

IN THE HIGH COURT OF DELHI AT NEW DELHI

SUBJECT : TRADE MARK MATTER

W.P. (C) No. 8198/2008 & CM 15758/2008

Reserved on: 10th May 2011

Decision on: 4th July 2011

UNITED BIOTECH PVT. LTD.

.....Petitioner

Through: Mr. Hemant Singh with Ms. Mamta
Singh and Mr. Sumit Rajput, Advocates.

Versus

ORCHID CHEMICALS AND

PHARMACEUTICALS LTD. AND ORS.

.....Respondents.

Through: Ms. Gladys Daniel with Mr. S. Santanam
Swaminadhan, Advocates.

CORAM: JUSTICE S. MURALIDHAR

1. The challenge in this petition by United Biotech Pvt. Ltd. ('UBPL') is to an order dated 14th October 2008 passed by the Intellectual Property Appellate Board ('IPAB') allowing an application filed by Respondent No. 1 Orchid Chemicals and Pharmaceuticals Ltd. ('OCPL') seeking removal of the trade mark FORZID registered under No. 1144258 as of 18th October 2002 in Class 5 from the Register of Trade Marks.

Background facts

2. The Petitioner UBPL states that it is, inter alia, engaged in the manufacturing and selling of pharmaceutical preparations including injections bearing the trade mark FORZID. UBPL claims that since 2002 it took steps to launch CEFTAZIDIME injections in the market under the trade mark FORZID. It entered into a licence agreement with M/s. Oscar Remedies Pvt. Ltd. ('ORPL'), Haryana for manufacturing FORZID injections. UBPL made an application for registration of the said trade mark under No. 1144258 dated 18th October 2002 in Class 5. The said mark was advertised in Journal Mega dated 25th November 2003. The registration was granted unopposed. The sales figures of UBPL's products under the trade mark FORZID for the years 2002-03 till 2006-07 have been set out in the writ petition.

3. According to UBPL the mark FORZID is adopted from the words 'FOR' and 'ZID', the latter being derived from the generic drug ceftaZIDime. UBPL claims that there are several manufacturers of CEFTAZIDIME injections using trade marks with the suffix 'ZID' which is stated to be common to trade. UBPL states that FORZID is an invented word coined by it. The mark is unique and identifies exclusively with the products manufactured by UBPL. FORZID injection is a Schedule H drug and can be sold only on the written prescription of a registered medical practitioner.

4. Respondent No. 1 OCPL also manufactures CEFTAZIDIME injections. It does so under the trade mark ORZID. ORPL, the licensee of UBPL, purchases the bulk drug CEFTAZIDIME from OCPL to manufacture FORZID injections for UBPL. It is stated that CEFTAZIDIME sterile powder is the basic bulk drug for manufacture of UBPL's FORZID injection and OCPL's ORZID injection. UBPL claims that OCPL was aware, at least from 2003, that UBPL was marketing CEFTAZIDIME injections using the trade mark FORZID. UBPL further states that its FORZID product and OCPL's ORZID product were listed on the same page of the annual pharmaceutical book "Drug Today" continuously in 2005, 2006 and 2007.

5. UBPL claims that the colour scheme, getup and layout of the UBPL's FORZID labels are completely different from those of OCPL's ORZID labels. Further, it is claimed that UBPL's FORZID injections are sold to various hospitals and central government organisations and there is no single instance of actual or potential confusion being reported anywhere.

6. OCPL claims that in the course of its business in 1999 OCPL coined and adopted the unique trade mark ORZID with respect to a pharmaceutical preparation containing the active pharmaceutical ingredient CEFTAZIDIME. OCPL obtained manufacturing licence for the product marketed under the trade mark ORZID on 18th December 1998 and on 8th January 1999 with respect to export sale and domestic sale respectively. OCPL states that it commenced manufacture and sale of CEFTAZIDIME formulation under the trade mark ORZID in May 1999. On 6th September 1999 OCPL applied for and obtained registration of the trade mark ORZID under No. 874808 in Class 5 in respect of medicinal and pharmaceutical preparations claiming use of the mark since May 1999. The application was advertised in the Trade Mark Journal No. 1291 (S) dated 13th March 2003. There was no opposition to this application.

