

Sun enforces its rights in VENIZ

The Plaintiff, Sun Pharmaceuticals Industries Ltd, (Sun) filed the suit for trademark infringement, passing off and damages against Cadila Healthcare Ltd (Cadila) to permanently restrain the latter from infringing its registered mark VENIZ. The suit was filed before the Madras High Court and the parties lead evidence through their witnesses and case was finally heard by the court. Interestingly, it took seven years for the final judgment.

Sun in support of their case contended:

- They are engaged in the business of manufacturing medicinal preparations and enjoy good reputation owing to its excellent quality and efficacy of its products which are extensively sold in India. They claim to be a leader in specialty therapy areas like psychiatry, neurology, cardiology and are making constant efforts in developing new and improved preparations for better treatment of depressive disorders.
- Sun adopted the trademark VENIZ in the year 2000 in respect of pharmaceutical preparations for treatment of depressive disorders and have been manufacturing and selling Venlafaxine capsules under the trademark "VENIZ-XR" for varying strengths of 37.5mg, 75mg and 150 mg.
- Sun is the registered proprietor of the mark "VENIZ-XR" in Class 5 since August 2000 and they have also spent substantial amounts for promoting the products as a result of which medicinal preparation under the mark "VENIZ" is well known in the pharmaceutical trade.
- In August 2009, Sun came across Cadila's preparation bearing the mark "VENZ-OD" and further enquiries revealed that the latter's "VENZ-OD" product contains Desvenlafaxine and is used in treatment of depressive and psychotic disorders. Even though Sun issued a legal notice, Cadila replied stating untenable contentions and failed to comply with the requisitions.
- Confusion and deception is imminent as the marks VENIZ and VENZ are phonetically, visually and structurally similar and the goods involved are identical and are meant for the same ailment.

Cadila contested the matter and made following submissions:

- Cadila in the year 2001, adopted the trademark "VEN-OD" for its product Venlafaxine by adopting "VEN" from the name of the drug and "OD" from "ONCE A DAY" and the product was launched in September, 2001.
- In 2006, they started development work on the Active Pharmaceutical Ingredient (API) Desvenlafaxine and on the finished formulation containing Desvenlafaxine in August 2008. The drug containing Desvenlafaxine is manufactured by Zydus Healthcare, the second defendant herein. Cadila later modified its mark "Ven" and took the first letter "Z" from the second defendant's trademark "Zydus" and coined the trademark "Venz" for the product of Desvenlafaxine and thus the mark "VENZ" is coined by adding the letter "Z" in CADILA's existing mark "VEN".
- Sun has adopted "VEN" from the active ingredient Venlafaxine to form the trademark "VENIZ-XR", moreover "VEN" is common and generic to the pharmaceutical industry and no proprietorship over "VEN" can be claimed by SUN.
- Cadila's product is available in the form of tablets priced at Rs. 79/- for 10 (50mg) tablets while SUN's product "VENIZ-XR" is available in capsule form and priced at Rs. 30/- for 10 (37.5mg) capsules and therefore there is no chance of confusion.
- Cadila while filing affidavit in lieu of chief examination has averred that notwithstanding their right to use the mark "VENZ-OD", they have adopted the trademark "ZYVEN" with respect to Active Pharmaceutical Ingredient Desvenlafaxine and further they have no intention to use the trademark "VENZ-OD" in future. Therefore, nothing survives in the suit for adjudication.
- Sun's mark "VENIZ-XR" is not an original coined word and they have lifted the word "VEN" from the basic molecule and even otherwise, the word "VEN" is publici juris being a clipped abbreviation of the generic word Venlafaxine.
- SUN on the other hand contended that even if Cadila has adopted the trademark "ZYVEN" in respect of pharmaceutical products, namely Des Venlafaxine, the fact remains that at the time of institution of the suit, they have adopted the mark "VENZ" which was visually, phonetically and structurally similar to that of the Sun's registered trademark "VENIZ" and therefore SUN is entitled for judgment and decree for infringement and passing off.

Court Decision

Both sides filed evidence to substantiate their case and the court after considering the pleadings, documents, case laws and the detailed arguments of the parties held as follows:

The documents on record evidence the fact that Sun was granted permission to manufacture Venlafaxine extended release capsule under the mark VENIZ-XR and Desvenlafaxine extended release tablet (37.5 mg and 75 mg) under the mark "D-VENIZ" in 2003 and 2009. Moreover, Sun is the registered proprietor of the marks VENIZ-XR and D-VENIZ since 2000 and 2009 respectively.

It came out in evidence that CADILA started using the mark "VENZ-OD" in the year 2009 and that the products under the mark "VENZ-OD" were meant to treat identical ailments. Sun has proved their statutory rights and is entitled to restrain CADILA from using the mark VENZ or any other mark deceptively similar to SUN's registered mark VENIZ so as to prevent infringement and passing off.

With regard to damages, court observed that SUN has not filed any documents to substantiate its claim for liquidated damages and coupled with the fact that CADILA have adopted the mark "ZYVEN" in respect of pharmaceutical products, namely Desvenlafaxine subsequent to the filing of the suit, the court granted Rs.300,000 (approx US\$ 4600) as damages.

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