Novartis Ag vs Novarish Healthcare Private Limited on 13 June, 2024

Author: R. I. Chagla

Bench: R. I. Chagla

35-IA (L) 15051.2023 in COMIP(L)

Kavita S.J.

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
IN ITS COMMERCIAL DIVISION

INTERIM APPLICATION (L) NO. 15051 OF 2023 IN COMMERCIAL IPR SUIT (L) NO. 14893 OF 2023

Novartis AG & Anr.
In the matter between:
Novartis AG & Anr.
Versus
Novarish Healthcare Private Limited

Mr. Hiren Kamod, Advocate a/w Mr. Anees Patel, Ms. Charu Shukla, Ms. Tulsi Mansingka, Advocates i/b Charu Shukla for the Applicants / Ori Plaintiffs

None for the Defendant.

DATED : 13th JUNE, 2

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CORAM : R. I. CHAGLA

...Applicants / Orig

KAVITA SUSHIL JADHAV Digitally signed by KAVITA SUSHIL JADHAV Date: 2024.06.19

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Page 1 of 10

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ORDER:

- 1. By order dated 26th February 2024, the Court had issued notice to the Defendant. Mr. Kamod, Ld. Advocate appearing for the Plaintiffs submits that the Defendant has been served. The necessary Affidavit of Service has been filed. Thereafter, when the matter was taken up on 22nd April 2024 none appeared on behalf of the Defendant and this Court had granted one more opportunity to the Defendant. Mr. Kamod submits that even notice of today's hearing has been given to the Defendant by email. When the matter was called out today, none have appeared on behalf of the Defendant.
- 2. This is an action for infringement of trade mark and passing off.
- 3. It is stated that the Plaintiffs are a part of the Novartis Group, one of the world's leading global pharmaceutical and healthcare group. Plaintiff No 1 is stated to be one of the leading companies in the world carrying on its business through its affiliates, inter alia of manufacturing, marketing, research and development of high-quality pharmaceutical preparations and services in relation thereto. It is stated that Plaintiff No 2 is the Indian operating company, which is subsidiary of Plaintiff No 1, engaged in the promotion, sales and distribution of products in India. Plaintiff No 2 is the licensee of Plaintiff No 1 and is permitted to use the trade mark / trading name NOVARTIS in India. A copy of the license agreement dated 07th October 2005 between the Plaintiffs is at Exhibit C to the Plaint. It is stated that the Plaintiffs have 35-IA (L) 15051.2023 in COMIP(L) 14893.2023.doc been present in India since 1947 when Plaintiff No 2 was incorporated through their predecessor in interest and thereafter Plaintiff No 1 incorporated a subsidiary, "Novartis Healthcare Private Limited" in the year 1997 for marketing products in India.
- 4. It is stated that the Plaintiffs' adoption and use of the trade mark / trading name / house mark / company name "NOVARTIS" is as early as in 1996 and that they have been continuously and extensively using the said trade mark internationally as well as in India since then. Details of the various awards and accolades achieved by the Plaintiffs are enlisted in paragraph 18 of the Plaint and copies of several awards conferred upon the Plaintiffs are at Exhibits L1 to L32 to the Plaint. The internet downloads of the Plaintiffs' websites bearing NOVARTIS as a trade mark / trading name / house mark / company name for their various products and services are at Exhibits D1 to D9 to the Plaint.
- 5. It is stated that the trade mark NOVARTIS is the key and distinguishing feature of the trading name / house mark / company name of the Novartis group of companies. Images showcasing use of the trade mark NOVARTIS on the office buildings of the Plaintiffs are reproduced in paragraph 11 of the Plaint. A consolidated list comprising all NOVARTIS companies / divisions / initiatives /

subsidiaries worldwide is at Exhibits E1 to E109 to the Plaint. The Plaintiffs are stated to have registered several domain names for NOVARTIS and an illustrative list thereof is set out in paragraph 12 of the Plaint.

35-IA (L) 15051.2023 in COMIP(L) 14893.2023.doc Illustrative downloads from the WHOIS database of the said domain names are at Exhibits Fl to F22 to the Plaint.

6. The Plaintiffs' products are stated to be available in more than 140 countries. It is stated that in the year 2022, the group achieved net sales of USD 50.5 Billion and they have spent around USD 10 Billion on research and development in 2022 itself. A table setting out the Plaintiffs' Global Sales figures are in paragraph 21 of the Plaint. Printouts of the Annual Reports of Plaintiff Nos 1 & 2 are at Exhibits G1 to G19 and Exhibits H1 to H13 to the Plaint, respectively. Copies of sample invoices evidencing the sale of products under the trade mark / trading name / house mark NOVARTIS are at Exhibit O to the Plaint.