7. OCPL states that when it became aware of the use of the deceptively similar trade mark FORZID by UBPL in the month of September 2007, it filed CS No. 1027 of 2007 in the High Court of Madras to seek a permanent injunction to restrain UBPL from infringing OCPL's registered trade mark ORZID. OCPL also filed O.A. No. 1275 of 2007 seeking interim injunction to restrain UBPL from infringing the registered trade mark ORZID by using the impugned trade mark FORZID. On 22nd November 2007, OCPL obtained an ex-parte interim injunction in the aforementioned O.A. No. 1275 of 2007.

8. OCPL claims that only when UBPL filed a counter affidavit to OCPL's application for interim injunction that OCPL became aware that the registration for the trade mark FORZID has been granted in favour of UBPL. Taking note of this fact, the High Court of Madras by an order dated 15th February 2008 dismissed OCPL's application for interim injunction as far as infringement of the trade mark ORZID was concerned. The High Court noted that "as on date, there is no application taken out by the plaintiff (OCPL) for an interim order of injunction restraining the defendant (UBPL) from passing off." In the said order, the High Court also noted that in view of the statement made by UBPL, OCPL intended to initiate proceedings for rectification of the mark FORZID.

The order of the Madras High Court refusing OCPL interim injunction

9. OCPL then filed OA No. 187 of 2008 seeking to restrain UBPL from passing off its pharmaceutical preparation using the trade mark FORZID. By a detailed order dated 30th April 2008, learned Single Judge of the High Court of Madras dismissed OA No. 187 of 2008 and held that OCPL would not be entitled to an injunction as prayed for "despite the fact that the plaintiff (OCPL) is admittedly the prior user of the trade mark and despite the fact that both the marks "ORZID" and "FORZID" per se have phonetic similarity." The reasons given by the learned Single Judge were as under:

(a) UBPL has been using the trade mark FORZID for the past six years. Though this would not constitute acquiescence under Section 33 especially since the plaintiff (OCPL) claims no knowledge till 2007, it would be a pointer to where the balance of convenience lies.

(b) While the OCPL's product was available only in vials of 250 mg for a price of Rs. 75/-, UBPL's product was available in vials of 1 gm (1000 mg) and 2 gm (2000 mg) for a price of Rs. 310/- and Rs. 575/- respectively. This fact, coupled with the

fact that “there is only phonetic similarity and also the fact that it is a Schedule “H” drug would disentitle the plaintiff (OCPL) to an order of injunction.”

(c) The judgment of the Supreme Court in *Cadila Health Care Ltd. v. Cadila Pharmaceutical Ltd.* AIR 2001 SC 1952 mandating a higher standard in case of medicinal products may “not hold good in the present case” since “a more rigorous test” was prescribed only where the two competitive drugs “had a marked difference in the compositions with complete different side effects.”

(d) OCPL had not initiated any action against ORPL which was by itself independently marketing CEFTAZIDIME injections under a deceptively similar mark ORZID.

(e) OCPL had successfully defended an application for injunction in respect of another medicinal product ‘Meromer’ before the Delhi High Court in *Astrazeneca UK Ltd. v. Orchid Chemicals and Pharmaceuticals Ltd.* 2006 (32) PTC 33. There the High Court had negated the plea that OCPL’s ‘Meromer’ was deceptively similar to the Petitioner Astrazeneca’s trade mark ‘Meronem’ since ‘Mero’ which was common to both marks was a generic word having its root in the active pharmaceutical ingredient and had to be ignored while making a comparison of the two marks.

