

(2016) 11 DEL CK 0029

DELHI HIGH COURT

Case No: CS(OS) No. 1141 of 2013

Glaxosmithkline Pharmaceuticals
Ltd.

APPELLANT

Vs

Sarath Kumar Reddy G

RESPONDENT

Date of Decision: Nov. 2, 2016

Acts Referred:

- Civil Procedure Code, 1908 (CPC) - Order 39 Rule 1, Order 39 Rule 2

Citation: (2016) 234 DLT 459 : (2017) 69 PTC 160 : (2017) 3 RAJ 286

Hon'ble Judges: Mr. Vibhu Bakhru, J.

Bench: Single Bench

Advocate: Mr. Daleep Kumar, Advocate, for the Plaintiff; None being ex parte, for the Defendant

Final Decision: Disposed Off

Judgement

Mr. Vibhu Bakhru, J. - The plaintiffs have filed the present suit for Permanent Injunction restraining infringement of trademark, passing off, damages, delivery up, etc. Plaintiff no 1, Glaxo Smith Kline Pharmaceuticals Limited (hereafter "GSK India"), is a company incorporated under the Companies Act, 1956. Plaintiff no 2, Smith Kline Beecham Limited (hereafter "Smith Kline Beecham") is a company formed and existing under the laws of England and Wales. The plaintiffs are stated to be the members of the Glaxo Smith Kline Group (hereafter "GSK Group") of which Glaxo Smith Kline Plc (hereafter "GSK Plc") is the parent company. It is stated that GSK Plc was formed following the merger of Glaxo Wellcome Plc and Smith Kline Beecham Plc in the year 2000.

2. It is stated that the plaintiffs are engaged in the business of manufacturing and marketing of a wide range of pharmaceutical/ medicinal preparations and healthcare products.

3. It is stated that GSK Plc has worldwide operations employing 99,000 employees in over 100 countries, with more than 12,500 people in its Research and Development (R&D) team. It is further stated that GSK Plc has an extensive manufacturing network comprising 87 sites globally, including India and its products are sold in about 150 countries.

4. It is stated that GSK India is currently one of the market leaders in respect of pharmaceuticals products in India, employing more than 4,000 people and its product portfolio includes prescription medicines and vaccines.

5. It is averred in the plaint that the plaintiffs", in association with their subsidiaries/associate companies under GSK Plc, manufactures and markets pharmaceutical and healthcare products under well known brands such as CALPOL, CROCIN, ENO, BETNOVATE, AMOXIL, AUGMENTIN, SERETIDE, ZINETAC, CEFTUM , HORLICKS, AQUAFRESH, SENSODYNE, etc.

6. It is further averred that "GSK" is an acronym derived from the company name "GlaxoSmithKline" that is stated to be used by the plaintiffs since the year 2000. It is further averred that plaintiffs are widely known and referred to as "GSK" and the said acronym and mark have become synonymous with the plaintiffs.

7. It is stated that plaintiff no 2 is the registered proprietor of the mark "GSK" and other "GSK" related marks in India in various classes such as 1,3,5,9,10,16,21,29,30,32,35,41,42 and the said registrations are valid and still in force.

8. The plaintiffs claim that sometime in April,2009, while browsing the website of the Registrar of Companies (ROC), it came to their knowledge that a company by the name of "GSK Life Sciences Private Limited"(hereafter "the Company") is using the acronym "GSK" as part of their trade name "GSK Life Sciences Limited" . It is further claimed that as per ROC records, the Company was incorporated on 07.10.2008 having its registered office at 8-5-210/43, Shiva Enclave, Old Bowenpally, Secundrabad, Andhra Pradesh. It is stated that on making further inquiries, the plaintiffs came to know that Defendant is one of the Directors of the Company and further that Company's registered office was a fake address and that no balance sheet or annual returns had been filed by the Company. Thereafter, the plaintiffs filed a complaint under Section 22 of the Companies Act, 1956 with the Regional Director to declare the Company as defunct. The said complaint is stated to be pending.

