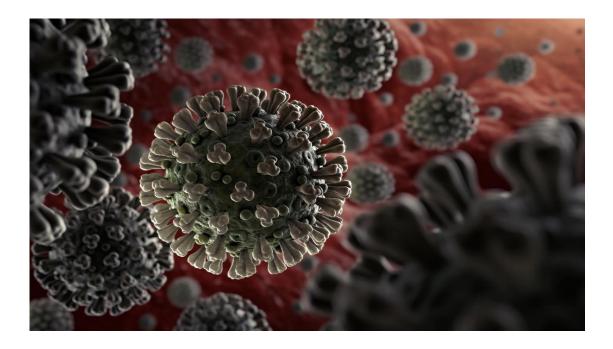


Published 6:18 am IST on July 31, 2020 By Krrishan Singhania & Vanshaj Mehta



The pandemic, an unprecedented crisis, has turned out to be a business opportunity for the pharmaceutical industry, with the industry reaping benefits from its Intellectual Property. There has been a plethora of Trademark and Patent Applications being filed around the world for the formative names of the virus, also widely referred to as COVID-19 or CORONA, both globally as well as in India, for medicines and pharmaceutical products, hand sanitizers, etc.

Since the ending of the first quarter of 2020, we have witnessed a rapid increase in the number of trade mark applications filed with the Controller General of Patents, Designs, and Trademarks, for terms like 'CORONA SANITIZER', 'CORONA SAFE', COVID SANJEEVANI' and 'COVID RELIEF'. However, the question that lies before us is whether these formative marks using words 'COVID' and 'CORONA' can be registered under the Indian laws.

The paradox of safety

While this seems the best times for the pharmaceutical companies to cash on their resources by protecting their Intellectual Property Rights, we need to understand that when it comes to medicines in India, we have to be extra cautious. Granting a trademark for a COVID-19 or CORONA formative mark can be confusing and also a health hazard for the consumers, especially when medicines are sold over the counters in India. Adding to this, the Drugs and Magic Remedies (Objectionable Advertisements) Act, 1954, which provides checks and balances with regards to the advertisement of drugs in India, prohibits publication of any advertisement referring to any drug in terms which suggest or are calculated to lead to the use of that drug for the diagnosis, cure, mitigation, treatment or prevention of any disease, disorder or condition specified in the rules formulated under the aforesaid Act. The Apex Court of India observed in the Hamdard Dawakhana (Wakf) Lal Kuan, Delhi & Another vs. Union of India & Others (1960 AIR 554), that "the object of the Act as shown by the scheme of the act, is

'Covid' or 'Corona': Can they be trademarks for pharmaceutical industry? - The Daily Guardian

the prevention of selfmedication and self-treatment and a curb on such advertisements is a means to achieve that end". Prohibition on advertisements and lack of knowledge regarding the name of the medicine and the salts present in it, can cause an average consumer to buy a drug from a local pharmacy that may have the words 'COVID' or 'CORONA' in its brand name but may have nothing to do with treating the aforesaid virus

Further, Section 13 of the Trade Marks Act, 1999 (TM Act) mandates that words that are names of chemical elements or International Non-proprietary Names (INNs) or any deceptively similar names shall not be registered under the TM Act. However, despite this provision, there is a need of a separate set of rules and regulations specifically for pharmaceutical trademarks in the interest of public health and in order to prevent confusion among consumers. Recently, a case of consumer confusion was seen, when an Ayurvedic Company in India – Patanjali – started advertising that their products could cure the novel virus without getting prior approvals of the government.

Is 'COVID' or 'CORONA' descriptive?

Finally, when we see all the marks that are mentioned above, we see a descriptive element in each and every mark, as they are referring to either 'COVID' or 'CORONA'. Descriptive trademarks are generally prohibited from being registered under Section 9 of the TM Act. But what is a descriptive mark? A descriptive trademark, as we can see above from the COVID and CORONA formative marks, draws direct reference to the products or services for which it seeks protection or is already registered. In this case the COVID and CORONA formative marks clearly make a direct reference to the pandemic, and can be argued to be descriptive. 'Covid' or 'Corona': Can they be trademarks for pharmaceutical industry? - The Daily Guardian

It is imperative to understand that in the pharmaceutical industry, there is a higher level of threshold to grant a registration to any trademark. This is so because of an important characteristic when it comes to the consumer, which is 'health'. In a country like ours where the illiteracy rates are so high and at a time when public health is being prioritized above everything, there cannot be any scope for deception in medical products, as any confusion may lead to immense harm – maybe fatal – to the consumer. As drugs are available easily over the counter without any prescription, a simple confusion relating to the name of the drug can lead to another health hazard, perhaps even more severe than the pandemic itself. If the abovementioned potential trademarks are granted protection and are allowed to sell medicines, they may start a wave of confusion, as they are phonetically similar names.

Various judicial decisions have been passed by the courts in India that have propounded on the 'health' threshold that one should consider before granting Intellectual Property Rights protection to pharmaceutical. The Apex Court of India in the landmark judgment of Cadila Healthcare Ltd. vs. Cadila Pharmaceutical Ltd., 2001 5 SCC 73 observed that the confusion in drugs could be life threatening and drugs should be treated as poison since any confusion in medicinal products can have harmful consequences on the purchasers of such medicinal products. When we talk about confusion and deception from the eyes of an average consumer, at times we are set in a dilemma as to what may or may not cause confusion. The question of 'possibility' and 'probability' of confusion was considered in the case of Wyeth Holdings Corporation and another vs. Sun Pharmaceuticals Industries Ltd., 2004 (28) PTC 423. In this case, two similar trade marks in the name of 'PACITANE' and 'PARKITANE' were considered which were used for treating Parkinson's disease. The court held that the

'Covid' or 'Corona': Can they be trademarks for pharmaceutical industry? - The Daily Guardian

customers and the trade channels were the same, and that the defendant had adopted the plaintiff's mark with a dishonest intention. There was a 'possibility' of confusion between both the marks and this could jeopardize the lives of the consumers. As the balance of convenience was in favour of the plaintiffs, the court granted injunction in favour of the plaintiffs. Thus, in each case one would have to see if there would be a 'possibility' of confusion if a COVID and CORONA formative mark was granted trademark registration.

Conclusion

At present, most of the 'COVID' and 'CORONA' formative marks that have been applied for a registration are at the examination stage. It will be interesting to see the scenario unfold once the examination reports with respect to these applications come out. We surely can expect a lot of marks being objected on the basis of descriptiveness as well as similarity to an existing application. Apart from this, we may also see invocation of Section 13 of the TM Act. No matter what the outcome of the examination report be, it will be interesting to see whether the registry grants a registration to any 'COVID' or 'CORONA' formative mark, and the interpretation of Courts on these issues when the matter comes up for enforcement. We are of the view that pharmaceutical companies should do a thorough legal analysis before finalizing a brand name for their medical products and not adopt the word 'CORONA' or 'COVID' simply because they feel that it may attract consumers.

Krrishan Singhania, Founder and Managing Partner, and Vanshaj Mehta, Associate, K Singhania & Co. (formerly Singhania & Co. Mumbai)