* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

% **Reserved on: 19.12.2016**
Decided on: 16.01.2017

\+ CS(COMM) 506/2016 & I.A.2589/2013 (u/O 39 R 1 & 2 CPC)

M/S MOREPEN LABORATORIES LTD ..... Plaintiff

Through: Mr.Lokesh Chopra, Advocate

versus

M/S EAST WEST PHARMA ..... Defendant

Through: Defendant is ex-parte.

CORAM:
HON'BLE MS. JUSTICE DEEPA SHARMA

JUDGMENT

1. The case of the plaintiff in brief is that it has been manufacturing and marketing the medicines since the year 1995 under the brand name 'DOM DT' under Licence No. MB/96/5 and MNB 96/6 which is used for suppressing the stomach infection, nausea and vomiting and that it is the registered trademark under Class 5 and valid up to 14.08.2019. The plaintiff has also given the sales figures as well as the expenditure incurred by it on the publicity, advertisement and marketing for the said trademark.

2. It is submitted that in third week of January, 2013 the plaintiff company came to know through one of its sales team member that defendant

under the brand name 'DOM' was manufacturing the medicine for curing stomach infection, nausea and vomiting. Hence, it was contended that their brand name DOM has deceptively similar name and this act of the defendant is causing immense financial loss to the plaintiff company. It is submitted that the defendant is not only selling the counterfeit medicine but also infringing the plaintiff's registered trademark by branding its medicine as DOM.

3. This Court vide order dated 15.02.2013 while issuing the notice to the defendant of the suit as well as application for grant of *ex-parte* injunction restrained the defendant by way of an *ex-parte* injunction. Notices were duly served upon the defendant but none on its behalf had attended the court proceedings and they were proceeded *ex-parte* by this Court vide order dated 21.11.2013, absolute till the disposal of the suit.

4. The plaintiff led the *ex-parte* evidence and examined Mr. Deepak Talwar. The witness has duly proved the board resolution as Ex. PW 1/1 authorising him to represent the plaintiff company. He has proved on record the copy of incorporation certificate of the company as Ex. PW 1 /2. He has also duly proved that the plaintiff company is engaged in manufacturing and marketing the medicine under the brand name DOM DT under the Licence

No. MB/96/5 and MNB 96/6 which is used for suppressing stomach infection, nausea and vomiting since 1995 and also is owner of the registered trademark and also is owner of the registered trademark of the brand name DOM DT from the year 14.08.1995 which was renewed from time to time and valid up to 14.08.2019. All these documents are proved as Ex. PW 1/3. He has also proved that the product of the plaintiff's company qualifies to the standards of US Food and Drug Administration (USFDA) and World Health Organisation Good Manufacturing Unit (WHO GMP). He has further deposed that the plaintiff company caters directly upto 75000 outlets in India through its sales team consisting of about 1000 people. The various invoices are exhibited as PW 1/ 4 and the list of stockists is exhibited as PW 1 / 5. The certificate of the Chartered Accountant dated 18.12.2012 issued on the basis of audited balance sheets of the plaintiff company for the year 2007 to 2012, showing that the turnover/sale and the expenditure with respect to this trademark is exhibited as Ex. PW 1/6.

5. He has further deposed that the defendant is a pharmaceutical manufacturing unit who is carrying out its manufacturing in District Haridwar, Uttarakhand. He has further deposed that one of the sales man of the plaintiff company came to know that defendant company is selling the

medicine under the brand name DOM for curing stomach infection, nausea and vomiting. The original strip/medicine of plaintiff's mark DOM DT is exhibited as Ex. PW 1/ 7 and original strip/medicine of defendant's mark DOM is exhibited as Ex. PW 1 /8. The witness has deposed that the medicine manufactured by the defendant under the name DOM is for the same purpose for which the plaintiff is manufacturing the medicine under the brand name DOM DT and the salt composition of both the medicine is also the same. The manufacturing licence of the defendant is shown as 12/UA/2010 and it is deposed that the defendant started using DOM from the year 2010 with the sole intention to encash goodwill and reputation of the plaintiff company. The plaintiff company is selling the said medicines since 1995 and has earned substantial reputation. It is submitted that defendant is using the deceptively similar name with an intention to deceive the consumer.