9. It is stated in the plaint that plaintiffs recently came to know about certain persons who through their profiles on the website www.LinkedIn.com, claimed themselves to be the representatives of the Company. It is further stated that the head office of the Company is at A-6, First Floor, Pul Pehladpur, main Surajkund Road, New Delhi. The plaintiffs further state that the business cards used by the defendant's representatives show that they are not only using the mark/name

"GSK" as part of their trade name but are also using the logo in the drop form inscribing the letters "GSK", which is exactly similar to the plaintiffs' logo. It is averred by the plaintiffs that the Company is clandestinely carrying out its operations under the name "GSK Life Sciences Private Limited". It is further averred that plaintiffs on 07.03.2013 sent a Cease and Desist notice to the Company followed by various letters to amicably settle the disputes. It is further stated that the defendant responded by stating that the Company is using "GSK" as the same are the initials of his name - Dr. Gadikota Sarath Kumar Reddy.

10. The plaintiffs' claim that defendant's use of the name/mark/logo "GSK" in relation to pharmaceutical products amounts to infringement of its statutory rights in the mark "GSK" as per Section 29(5) of the Trade Marks Act, 1999. It is further claimed that the mark/name "GSK" is a well known mark as per Section 2(1)(zg) read with Section 11(6) of the Trade Marks Act, 1999 and therefore, deserves stronger protection.

11. On 30.05.2013, this court while issuing summons in the suit and notice in the application I.A 9577/2013 under Order 39, Rule 1 & 2, CPC passed an ex parte ad-interim injunction restraining the defendant from using the name/mark/logo "GSK" or any other mark deceptively similar to the plaintiffs' name/mark/logo "GSK". Although the defendant was served, however, he did not enter appearance and participate in the present proceedings. Accordingly, he was proceeded ex-parte on 21.11.2013.

12. Mr. Rakesh Chhabra (hereafter "PW1"), being constituted attorney of plaintiff no 2, has filed an affidavit affirming the averments made in the plaint. PW1 has filed a copy of the authorisation in his favour to depose on behalf of plaintiff no2 which has been marked as Mark A. PW1 has deposed that GSK group's websites www.gsk.com and www.gsk-india.com can be accessed worldwide and the screenshots of the said websites have been exhibited as Exhibit PW1/3.

13. PW1 has affirmed that logo appears on all the products manufactured and sold by the plaintiffs in India. PW1 has further affirmed that GSK India is one of the market leaders in the domestic pharmaceutical industry with the turnover of 3021 crores in 2013.

14. PW1 has duly proved the plaintiffs' registrations of "GSK" and "GSK" related marks on a worldwide basis by filing the copies of registration certificates from various countries as Exhibit PW1/4 (Colly). PW1 has also duly proved that plaintiff no 2 is the registered proprietor of the mark "GSK" in India in relation to pharmaceutical and medicinal preparations in class 05 by filing the copy of the registration certificate as Exhibit PW1/5. PW1 has also furnished the details of registrations of the mark "GSK" in India in various classes such as 1, 3, 5, 9, 10, 16, 21, 29, etc.

15. PW1 deposed that GSK Plc's annual turnover has exceeded GBP 20 Billion in each financial year since 2005. PW1 has furnished the revenue and financial figures of the plaintiffs for the year 2012 and the same have been exhibited as Exhibit PW1/6. In addition, PW1 has also furnished the sales figures of all the products sold by plaintiff no 1 and/or its associates/subsidiaries in India from the year 2003 to 2012.

16. PW1 has also produced a copy of the relevant extract as downloaded from the Company Master Details of ROC as Exhibit PW1/7 which proves that the Company was registered with the tradename "GSK Life Sciences Private Limited".

17. PW1 also produced the screenshots of the Linked In profiles of the individuals who claimed to be working for "GSK Life Sciences Private Limited" as Exhibit PW1/9(Colly). PW1 has also produced the business cards of representatives of the Company using the trademark/name and logo "GSK" as Exhibit PW1/10. Various email exchanges between the Plaintiffs and Defendant have been exhibited as Exhibited PW1/11.