(f) The word ‘ZID’ was generic. The Drug Today Yearbook for 2005 showed that there were more than sixty companies manufacturing the same product and the names adopted by all of them had been derived from the active ingredient CEFTAZIDIME: they had taken ‘CEF’ or ‘CEFTA’ or “ZID’ or “DIME’ as part of the trade mark.

10. At the time when OCPL's application for rectification was taken up for hearing by the IPAB, the appeal, OSA No. 290 of 2008, filed by OCPL was pending before the Division Bench of the Madras High Court. It was argued before the IPAB on behalf of UBPL that in view of the rejection by the learned Single Judge of the Madras High Court of OCPL's prayer for interim injunction, OCPL's application for rectification of UBPL's trade mark FORZID should also be rejected. The IPAB in its impugned order, appears to have erroneously noted that OA No. 187 of 2008 filed by OCPL seeking interim injunction in the Madras High Court was "pending" when in fact it was the appeal against the order dated 30th April 2008 of the learned Single Judge dismissing the aforementioned OA No. 187 of 2008 which was pending before the Division Bench of that High Court.

The impugned order of the IPAB

11. The IPAB in its impugned order dated 14th October 2008 first held that OCPL had the locus standi to maintain the rectification application. The IPAB allowed the rectification application and directed the removal of the impugned trade mark FORZID under No. 1144258 in Class 5 from the Register of Trade Marks. The findings of the IPAB may be summarised thus:

(a) FORZID cannot be said to be phonetically altogether dissimilar to ORZID. When pronounced, both marks give "only a slightly different sound but structurally and visually the marks ORZID and FORZID have close resemblance to each other."

(b) When comparing the competing marks as a whole without dissecting, it is seen that "apart from the letter 'F' in the mark of Respondent No.1 (UBPL) the two marks are identical". The letter 'F' was not such as would enable the buyers to distinguish the one mark from the other. "Due to overall close structural and visual similarity the unwary purchaser will be deceived or confused."

(c) There was no material placed on record to show that UBPL had widely advertised its marks since 2002. The mere fact that OCPL has been selling bulk drugs to various companies would not enable it to know what products were being manufactured from the said bulk drug and under what trade mark.

(d) The fact that OCPL did not oppose the application for registration of FORZID showed that it was not aware of the filing of such application. Merely because FORZID and ORZID appeared on the same page of Drugs Today 2005 did not by itself prove that OCPL was aware of the use of FORZID by UBPL prior to 2007.

(e) FORZID was not only a slavish copy of OCPL's ORZID but UBPL had "submerged the trade mark" of OCPL "in its entirety in the impugned trade mark 'FORZID'." OCPL had been using ORZID since 1999 and had also obtained prior registration. Therefore, the adoption of trade mark 'FORZID' by UBPL subsequent thereto gave rise to serious doubts about the bona fide adoption of the impugned trade mark by UBPL. The registration obtained by UBPL was hit by Section 9 (1) (a) and (2)(a) and Section 11 (1) and 2(a) of the Trade Marks Act, 1999 ('TM Act, 1999').

(f) The submission of UBPL that 'ZID' was common to trade "was not sustainable in the absence of any proof that the names/marks occurring in the Drugs Today 2005 are at all in use or if in use, the extent of their use."

(g) UBPL had obtained registration on a false claim that it had been using mark FORZID since 1st January 2001. There was no material placed on record by UBPL to substantiate this claim.

12. Aggrieved by the said order, UBPL filed the present petition. On 1st December 2008, this Court stayed the operation of the impugned order dated 14th October 2008 of the IPAB. The said interim order has continued.

Submissions of counsel

13. Mr. Hemant Singh, learned counsel appearing for the Petitioner first contended that the similarity in respect of the generic feature 'ZID' will not make UBPL's mark FORZID deceptively similar to OCPL's ORZID. Further, OCPL held a registration for the label mark of which the word ORZID formed part. Mr. Singh urged that ZID was not the essential feature of the trade mark ORZID and that for the purposes of the test of deception similarity must exist in respect of a feature other than the generic part. In particular, he submitted that if the word ZID was replaced by some other word like 'TIS' or 'BES' and then the two marks were compared as a whole they would not be deceptively similar.