7. It is stated that the Plaintiffs are the registered proprietor of the said trade mark NOVARTIS in various classes.

8. It is stated that the Plaintiffs have vigilantly guarded their statutory and common law rights in the trade mark NOVARTIS and have been successful in enforcing their rights against infringers before various authorities such as Courts, WIPO, NIXI, the Indian Trade Mark Registry. Copies of enforcement actions initiated by the Plaintiffs and orders passed therein are at Exhibits Q1 to Q36 to the Plaint. Details of the aforesaid actions are captured in tables provided in paragraph 23 of the Plaint. Details of various suits for infringement and passing off for their trade mark NOVARTIS against third parties wherein they have successfully obtained injunction orders are set out in paragraph 24 of 35-IA (L) 15051.2023 in COMIP(L) 14893.2023.doc the Plaint. Copies of judgments in favour of the Plaintiffs by the Delhi High Court and City Civil Court, Hyderabad are at Exhibits R to T to the Plaint.

9. According to the Plaintiffs, in November 2021, the Plaintiffs learnt about the Defendant's use of the impugned trade mark / trading name 'NOVARISH Healthcare Private Limited' soliciting business from the online business directories such as www.zaubacorpcom, www.connect2indiacom, www.tofler.in, www.companydetails.in, www.falconebiz.com, for similar business of manufacturing and marketing medicinal and pharmaceutical goods as that of the Plaintiffs. Information pertaining to Defendant's company as downloaded from the website of the Ministry of Corporate Affairs is at Exhibit A to the Plaint. The Defendant's use of the impugned trade mark / trading name NOVARISH is at Exhibit V1 to V5 of the Plaint.

10. It is stated that Plaintiff No.1 addressed a cease and desist notice dated 25th November 2021 calling upon the Defendant to inter alia cease the use of the impugned trade mark / trading name NOVARISH. However, no reply was received from the Defendant. Plaintiff No 1 addressed follow-up notices dated 03 rd January 2022, 14th March 2022 and 06th May 2022 to the Defendant via courier as well as via e-mail on 29th September 2022. Since no response was received from the Defendant, the Plaintiffs caused to hand deliver the cease and desist notice on 09th November 2022.

However, no response is stated to have 35-IA (L) 15051.2023 in COMIP(L) 14893.2023.doc been received from the Defendant. Copies of the aforesaid cease and desist notices are at Exhibits W to BB to the Plaint.

- 11. Mr. Kamod submits that the Defendants' impugned trade mark / trading name NOVARISH is phonetically, structurally and visually deceptively similar to the Plaintiff's registered and well-known trade mark NOVARTIS. He submits that the Defendant has put the impugned mark / trading name NOVARISH to use in respect of the same or similar goods and services as those of the Plaintiffs. He submits that the adoption of the impugned trade mark / trading name NOVARISH by the Defendant is much subsequent to the adoption of the trade mark / trading name NOVARTIS by the Plaintiffs, and in which the Plaintiff has acquired significant goodwill and reputation. He submits that the Defendant has very cleverly adopted the impugned mark by merely replacing the letters "TIS" in "NOVARTIS" with the letters "ISH" in "NOVARISH" which shows the mala fide intentions of the Defendant to ride upon the goodwill and reputation earned by the trade mark/trade name of the Plaintiffs. Accordingly, he submits, that the Defendants are infringing the Plaintiffs' said trade mark / trading name NOVARTIS and are committing acts of passing off.
- 12. Mr. Kamod submits that though after filing the Suit, the Defendant has sent some emails to the Plaintiff's Advocates, they have never appeared before the Court. He invites my attention to an email dated 19th June 2023 sent by the Defendant to the Plaintiff's Advocate 35-IA (L) 15051.2023 in COMIP(L) 14893.2023.doc whereby the Defendant communicated its willingness to discontinue use of the impugned trade mark NOVARISH. Further, by an email dated 06 th July 2023 the Defendant informed the Plaintiffs' Advocates that it has already applied for change of name of the Defendant-Company. He has tendered copies of the said emails dated 19 th June 2023 and 6th July 2023, which are taken on record. Mr. Kamod submits that despite circulating the draft consent terms several times to the Defendant by way of emails, the Defendant has neither replied to the same nor has it participated in the present proceedings.
- 13. I am also informed that by an email dated 18 th October 2023 the Defendant had communicated to the Plaintiffs that the Defendant- Company under the impugned mark / trading name has not been operational for the last one year and that there are no goods in the market bearing the impugned mark / trading name. However, Mr. Kamod has invited this Court's attention to a trade mark application filed by the Defendants for the mark bearing application No.4917255 dated 23rd March 2021 in class 05 in the name of Novarish Healthcare Pvt. Ltd., which is pending registration. A print out of the current status of the Defendant's said trade mark application was tendered in Court. The said application stands in the name of Novarish Healthcare Pvt. Ltd., even as on today.
- 14. I have considered the submissions made by the Ld. Advocate on behalf of the Plaintiff and perused the record. The material produced 35-IA (L) 15051.2023 in COMIP(L) 14893.2023.doc along with the Plaint prima facie shows that the Plaintiff is the registered proprietor of the trade mark / trading name NOVARTIS. Prima facie, the Plaintiffs have acquired goodwill and reputation in the trade mark / trading name NOVARTIS. I am of the opinion that the similarity between the rival marks / trading names NOVARTIS and NOVARISH cannot be a matter of co-incidence. The impugned mark / trading name NOVARISH is almost identical with and/or deceptively similar to