18. During the course of the hearing, the learned counsel for the plaintiffs has provided copies of packaging of the products which are being sold by the defendant under the mark/logo "GSK" using the corporate name "GSK Life Sciences Pvt. Ltd" as the trade name as well. On a bare perusal of the said copies, it is clearly established that the Company is manufacturing and dealing in products under the mark "GSK".

19. In view of the above, it is evident that plaintiffs are the registered owners of the mark "GSK" in India in class 05 in relation to pharmaceutical and medicinal preparations. It is also evident that defendant is operating in the field of pharmaceuticals, the field in which the plaintiffs are also operating, and using the acronym "GSK" in its corporate name as well as in its trade name and is thus, infringing plaintiffs' registered trademarks. It is also apparent that the logo of the defendant is deceptively similar to the plaintiffs logo.

20. The Supreme Court in **Milmet Oftho Industries and Others v. Allergan Inc.:** (2004) 12 SCC 624 had held as under:-

"In respect of medicinal products it was held that exacting judicial scrutiny is required if there was a possibility of confusion over marks on medicinal products because the potential harm may be far more dire than that in confusion over ordinary consumer products. It was held that even though certain products may not be sold across the counter, nevertheless it was not uncommon that because of lack of competence or otherwise that mistakes arise specially where the trade marks are deceptively similar. It was held that confusion and mistakes could arise even for prescription drugs where the similar goods are marketed under marks which looked alike and sound alike. It was held that physicians are not immune from confusion or mistake. It was held that it was common knowledge that many prescriptions are telephoned to the pharmacists and others are handwritten, and frequently the

handwriting is not legible. It was held that these facts enhance the chances of confusion or mistake by the pharmacists in filling the prescription if the marks appear too much alike."

21. The learned counsel for the plaintiffs had referred to the decision of a coordinate bench of this Court in **Time Incorporated v. Lokesh Srivastava & Anr.: 2005 (30) PTC 3 (Del)** and prayed for grant of exemplary and punitive damages against the defendant.

22. Apart from producing copies of packaging of the infringing products, there is no other material which would indicate the extent of the sales of the defendant. Further, the Plaintiffs have also not been able to quantify any loss caused to them by use of the trade mark "GSK" by the Defendant. In view of the aforesaid, it is difficult to hold that the Plaintiffs are entitled to damages. Accordingly, the same is rejected.

23. In view of the aforesaid, the decree is granted in terms of prayer made in paragraph (i) (ii) and (iii), that is, as under:

"(i) An order of permanent injunction restraining the Defendants, their companies, their directors, partners or proprietors as the case may be, their officers, servants, agents and representatives from:-

a. Using the name/mark GSK as a part of their trade name/trading style;

b. Using the deceptively similar logo alone or in conjunction with the trade name/trading style GSK Life Science Pvt. Ltd.

c. Manufacturing, selling and marketing pharmaceutical, health care and medicinal preparations and/or any other goods/ services under the trade name "GSK Life Sciences Private Limited" or any other mark/ name/logo which is deceptively similar to it including the colour scheme, font style and the manner of representation of the mark; and

d. Advertising, directly or indirectly of manufacturing/ marketing pharmaceutical, healthcare and medicinal preparations under the trade name "GSK Life Sciences Private Limited" and/or any other mark/name deceptively similar to the Plaintiff's trade mark/name GSK and/or in any other manner, whatsoever, amounting to infringement of the Plaintiffs' registrations for GSK and GSK related marks which have been listed out under the preceding paragraph no.19.

ii) An order of permanent injunction restraining the Defendants, their directors, partners or proprietors as the case may be, their officers, servants, agents and representatives from advertising, directly or indirectly, using the name/ mark/logo GSK as their trademark, trade name and/or any other mark deceptively similar to the Plaintiffs trademark/name/logo GSK and/or in any other manner whatsoever doing any other thing as may be likely to cause confusion or deception amounting to passing off their goods and business as and for those of the Plaintiffs.

iii) An order for delivery up of all printed matter, including stationery, goods, dyes, blocks, cartons, labels, packaging boxes, plastic covers, etc. bearing the name/mark/logo GSK to the authorised representative of the Plaintiffs for the purpose of destruction."

24. The plaintiffs are also awarded costs. Decree Sheet be drawn accordingly.