14. It was next urged by Mr. Singh that the IPAB erred in ignoring the order dated 30th April 2008 of the learned Single Judge of the Madras High Court refusing OCPL interim injunction. The said judgment has since been affirmed by the Division Bench of the Madras High Court on 25th November 2008. He submitted that the impugned order of the IPAB, therefore, be set aside and the case remanded to the IPAB for a fresh hearing.

15. Thirdly, it is submitted that the IPAB not only discarded the test of deceptive similarity by comparing the marks as a whole without ignoring the generic part but also failed to notice that the registration in favour of OCPL was in respect of a label mark. The font, the colour, the trade dress and appearance of the label used by UBPL was different in each respect from the trade dress and get up of the label used by the OCPL. Referring to the judgment in Cadila Health Care, Mr. Singh submitted that the composition of the two products may be similar but their respective prices were markedly different. Therefore, there was no scope for confusion.

16. Ms. Gladys Daniel, learned counsel appearing for OCPL first submitted that the learned Single Judge of the Madras High Court had also held that the trade marks were phonetically similar. The learned Single Judge had also found that OCPL was the registered prior user. These findings were not disturbed by the Division Bench. Considering that ORZID was a Schedule H drug, there was a real danger of the injection FORZID being supplied to a customer asking for ORZID and vice-a-versa. The dosages of the two injections were different and if wrongly administered could result in serious irreversible side effects. Even the bad handwriting of a doctor on a prescription could lead to confusion and deception. She urged that the higher threshold for drugs as explained in Cadila Health Care should apply.

17. As regards the refusal of injunction by the learned Single Judge, which was affirmed by the Division Bench of the Madras High Court, Ms. Daniel submitted that this was only at the interlocutory stage and as such was not binding on the IPAB. She pointed out that the entire mark of OCPL was embedded in the mark of UBPL and therefore the latter's subsequent adoption of FORZID was not honest. She pointed out that the registration in favour of OCPL was in respect of the device of which the word mark formed an integral and inseparable part. She submitted that the IPAB had rightly compared the two marks as a whole.

Deceptive similarity

18. Under Section 9 (2) (a) TM Act 1999, a mark shall not be registered as a trade mark if "it is of such nature as to deceive the public or cause confusion." Under Section 11 (1) (b) TM Act 1999 a trade mark shall not be registered if because of "its 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." The exception to this is in Section 12 TM Act 1999 which requires the applicant to show "honest concurrent use or other special circumstances" to enable

the Registrar to permit the registration by more than one proprietor of the trade marks which are identical or similar in respect of the same or similar goods.

19. In the above background, the issues that require to be considered are whether the two competing marks FORZID and ORZID are deceptively similar; whether registration could have been validly granted of the mark FORZID when admittedly OCPL held a prior registration in respect of identical goods for a label mark of which the word ORZID forms an integral part and further when admittedly OCPL is the prior user. A further issue that arises is whether the defences of acquiescence and honest and concurrent user are available to UBPL?

20. The word ZID which is common to both ORZID and FORZID is undoubtedly derived from the active pharmaceutical ingredient CEFTAZIDIME. However, this is not the only part of ORZID which is used by UBPL as part of its mark FORZID. It is obvious that FORZID is nothing but ORZID prefixed by a soft consonant F. Although it was repeatedly urged by Mr. Hemant Singh, learned counsel for UBPL that the generic part of FORZID and ORZID, viz., ZID had to be ignored while making comparison of the two competing marks, the fact remains that the entire word mark ORZID is being used as part of the word mark FORZID with only an addition of a single letter 'F'. In the considered view of this Court, the mere prefixing of the letter F to the mark of OCPL fails to distinguish FORZID sufficiently from ORZID so as not to cause deception or confusion in the mind of an average customer with imperfect recall. The addition as a prefix of the soft consonant F to ORZID does not dilute the phonetic and structural similarity of the two marks. In the context of similar marks the 'essential feature' test as evolved in *Durga Dutt Sharma v. N.P. Laboratories* AIR 1965 SC 980 for determining deceptive similarity requires examination "whether the essential features of the plaintiff's trade mark are to be found in that used by the defendant." In the instant case the entire word mark ORZID, and not merely its essential feature, is subsumed in UBPL's mark FORZID.

