

(2005) 01 IPAB CK 0003

In the Intellectual Property Appellate Board

Case No : Transferred Appeal No. 21/2003/TM/CH

Unique Pharmaceutical Laboratories Limited

APPELLANT

Vs

Sun Pharmaceutical Industries Ltd. And The Deputy Registrar
Of Trade Marks

RESPONDENT

Date of Decision : 20-01-2005

Acts Referred:

Trade Marks Act, 1999 — Section 100

Trade And Merchandise Marks Act, 1958 — Section 9, 11(a), 11(e), 12(1), 12(3), 18(1)

Citation : (2005) 31 PTC 226(IPAB)

Hon'ble Judges : S. Jagadeesan, J;Raghubir Singh, J

Bench : Division Bench

Advocate : Badri Narayanan, A. Ramesh Kumar

Final Decision : Allowed

Judgement

Raghubir Singh, J

1. TMA 5/99 filed in the High Court of Judicature at Madras has been transferred to this Board in terms of section 100 of the Trade Marks Act, 1999

and has been numbered as TA/21/2003.

2. First respondent herein filed application for registration of trade mark consisting of the word 'PEDIVIT' under application No. 500186 in class 5 in

respect of medicinal and pharmaceutical preparations for human use being goods included in class 5. The user claimed for the said mark is since

November, 1983. After preliminary examination by the Registrar of Trade Marks, the application was advertised in the Trade Marks Journal No. 1107

dated 16.7.1995 at page 1255.

3 . Appellant herein gave notice of opposition to the aforesaid application on the grounds that the appellant are the registered proprietors of the trade

mark 'PEDIVIT' under trade mark application No. 193587 in class 5 as of 7.12.1959 in respect of medicinal and pharmaceutical preparation. By

reason of open, continuous and extensive user, their mark has acquired enviable reputation and goodwill amongst the public and trade. The impugned

mark is identical to the appellant's trade mark and the goods in respect of which the registration is sought are the same. Thus it is prohibited under

section 12(1) of the Trade and Merchandise Marks Act, 1958 (hereinafter referred to as the Act). The impugned trade mark is likely to cause

deception and confusion and thus is violative of section 11(a) and 11(e) of the Act. The impugned mark is not entitled for registration under section

12(3) of the Act also. The mark of the respondent is neither adapted to distinguish nor capable of distinguishing the goods of the respondent within the

meaning of section 9 of the A c t. The adoption and use of the mark by the first respondent is dishonest, suspicious and tainted. Thus they cannot

claim to be proprietor of the said mark. Thus the mark is contrary to sections 9, 11(a), 11(e), 12(1), 12(3) and 18(1) of the Act. In due course the

counter statement by the respondent, evidence in support of opposition by the appellant etc., were filed.

4. The Deputy Registrar of Trade Marks took up the matter for hearing on 14.1.1999. The Deputy Registrar had no difficulty in arriving at the

conclusion that the impugned mark is not entitled for registration under section 12(1) of the Act as the goods happen to be the same being medicinal

and pharmaceutical preparation and the mark being phonetically, visually and structurally being the same. However, he proceeded to examine the

eligibility of the mark under section 12(3) of the Act and came to the conclusion that by evidence the respondent has proved his user from November,

1983 as claimed, the impugned mark qualifies for registration under section 12(3) of the Act. The basis of his finding is that over a long period the first

respondent has built up his user of the mark. The first respondent in fact had put in an application for registration of the mark being application No.

404528 dated 20.4.1983 in class 5 on the basis of a proposed user and started using the said mark since November, 1983 in respect of Vitamin 'A'

solutions. Registrar of Trade Marks had raised preliminary objection under section 12(1) of the Act and since the period of user was too short at that

time which would have entitled the first respondent for the benefit of registration under section 12(3) of the Act, the application was withdrawn and

the first respondent continued making use of the mark. Thus the Deputy Registrar was of the view that by its long usage it had earned necessary eligibility for grant of registration under section 12(3) of the Act. In matter of his examination under section 11(a) of the Act the Deputy Registrar held a view that in the absence of any evidence as to the sale made and commercial use made by the appellant, it is difficult for him to sustain the objection under section 11(a) of the Act. For the same reasons he held against the appellant under section 11(e) of the Act. He found no evidence to disentitle the first respondent under section 18(1) of the Act. In the end result, the Deputy Registrar ordered for registration of the mark under section 12(3) of the Act.