6. It is further deposed that although the said medicine is Schedule 'H' drug which requires prescription from the doctors, however, normally patients, customers or buyers buys medicines for stomach infection, nausea and vomiting from the pharmacist or the shopkeepers directly without any prescription as these infections are very common infections and thus would

buy the defendants' drug thinking it to be that of plaintiff and thus the defendant is passing off their goods as that of the plaintiff to the customer.

7. I have heard the arguments and perused the relevant record.

8. Learned counsel for the plaintiff has relied on the findings of the judgment of Supreme Court in ***Cadila Health Care Ltd. Vs. Cadila Pharmaceuticals Ltd., AIR 2001 SC 1952*** and has alleged that the suit be decreed. The plaintiff's witness proved by his uncontradictory testimony that plaintiff is the registered owner of the trademark DOM DT which is valid till 14.08.2019 and that they are in the market since 1995 for the medicine for stomach infection, nausea and vomiting. He has also proved on record that plaintiff's company has earned the goodwill and reputation. In **Cadila Health Care** (supra), Supreme Court has held as under:-

> "*18. We are unable to agree with the aforesaid observations in Dyechem's case (supra). As far as this Court is concerned, the decisions in the last four decades have clearly laid down that what has to be seen in the case of a passing off action is the similarity between the competing marks and to determine whether there is likelihood of deception or causing confusion. This is evident from the decisions of this Court in the cases of National Sewing Thread Co. Ltd.'s case (supra), Corn Products Refining Company's case (supra), Amritdhara Pharmacy's case (supra), Durga Dutt Sharma's case (supra), Hoffmann-La Roche & Co. Ltd.'s case*

(supra). Having come to the conclusion, in our opinion incorrectly, that the difference in essential features is relevant, this Court in Dyechem's case (supra) sought to examine the difference in the two marks "PiKnic" and "Picnic". It applied three tests, they being 1) is there any special aspect of the common feature which has been copied? 2) mode in which the parts are put together differently i.e. whether dissimilarity of the part or parts is enough to make the whole thing dissimilar and 3) whether when there are common elements, should one not pay more regard to the parts which are not common, while at the same time not disregarding the common parts?. In examining the marks, keeping the aforesaid three tests in mind, it came to the conclusion, seeing the manner in which the two words were written and the peculiarity of the script and concluded that "the above three dissimilarities have to be given more importance than the phonetic similarity or the similarity in the use of the word PICNIC for PIKNIK".

19. With respect, we are unable to agree that the principle of phonetic similarity has to be jettisoned when the manner in which the competing words are written is different and the conclusion so arrived at is clearly contrary to the binding precedent of this Court in Amritdhara's case (supra) where the phonetic similarity was applied by judging the two competing marks. Similarly, in Durga Dutt Sharma's case (supra), it was observed that "in an action for infringement, the plaintiff must, no doubt, make out that the use of the defendant's mark is likely to deceive, but where the similarity between the plaintiffs and the defendant's mark is so close either

visually, phonetically or otherwise and the court reaches the conclusion that there is an limitation, no further evidence is required to establish that the plaintiffs rights are violated".

20. Lastly, in Dyechem's case (2000 AIR SCW 2172 : AIR 2000 SC 2114 : 2000 CLC 1338) (supra) it was observed in Para 54 (of SCC): (Para 53 of AIR SCW, AIR CLC) as under:

"As to scope of a buyer being deceived, in a passing-off action, the following principles have to be borne in mind. Lord Romer, L.J. has said in Payton & Co. Vs. Shelling, Lamped & Co. (1900) 17 RPC 48 that it is a misconception to refer to the confusion that can be created upon an ignorant customer that the courts ought to think of in these cases is the customer who knows the distinguishing characteristics of the plaintiffs goods, those characteristics which distinguish his goods from other goods in the market so far as relates to general characteristics. If he does not know that, he is not a customer whose views can properly be regarded by the Court. (See the cases quoted in N.S. Thread & Co. Vs. Chadwick & Bros. AIR 1948 Mad 481 which was a passing-of action.) In Schweppes Case (1905) 22 RFC 601 (HL) Lord Halsbury said, if a person is so careless that he does not look and does not treat the label fairly but takes the bottle without sufficient consideration and without reading what is written very plainly indeed up the face of the label, you cannot say he is deceived."

