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

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+ W.P.(C) 9478/2006 & CM 7072/2006

GLAXO GROUP LTD. Petitioner
Through Mr. Sushant Singh with
Mr. Prakash Chandra Arya, Mr. Tejender
Singh and Ms. Parveen Radhi, Advocates.

versus

UNION OF INDIA & ORS. Respondents
Through Mr. Amarjeet Singh with
Ms. Supreet Kaur, Ms. Navneet Momi and
Mr. Dhruva Bhagat, Advocates

CORAM:
HON'BLE DR. JUSTICE S. MURALIDHAR

ORDER
05.02.2010

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1. This petition by Glaxo Group Limited (Glaxo) challenges the order dated 15th March 2006, passed by the Intellectual Property Appellate Board (IPAB), Circuit Bench sitting at Delhi, dismissing the Petitioner's appeal (TA/224/2004/TM/DEL).

2. Glaxo filed an application for registration of the trademark VOLMAX in Class 5 of Schedule-I of the Trade & Merchandise Marks Act, 1958 ('TM Act 1958') stating that the mark was proposed to be used in respect of "pharmaceuticals and veterinary preparations and substances" for the alleviation and prevention of respiratory ailments and disorders. Respondent No.4 Voltas Limited (Voltas) filed an objection contending that it was using a series of names, namely, VOLTAS, VOLFRUIT,

VOLFARM, VOLPUMP, VOLDRILL, VOLITA, VOLTRION, VOLDRUM, VOLLAM, VOLRAM, VOLBIT, VOLSEAFOOD, VOLFAN AND VOLPHOR. In particular it held a registration for the mark 'VOLTAS' in Class 5 which included pharmaceutical substances and preparations, biological food products (for infants and veterinary). The Assistant Registrar of Trademarks, Delhi by an order dated 4th February 1998 upheld the objection of Voltas and rejected the Glaxo's application for registration of the trademark 'VOLMAX'.

3. Affidavits by way of evidence were filed both by Glaxo and Voltas before the Assistant Registrar. It was contended before the Assistant Registrar by Glaxo that if the mark 'VOLMAX' was compared as a whole, with the mark 'VOLTAS', there was no similarity much less deceptive similarity. It was submitted that Voltas could not claim monopoly over the prefix 'VOL'. Further, Glaxo held a registration for the trademark 'VOLMAX' in several other countries in the world. On the other hand, Voltas contended that the registration of the mark 'VOLMAX' was prohibited in terms of Section 12(1) of the TM Act, 1958 and that while considering deceptive similarity the fact that the Voltas was the registered proprietor and user of a series of trademarks with the prefix 'VOL' had to be considered. Voltas contended that there would be confusion among the consumers as to the origin of the goods if a trademark with the prefix 'VOL' was permitted to be registered in favour of Glaxo. A consumer with imperfect recall would think that the goods originate from the house of 'Voltas' or are connected with.

4. The Assistant Registrar, on an analysis of Section 12(1) of the TM Act 1958, was of the view that the second condition for prohibiting registration of a trademark which was that it was either identical to or deceptively similar to another trademark registered in respect of the same goods stood satisfied inasmuch as the goods in respect of which Glaxo was seeking registration and the goods in respect of which Voltas held the mark, namely Class 5 goods, “are the same”. Having come to this conclusion, it was observed that “the only question now remains whether the trademark ‘VOLTAS’ is deceptively similar to the mark applied for, namely, ‘VOLMAX’. The Asst. Registrar observed that all the trademarks of the Voltas have to be kept in mind in determining whether the mark applied for, i.e., ‘VOLMAX’ was deceptively similar to the series of marks of the Voltas. He concluded that “keeping in view of the series of trademarks owned by the opponents having the common prefix ‘VOL’, the similarity between the trade mark applied for and the opponents registered trade mark VOLTAS become so near as to likely to deceive or cause confusion in the minds of a purchaser who already know the opponents trademarks with the prefix VOL”. It was also held that in terms of Section 11(a) of the TM Act, 1958 a case of sufficient likelihood of confusion or deception was made out by Voltas. Further it was held that Glaxo could not be allowed to have any claim in the property of the mark applied for as it was not in conformity with the Section 18(1) of the TM Act, 1958 which required the applicant to possess a definite claim to be the proprietor of the mark as on the date of the application. Glaxo then filed an appeal in this Court which later stood transferred to the IPAB.