the Plaintiffs' trade marks / trading name NOVARTIS. The Defendant has merely replaced the letters "TIS" in the Plaintiffs' priorly adopted and used registered trade mark / trading name NOVARTIS with the letters "ISH" so as to arrive at the impugned mark / trading name 'NOVARISH'. Such a minor change does not make the rival marks dissimilar or lend any distinctiveness to the Defendants' impugned mark / trading name NOVARISH. The Defendant's use of the impugned mark / trading name is bound to cause confusion in the minds of the consumers and the public. A prima facie case of infringement and passing off is made out.

15. Further, since the Defendant has itself communicated to the Plaintiff that there are no goods in the market bearing the impugned mark / trading name; and that it has already applied for change of name of the Defendant-Company, it appears to me that the Defendant is not interested in contesting the matter.

35-IA (L) 15051.2023 in COMIP(L) 14893.2023.doc

16. In the aforesaid circumstances, I am satisfied that the Plaintiffs have made out a strong case for the grant of ad-interim reliefs. The balance of convenience is in favour of the Plaintiffs. Unless reliefs as prayed for are granted, the Plaintiffs will suffer irreparable harm / injury which cannot be compensated in terms of money. Therefore, I am passing the following order.

17. There shall be ad-interim relief in terms of prayer clauses (a) and

(b) which read as under:

- "(a) that pending the hearing and final disposal of the suit, the Defendant, its directors, assignees in business, its associates, affiliates, franchisees, licensees, distributors, dealers, stockists, retailers, and agents be restrained by an order of temporary injunction from manufacturing, selling, offering for sale, advertising, directly or indirectly dealing in medicinal and pharmaceutical preparations under the impugned trade mark/trade name/domain name and/or part of the, corporate name NOVARISH or any other trade mark/trade name/domain name and/or part of the corporate name as may be phonetically, structurally and visually deceptively similar to the Plaintiffs' trade. mark(s) NOVARTIS amounting to infringement of Plaintiffs' registered trade mark nos. 7000250 and IRDI-3050272 as well as dilution thereof;
- (b) that pending the hearing, and final disposal of the Suit, the Defendant, its directors, proprietor or partners as the case may be, its assignees in business, its associates, affiliates, franchisees, licensees, distributors, dealers, stockists, retailers, servants and agents be restrained by an order of temporary injunction from manufacturing, selling, offering for sale, advertising, directly or indirectly dealing in 35-IA (L) 15051.2023 in COMIP(L) 14893.2023.doc medicinal and pharmaceutical preparations under the impugned mark/trade name/domain name and/or part of the corporate name NOVARISH or any other trademark/ trade name as may be phonetically, visually and structurally deceptively similar to the Plaintiff's' trade

mark(s) NOVARTIS which may be likely to cause confusion and/or deception amounting to passing off and unfair competition;"

- 18. The Plaintiff shall serve a copy of this order on the Defendant.
- 19. Let the Interim Application be listed for final hearing in due course.
- 20. All concerned will act on production of a digitally signed copy of this order.

[R.I. CHAGLA, J.]