These observations appear to us to be contrary to the decision of this Court in Amritdhara's case (supra) where it was observed that the products will be purchased by both villagers and town folk,

literate as well as illiterate and the question has to be approached from the point of view of a man of average intelligence and imperfect recollection. A trade may relate to goods largely sold to illiterate or badly educated persons. The purchaser in India cannot be equated with a purchaser of goods in England. While we agree that in trade mark matters, it is necessary to go into the question of comparable strength, the decision on merits in Dyechem's case (supra) does not, in our opinion, lay down correct law and we hold accordingly.

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32. Public interest would support lesser degree of proof showing confusing similarity in the case of trade mark in respect of medicinal product as against other non-medicinal products. Drugs are poisons, not sweets. Confusion between medicinal products may, therefore, be life threatening, not merely inconvenient. Nothing the frailty of human nature and the pressures placed by society on doctors, there should be as many clear indicators as possible to distinguish two medicinal products from each other. It is not uncommon that in hospitals, drugs can be requested verbally and/or under critical/pressure situations. Many patients may be elderly, infirm or illiterate. They may not be in a position to differentiate between the medicine prescribed and bought which is ultimately handed over to them. This view finds support from McCarthy on Trade Marks, 3rd Edition, para 23.12 of which reads as under:

"The tests of confusing similarity are modified when the goods involved are medicinal products. Confusion of source or product between medicinal products may produce physically harmful results to purchasers and greater protection is required than in the ordinary case. If the goods involved are medicinal products each with different effects and designed for even subtly different uses, confusion among the products caused by similar marks could have disastrous effects. For these reasons, it is proper to require a lesser quantum of proof of confusing similarity for drugs and medicinal preparations.

The same standard has been applied to medical products such as surgical sutures and clavicle splints."

33. The decisions of English Courts would be relevant in a country where literacy is high and the marks used are in the language which the purchaser can understand. While English cases may be relevant in understanding the essential features of trade mark law but when we are dealing with the sale of consumer items in India, you have to see and bear in mind the difference in situation between England and India. Can English principles apply in their entirety in India with no regard to Indian conditions? We think not. In a country like India where there is no single common language, a large percentage of population is illiterate and a small fraction of people know English, then to apply the principles of English law regarding dissimilarity of the marks or the customer knowing about the distinguishing characteristics of the plaintiffs goods seems to over look the ground realities in India: While

examining such cases in India, what has to be kept in mind is the purchaser of such goods in India who may have absolutely no knowledge of English language or of the language in which the trade mark is written and to whom different words with slight difference in spellings may sound phonetically the same. While dealing with cases relating to passing off, one of the important tests which has to be applied in each case is whether the misrepresentation made by the defendant is of such a nature as is likely to cause an ordinary consumer to confuse one product for another due to similarity of marks and other surrounding factors. What is likely to cause confusion would vary from case to case. However, the appellants are right in contending that where medicinal products are involved, the test to be applied for adjudging the violation of trade mark law may not be at par with cases involving non-medicinal products. A stricter approach should be adopted while applying the test to judge the possibility of confusion of one medicinal product for another by the consumer. While confusion in the case of non-medicinal products may only cause economic loss to the plaintiff, confusion between the two medicinal products may have disastrous effects on health and in some cases life itself Stringent measures should be adopted specially where medicines are the medicines of lest resort as any confusion in such medicines may be fatal or could have disastrous effects. The confusion as to the identity of the product itself could have dire effects on the public health. "

9. From the above, I am satisfied that the plaintiff is entitled to the relief claimed. Accordingly, the suit is decreed and by way of this ex-parte order, the defendant, its partners, principal servants, employees, representatives, agents are hereby restrained from selling, using, advertising the medicine under the brand name 'DOM' or any other identical or deceptively similar name to the Plaintiff's Company medicine 'DOM DT' in respect of medicine used for stomach infection, nausea and vomiting.

Decree Sheet be prepared.

DEEPA SHARMA
(JUDGE)

JANUARY 16, 2017
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