5. Before the IPAB it was contended on behalf of Glaxo that the house name VOLTAS was totally different from the Appellant's mark 'VOLMAX' and therefore there could not be any confusion in the mind of the purchaser or the trader. Apart from the fact that the marks VOLMAX and VOLTAS were not deceptively similar, the goods in respect of which they were to be used were totally different. On the other hand, Voltas contended that the marks were deceptively similar and that the order of the Asst. Registrar did not suffer from any illegality.

6. In para 3 of the impugned order, the IPAB formulated the question that arose for consideration as "whether the impugned mark VOLMAX is deceptively similar to that of the registered house mark of the first respondent herein, namely, VOLTAS and it attracts the prohibition under Section 11(a) of the TM Act 1958?" Thereafter the Tribunal appears to have proceeded to examine the issue of deceptive similarity and in para 7 concluded that "Here, the appellant's mark VOLMAX and the respondent's mark VOLTAS, in our view, do not make much difference especially when both are put to use in the pharmaceutical business". After quoting passage from the judgment of the Supreme Court in ***Cadila Health Care Limited v. Cadila Pharmaceuticals Limited (2001) 5 SCC 73***, the IPAB concluded that "the impugned mark 'VOLMAX' is phonetically, visually or structurally similar to that of the first respondent's rival mark, which is in trade much earlier". Therefore the registration of the appellant's mark "would definitely cause confusion not only in the trade but also in the minds of the consumer". Accordingly, the appeal was dismissed.

7. The submissions of Mr. Sushant Singh, the learned counsel for the Petitioner and Mr. Amarjeet Singh, the learned counsel for the respondents have been heard.

8. On behalf of the Petitioner, it is submitted that the concept of a family of trademarks in trademark law required examination of what the position was in the market place. Merely because a large number of marks were registered as was evident from the register of trademarks, did not by itself support the contention that the mark in question belonged to a family of marks and was therefore distinctive. Reliance was placed on **Kerly's Law of Trade Marks and Trade Names**, 14th Edition (Sweet & Maxwell) 2007 @ p. 257. A reference was made to an affidavit dated 4th October 2008 filed by Glaxo in these proceedings to state that there are numerous medicines being sold in the market with the prefix 'VOL'. These included "VOLINI of Ranbaxy, VOLITRA of Ranbaxy, VOLTAFLAM of Novartis; VOLIX of Ranbaxy and many others". As regards the concept of family of marks, reliance is placed on **Torremar Trademark, [2003] RPC 4** in which it was observed that in each case, "the question to be determined is whether there are similarities (in terms of marks and goods) which would combine to create a likelihood of confusion if the earlier trade mark and the sign subsequently presented for registration were used concurrently in relation to the goods for which they are respectively registered and proposed to be registered". It is submitted that the IPAB erroneously did not apply this test in coming to this conclusion. Reliance

has also been placed on the judgments in **Astrazeneca UK Ltd. v. Orchid**
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9. It is pointed out that a comparison of the marks as a whole, i.e., VOLMAX and VOLTAS did not indicate phonetical or visual or structural similarity. Moreover, it had to be in respect of the same goods in terms of Section 12(1) TM Act, 1958. It is contended that although the Voltas had a registration in Class 5 which was a broad class of goods in respect of which Glaxo was also seeking registration of its mark 'VOLMAX', the goods in respect of which the mark were proposed to be used, were not the same. In other words, Voltas was using its mark VOLTAS for bulk drugs, whereas Glaxo proposed to use VOLMAX for a medicine for respiratory ailments.

