Marks Act, 1958. The non use in such case on everyday gives a new cause of action and will not extinguish on account of earlier 'non use'. The respondent No. 1 had not been using the trade mark continuously for five years and one month prior to the institution of the application and the respondent No. 1 relied on special circumstances on account of the ban imposed under the Import Policy for import of such articles. Before the institution of application under Section 46 of the Act in 1982, the respondent No. 1 had not been using the trade mark for five years one month prior to institution of application by the appellants. We are also not in agreement with the view that since rectification application under section 46 of the act is an application governed by the provisions of Civil Procedure Code before the High Court, consequently provisions of Limitation Act, 1963 would govern the rectification application as enunciated in Patel Field Marshal Agencies v. P.M. Diesels Ltd., 1998 (18) PTC 463 and Patel Field Marshal Agencies v. P.M. Diesels Ltd., 1999 (19) PTC 718. It is not in dispute that there is no specific article of Limitation Act, 1963 which governs the period of limitation for maintaining an application under section 46 of Trade & Merchandize Marks Act, 1958. As Section 46 of the Act itself provides a period for non use to maintain an application, incorporating any further limitation will be contrary to intention of legislature. In our opinion, residuary article 137 of the Limitation Act, 1963 will not govern the applications under section 46 of the Trade Merchandize and Marks Act, 1958. Thus, it cannot be inferred that the application of the appellants under Section 46 of Trade & Merchandise Marks Act, 1958 was barred by limitation under Article 137 of the Limitation Act. The finding of the learned Single Judge that the application of appellants was barred by limitation under Article 137 of the Limitation Act, 1963 is erroneous and is accordingly set aside."

The principle laid down in the decision cited supra is squarely applicable to the instant case as per the reasons assigned earlier.

22. As far as the Civil proceedings are concerned initiated for infringement by the first respondent against the applicant herein, it is seen that the first respondent is not having any order of injunction in their favour as on date in view of the orders passed in FAO (OS) No. 197/2010 wherein the interim injunction granted by the learned single judge in C.S. (O.S.) No. 2176/2007 reported in 2010 (42) PTC 690 (DEL) is set-aside by the Division Bench on 10/01/2013 in FAO (O.S.) No. 197/2010 and the main suit in C.S. (O.S.) No. 2176/2007 was ordered to disposed of.

23 . It is also pertinent to note that the application filed by the applicant for the registration of the trade mark "FEMICONTIN" is pending in the opposition proceedings in Opposition No. BOM-134927 before the Registrar of Trade Marks for adjudication. That being the position, we are not inclined to go into to the question of deceptive similarity between trade mark FEMICONTIN of the applicant and the FECONTIN-F of the first respondent. It is open to both of them to establish their claim in the above said proceedings.

2 4 . For the foregoing reasons, we are constrained to allow the application No. ORA/79/2010/TM/DEL as the impugned trade mark was not put to use right from the year 2000 till date. Accordingly, the impugned trade mark FECONTIN under application No. 939544 in Class 5 deserves to be expunged from the register. The respondent No. 2, the Registrar of Trade Marks, New Delhi is directed to remove the impugned trade mark FECONTIN within a period of four weeks from the date of receipt of the order copy of this Bench.

 