21. In *Amritdhara Pharmacy v. Satyadeo Gupta* AIR 1963 SC 449, Supreme Court reiterated the tests of deceptive similarity it had formulated in *Corn Products Refining Co. v. Shangrila Food Products Ltd.* AIR 1963 SC 142. In para 8 of the judgment in *Amritdhara Pharmacy*, the Supreme Court held:

“8. Let us apply these tests to the facts of the case under our consideration. It is not disputed before us that the two names 'Amritdhara' and 'Lakshmandhara' are in use in respect of the same description of goods, namely, a medicinal preparation for the alleviation of various ailments. Such medicinal preparation will be purchased mostly by people who instead of going to a doctor wish to purchase a medicine for the quick alleviation of their suffering, both villagers and townsfolk, literate as well as illiterate. As we said in *Corn Products Refining Co. v. Shangrila food Products Ltd.* the question has to be approached from the point of view of a man of average intelligence and imperfect recollection. To such a man the overall structural and phonetic similarity of the two names 'Amritdhara' and 'Lakshmandhara' is, in our opinion, likely to deceive or cause confusion. We must consider the overall similarity of two composite words 'Amritdhara' and 'Lakshmandhara'. We do not think that the learned Judges of the High Court were right in saying that no Indian would mistake one for the other. An unwary purchaser of average intelligence and imperfect recollection would not, as the High Court supposed, spilt the name into its component parts and consider the etymological meaning thereof or even consider the meaning of the composite words as 'current of nectar' or 'current of Lakshman'. He would go more by the overall structural and phonetic similarity and the nature of the medicine he has previously purchased, or has been told about, or about which has otherwise learnt and which he wants to purchase.”

22. There is no need to multiply precedents since the law explained in the above passage has been consistently followed in several subsequent cases. The test of deceptive similarity has to be applied “from the point of view of men of average intelligence and imperfect recollection”. Thus viewed, there can be no difficulty in

concluding that FORZID and ORZID are deceptively similar marks and are likely to cause confusion in the mind of an average customer with imperfect recollection.

Anti-dissection rule

23. No fault can also be found with the approach of the IPAB in comparing the two competing marks as a whole. That is in fact the rule and the dissection of a mark is an exception which is generally not permitted. The anti-dissection rule is based upon a common sense observation of customer behaviour as explained in McCarthy on Trade Marks and Unfair Competition [J Thomas McCarthy, IV Ed., Clark Boardman Callaghan 2007] under the sub-heading ‘Comparing Marks: Differences and Similarities’. The treatise further states:

“23.15 The typical shopper does not retain all of the individual details of a composite mark in his or her mind, but retains only an overall, general impression created by the composite as a whole. It is the overall impression created by the mark from the ordinary shopper’s cursory observation in the marketplace that will or will not lead to a likelihood of confusion, not the impression created from a meticulous comparison as expressed in carefully weighed analysis in legal briefs.”

“In litigation over the alleged similarity of marks, the owner will emphasize the similarities and the alleged infringer will emphasize the differences. The point is that the two marks should not be examined with a microscope to find the differences, for this is not the way the average purchaser views the marks. To the average buyer, the points of similarity are the more important than minor points of difference. A court should not engage “technical gymnastics” in an attempt to find some minor differences between conflicting marks. However, where there are both similarities and differences in the marks, there must be weighed against one another to see which predominate.”