10. It is submitted by counsel for the petitioner that if the test of similarity had to be determined by splitting the mark into a prefix and suffix even then there was no phonetic similarity if one focused on the similarities in the two words. The descriptive part VOL in the mark VOLMAX connoted 'VOLUME' and the distinctive part MAX connoted 'maximum' volume for lung capacity. Phonetically, as well, VOL in VOLMAX would sound similar to "Volume" whereas MAX would sound similar to "maximum". On the other hand VOL in VOLTAS was pronounced as in "voltage" and TAS would sound similar to "bus." So pronounced there would be no phonetical similarity as well. It is submitted that the IPAB has not focused on the different aspects of comparisons between two marks in order to determine if they are deceptively similar. Reliance is placed on the

(2009) **DLT 474 (DB)** where it was held that the mark TEMODAL and TEMODAR were not deceptively similar with the mark 'TEMOGET' and 'TEMOKEM' used by the Defendants.

11. It is submitted that the question of law that arose was whether Section 12(3) could be said to be an exception both to Section 12(1) as well as Section 11(a) of the TM Act 1958. The IPAB does not appear to have approached the question from this angle at all.

12. Relying on the judgment in **Vishnudas Trading v. Vazir Sultan Tobacco Co. Ltd. AIR 1996 SC 2275**, it is submitted that although the broad class of goods (Class 5) in which the registration was granted to Voltas may be the same as the class for which Glaxo was seeking registration for its mark, that class would subsume a number of goods and articles which were separately identifiable. Therefore, the comparison has to be made of the goods and when such comparison is made in the instant case, it could not be said that there was deceptive similarity. Relying on the observations of the Supreme Court in **Raghunathe Jew At Bhapur v. State of Orissa JT 1998 (8) SC 483**, it is submitted that the IPAB has not taken into account the material evidence available on record before it, and therefore, this Court would be justified under Article 226 in interfering with its impugned order.

13. Appearing for the Voltas, Mr. Amarjeet Singh submitted that as long as Voltas held a registration for the mark VOLTAS in Class 5 of goods

and the registration was not challenged by Glaxo by filing a rectification application, it was not open to Glaxo to contend that the question of deceptive similarity was not to be ascertained by comparing the mark as applied to bulk drugs manufactured by Voltas with the mark as proposed to be applied to the medicines to be manufactured by Glaxo. Both did occur in the same class of goods. Moreover, Voltas has successfully established that it held a series or family of marks of which VOLTAS was a prominent house mark. He placed reliance on the observations in ***Corn Products Refining v. Shangrila Food Products AIR 1960 SC 142*** to submit that Glaxo could succeed only if it was able to show that the individual marks in a series of marks were in fact owned by different persons. As long as the marks in the entire series begin with the prefix 'VOL' which were predominantly registered in favour of Voltas, there was no case made out by Glaxo. In this respect, he also placed reliance on the judgment of this Court in ***Century Traders v. Roshan Lal Duggar AIR 1978 Delhi 250*** and of the Supreme Court in ***Amrit Dhara Pharmacy v. Satya Deo Gupta AIR 1963 SC 449***. Reliance is also placed on the judgment in ***Amar Singh Chawal Wala v. Shree Vardhman Rice & Genl. Mills 2009 (40) PTC 417 (Del) (DB)***.

14. As regards the jurisdiction of this Court under Article 226, it is submitted by Mr. Amarjeet Singh that given the limited scope of the jurisdiction of this Court it ought not to interfere with the impugned order. It is further submitted that Glaxo was advancing contentions for the first time in this Court which were not advanced by it earlier either before the

Assistant Registrar or the IPAB. No new evidence could be led now by Glaxo to show the position in the market as regards the use of trademarks with the prefix 'VOL'.

15. Given the wide canvas of the arguments advanced by the learned counsel for both sides, it appears to this Court that the impugned order of the IPAB does not at all deal with the complexity of the issue presented before it. In the first place, after noting that there were two distinct contentions advanced by Glaxo before it viz., that the goods in respect of which the registration being sought were not similar to the goods being produced and marketed by Voltas and secondly that there was no deceptive similarity, the IPAB appears to have confined itself only to the second issue of deceptive similarity. The IPAB in particular did not advert to the concept of the same broad class of goods subsuming different goods and articles which when sold under the competing marks would give rise to deceptive similarity. In other words the purport of the judgment of the Supreme Court in *Vishnudas Trading v. Vazir Sultan Tobacco Co. Ltd.*, was not discussed by the IPAB with reference to the facts of the present case. This discernment of the goods in respect of which the competing goods were to be used was important for the purposes of Section 12(1) of the TM Act, 1958.