5. The appellant has filed his appeal raising the issues that the Deputy Registrar has committed error in interpretation of sections 12(1) and 12(3) of the Act. The Deputy Registrar was aware that the first respondent had full knowledge of his registration in 1983 and had withdrawn the application and again applied under impugned application 500186 on 1.11.1988. The user of the first respondent was tainted right from the beginning and any amount of subsequent user cannot make it an honest user under section 12(3) of the Act. The matter of user of the appellant from 1970 to 1993 is a matter of record and requires no proof. The Deputy Registrar should have taken due note of that. Indian Pharmaceutical Guide published from 1977 to 1993 did make a mention of the product 'PEDIVIT' of the appellant. A strict interpretation of provision of section 12(3) of the Act should have been taken. The Deputy Registrar was wrong also in the interpretation of provisions of sections 11(a) and 11(e) of the Act.

6 . The appeal was taken up for hearing on 12.1.2005. Learned counsel Shri Badri Narayanan appeared on behalf of the appellant and learned counsel Shri A. Ramesh Kumar appeared on behalf of the first respondent.

7 . It may be mentioned at the outset that since filing of the appeal there had been certain changes in the ownership of the first respondent company.

The erstwhile company Tamil Nadu Dada Pharmaceuticals Limited has been taken over by Sun Pharmaceutical Industries Limited. MP No. 60 of

2004 was moved by Tamil Nadu Dada Pharmaceuticals Limited for impleading M/s Sun Pharmaceutical Industries Limited in substitution thereof

which was allowed by the Board in its order dated 10.01.2005. Hence any

reference to first respondent in this order should be construed accordingly from that date.

8. We have carefully gone through the order of the learned Deputy Registrar of Trade Marks and the appeal filed by the appellant and have carefully

heard both the counsel . Registration of the appellant's mark is since 1977 in relation to pharmaceutical and medicinal preparations. The first

respondent is very much a late entrant and its user of the mark is tainted with dishonesty from the beginning. Knowing it well that the mark with the

same name is on the Register, it had chosen to use quite a similar mark. It is phonetically, visually and structurally quite similar to the appellant's mark.

The goods for which it is to be used are the same and again the difficulty is that neither the first respondent's mark nor the appellant's mark is for a

specific medicine. These are generally for pharmaceutical and medicinal preparations. Thus the impugned mark suffers from the provisions of section

12(1) of the Act. It is neither distinctive nor adapted to distinguishing under section 9 of the Act, as right from the day it is being used it had no

distinctiveness since there is already a mark in usage in relation to the same products. Thus the mark does not clear the scrutiny of section 9 of the

Act as well which the learned Deputy Registrar ignored to examine even after having identified it as one of the area of examination. It cannot be

anybody's case that in view of the established similarity of the goods there cannot be any confusion or deception for the purposes of section 11(a) of

the Act. Thus the mark is not entitled for registration in either of counts of sections 9, 11(a) and 12(1) of the Act. Since from the day the mark has

been designed or is being used, the dishonesty in use thereof is manifest. In view of that, the user of the mark cannot have any claim or proprietorship

of the mark for the purposes of section 18(1) of the Act. Any benefit of section 12(3) requires that the applicant should come with clean hands and

with honest intention. If he is aware that there is a similar mark in use and that too in relation to similar goods he should keep himself away from the

adoption of such a mark in relation to his products. Here, having made an attempt in 1983 for registration of the mark and having been told by the

Registrar of Trade Marks that it does not muster the scrutiny of section 12(1) of the Act and thus having retreated backwards for some time, instead

of looking for some other mark, the first respondent continued using the mark

waiting for an opportunity to make another application which was made in the year 1988. The law in this regard is well laid down and more so in face of judgment in Cadila Health Care Ltd. Vs. Cadila Pharmaceuticals

Ltd., 2001 PTC 541 (SC) which leaves little doubt in matter of treatment of the registration for trade marks relating to medicines and pharmaceuticals.

We are of the firm opinion that the Deputy Registrar has wrongly opted to grant registration under section 12(3) of the Act having come to the

conclusion that the mark fails under the scrutiny of section 12(1), we feel that the mark does not meet the requirements of section 9, 11(a) and 18(1)

of the Act.

9 . In view of the above we allow the appeal and set aside the order of the Deputy Registrar of Trade Marks and thus the mark shall not proceed for

registration. The opposition of the appellant is accepted. No orders as to costs.