24. The dissection of the marks as suggested by learned counsel for UBPL is an artificial one. He wanted 'ZID' which was the generic part of the marks to be substituted by some other word like 'TIS' or 'BES' and then the two marks to be compared. This submission is based on the decision in Astrazeneca UK Limited where 'Mero' was identified as the generic part of the mark derived from the active pharmaceutical ingredient. In the first place, no such submission appears to have been made before the IPAB. Secondly, the type of dissection suggested, i.e. separating 'FOR' and 'ZID' and then replacing 'ZID' with another word 'TIS' before comparing the marks does not appear to be permissible in law. As already noticed it is not just the generic part 'ZID' that is common to both marks. The further prefix 'OR' too is common. In other words, 'ORZID' is common to both marks. No parallel can therefore be drawn with the facts in Astrazeneca UK Limited. A person of average intelligence and imperfect recollection seeking to buy CEFTAZIDIME injection would hardly undertake any 'dissection' exercise, much less in the manner suggested by learned counsel for UBPL, to discern the fine distinction between the marks. Also, unlike a consumer durable product, the variations in the size of font, colour scheme, trade dress of the label for a medicine would not make much of a difference. In the considered view of the Court, the IPAB has applied the correct test in coming to the conclusion that FORZID is deceptively similar to ORZID.

The Cadila Health Care test

25.1 That these marks are used in respect of Schedule H drugs raises the threshold for comparison. The "more rigorous test" as explained in Cadila Health Care would come into play. There the Supreme Court referred to foreign precedents including American Cynamid Corporation v. Connaught Laboratories Inc. 231 USPQ 128 (2nd Cir 1986) in which it was held: "Exacting judicial scrutiny is required if there is a possibility of marks on medicinal products because the potential harm may be far more dire than that in confusion over ordinary consumer products." The Court also referred to Blansett Pharmaceuticals v. Carmick Laboratories 25 USPQ 2nd 1473 (TTAB 1993) in which it was observed:

“Confusion and mistake is likely, even for prescription drugs prescribed by doctors and dispensed by pharmacists, where these similar goods are marketed under marks which look alike and sound alike.”

25.2 On the facts of the case in Cadila Health Care Ltd., the Supreme Court held as under: (SCC, p. 91)

“25. The drugs have a marked difference in the compositions with completely different side effects, the test should be applied strictly as the possibility of harm resulting from any kind of confusion by the consumer can have unpleasant if not disastrous results. The Courts need to be particular vigilant where the defendant’s drug, of which passing of is alleged, is meant for curing the same ailment as the plaintiff’s medicine but the compositions are different. The confusion is more likely in such cases and the incorrect intake of medicine may even result in loss of life or other serious health problems.”

25.3 Further in para 28 it was observed as under: (SCC, pp 91-92)

“The defendant concedes that physicians and pharmacists are not infallible but urges that the members of these professions are carefully trained to detect differences in the characteristics of pharmaceutical products. While this is doubtless true to do not open the door to the adoption by manufacturers of medicines of trade marks or names which would be confusingly similar to anyone not exercising such great care. For physicians and pharmacists are human and in common with the rest of mankind are subject to human frailties. In the field of medicinal remedies the Courts may not speculate as to whether there is a probability of confusion between similar names. If there is any possibility of such

confusion in the case of medicines public policy requires that the use of the confusingly similar name be enjoined.”

25.4 In conclusion, it was held in para 33 as under: (SCC, p. 94)

“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 least resort as any confusion in such medicines may be fatal or could have disastrous effects. The confusion as to the identity of product itself could have dire effect on the public health.”