16. Secondly even while the IPAB undertook the exercise of determining whether there was deceptive similarity, either phonetically, visually or structurally between the two competing marks, it does not appear to have specifically adverted to the elements of the two marks that admitted of

comparison on these parameters. It appears to have made a sweeping conclusion that the two marks, on all three parameters, were deceptively similar. Prima facie, this appears to be a cursory approach. A comparison of the two competing marks for determining their phonetical similarity in the manner suggested by counsel for Glaxo was required to be undertaken but not so undertaken either by the Assistant Registrar or the IPAB. Likewise, even on the basis of structural similarities, the IPAB does not appear to have considered whether the comparison could be made of the two marks as a whole or on the basis that VOLTAS belonged to a series or 'family' of marks with a similar prefix in which event the marks would have to be split to determine which is the generic portion and which the distinctive portion. The impugned order of the IPAB does not reflect any such detailed examination of the two competing marks at all.

17. That brings up the point concerning the extent of judicial review of the IPAB's order that is permissible to be undertaken in proceedings under Article 226 of the Constitution. The IPAB is a specialised tribunal set up exclusively for IPR cases. The appeal before it is both on facts and on law just as a first appeal against the judgment of a civil court. The IPAB is therefore expected to analyse the evidence on record intensively and determine the issues arising before it. This Court finds that the impugned order does not bring out any analysis of the available evidence on the above lines. Even the questions of law, viz., whether Section 12 (3) of the TM act 1958 is an exception to Section 12 (1) and 11(a) thereof has not been formulated, much less addressed by it. In the above circumstances

where the IPAB has failed to consider the materials before it and address

the legal issues, a case has been made out for interference by this Court under Article 226 of the Constitution. The appeal requires to be restored to the file of the IPAB to be considered afresh by it on merits.

18. As regards the objection raised by counsel for the Respondent that the Petitioner should not be permitted to raise points that were not raised before the Asst. Registrar or the IPAB, this court is of the view that the affidavit now tendered by the Petitioner to show the position in the market as regards the number of medicines being sold under the trademarks with the prefix 'VOL' is not in the nature of a new submission being made for the first time. It supplements the contention of Glaxo in response to Voltas' assertion that the mark VOLTAS belongs to a series or a family of marks and is therefore distinctive. Since this is one of the bases on which both the Asst. Registrar and IPAB have proceeded, it cannot be said that the Petitioner is trying to urge a point which was not urged earlier. No prejudice can be said to be caused if Glaxo's aforementioned affidavit is taken on record. However, it will be open to Voltas to ask Glaxo to produce the deponent before the IPAB for his cross-examination. Additionally, Voltas will also be permitted by the IPAB to place evidence before the IPAB by way of a further affidavit or documents to counter the above affidavit of Glaxo and not for any other purpose..

19. This Court makes it clear that it has not by this order expressed any view on the rival contentions of the parties on merits. The contentions of both parties are left open to be raised before the IPAB which will decide the appeal afresh uninfluenced by anything said earlier by it in the

impugned order or by this Court in the present order.

20. Accordingly, the impugned order of the IPAB is set aside. Consequently Glaxo's appeal before the IPAB, TA/224/2004/TM/DEL, stands restored and the said appeal will be decided afresh by the IPAB, preferably within a period of six months, in the manner indicated hereinbefore. The contentions of both the parties on all issues are kept open to be urged before the IPAB. The materials which form part of the record of the present case will be looked into by the IPAB and it will give a reasoned order on all the issues arising for determination after hearing both the parties.

21. The writ petition and application are accordingly disposed of in the above terms. A certified copy of this order will be delivered to the IPAB within five days. Order dasti to the parties.

S. MURALIDHAR, J.

FEBRUARY 05, 2010

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