26. Viewed in light of the decision in Cadila Health Care Ltd. admittedly both FORZID and ORZID are prescription drugs. The dosages of FORZID and ORZID are not the same. It would pose a grave risk to health if a person who has been prescribed a dosage of 250 mg CEFTAZIDIME injection (ORZID) is administered

a 1000 mg dosage (FORZID). These are injections administered intravenously and can have a direct and immediate impact. In the circumstances, the mere fact that they are priced differently is not sufficient to hold that the unwary average purchaser of the drugs will not be confused into thinking one is as good as the other or in fact both are the same drug. Then there is the other real danger that a prescription written for ORZID may be mistaken by the dispenser at the pharmacy shop to be FORZID or vice versa. If it is asked for verbally the phonetic similarity is likely to cause confusion. The health of a person for whom the medicine is prescribed cannot possibly be put to such great risk. In the considered view of this Court on the question of deceptive similarity, the reasoning and conclusion of the IPAB does not call for interference.

Label mark and word mark

27. On whether the OCPL could successfully ask for rectification for UBPL's word mark FORZID notwithstanding that OCPL held registration only for a label mark, the judgment of the Supreme Court in *Ramdev Food Products Ltd. v. Arvindbhai Rambhai Patel* AIR 2006 SC 3304 is a complete answer. The Court there referred to an earlier decision in *Registrar of Trade Marks v. Ashok Chandra Rakhit* AIR 1955 SC 558, which concerned the proprietary mark 'Shree' which formed part of the device as a whole and was an important feature of the device. The Supreme Court observed that registration of a trade mark as a whole would give the proprietor "a right to the exclusive use of word 'Shree' as if separately and by itself." Therefore it would not be correct for UBPL to contend that the registration held by OCPL does not cover the word mark ORZID.

IPAB not bound to follow order of the High Court refusing interim injunction

28. It was urged by learned counsel for UBPL that on the principles of comity of jurisdiction the IPAB should have at least discussed the judgment of the learned Single Judge of the Madras High Court which was affirmed by a Division Bench. It was submitted that the IPAB further ought to have taken note of one more

distinction drawn by the learned Single Judge between the two products, viz., their pricing.

29. In forming an opinion whether an interim injunction should be granted in a suit for passing off or infringement, the High Court invariably arrives at a prima facie conclusion on the basis of the materials placed on record at that stage. It is by no means a final determination which would have to await the completion of evidence. In fact Courts have emphasised that their conclusions at the stage of interim injunction are tentative and would not bind the Court at the stage of final determination of the suit. What is significant is that the two findings of the learned Single Judge - that the two competing marks were phonetically similar and that OCPL was a prior registered user - have been affirmed by the Division Bench of the Madras High Court. The learned Single Judge also did not accept the defence of acquiescence put forth by UBPL. The factors that appear to have weighed with the learned Single Judge and the Division Bench were that the dosages of the two drugs and their respective prices were different.

30. While the principles of comity of jurisdiction ought to be respected, it does not mean that the IPAB should be bound by the orders of the High Court at the stage of interim injunction as the opinions expressed at that stage are at best tentative. After the enactment of the TM Act, 1999 the disputes regarding registration of marks and their rectification were left to be decided by the IPAB in the first place. Earlier this adjudicative function was with the High Court. The IPAB is therefore expected, as a special Tribunal, to form an independent view while at the same time respecting any final determination of the issue by a High Court on the question of deceptive similarity involving the same mark. The converse would not necessarily follow. Any view expressed by the IPAB on the issue in respect of a trade mark would at best have a persuasive effect on the High Court deciding a passing off or infringement action. In the instant case, the IPAB's impugned order cannot be held to be invalid only because it did not advert to, much less follow, the decision of the High Court at the stage of interim injunction.

31. This Court is also satisfied that the plea of UBPL of acquiescence is not convincing. There is nothing to show that despite knowing of the use by UBPL of the trade mark FORZID, OCPL took no steps to seek an injunction against UBPL.

Conclusion

32. For all of the aforementioned reasons, this Court does not find sufficient grounds having been made out for interference with the impugned order dated 14th October 2008 of the IPAB.

33. The writ petition and the pending application are dismissed with costs of Rs. 5,000/- which will be paid by the UBPL to OCPL within a period of four weeks. The interim order is vacated.

Sd/-

S. MURALIDHAR, J.