

PREScription PARADOX: EXPLORING THE PITFALLS OF CONFUSING PHARMACEUTICAL BRAND NAMES IN INDIA

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ABSTRACT

In a recent pending case before the Delhi High Court, the matter of medication errors due to confusingly similar pharma packaging and labelling has once again raised the concern of medication process in India. The present suit is filed by Dr. Reddy's Laboratories Ltd. against SGS Pharmaceuticals (P) Ltd. for trade dress passing off. The plaintiff has prayed for restraining the defendant from infringing on the registered trademark, trade dress, colour scheme, and distinctive packaging of the medicine Cyproheptadine sold by the plaintiff under the trademark "Practin". Medical community has been complaining about the instances of medication errors due to Look Alike Sound Alike (LASA) drug names in India, to no avail. The objective of this study is to review the role of Indian courts through precedents with the objective of underlying the interpretation of 'likelihood of confusion' test to determine passing off trade dress and trademark infringement with respect to pharmaceutical products in India. This case review article expresses states that the Indian market is full of LASA Drugs which have not yet caught the attention of the media or the responsible authorities. To review the role of Indian courts through precedents with the objective of underlying the interpretation of 'likelihood of confusion' test to determine passing off trade dress and trademark infringement with respect to pharmaceutical products in India.

KEYWORDS: Trademark, Infringement, Pharmaceutical, Likelihood of confusion, Medication, LASA drugs.

INTRODUCTION

Trademarks are crucial in defining brand identity and fostering consumer trust in the fast-paced pharmaceutical industry, where innovation and competition are constant companions. However, navigating the realm of pharmaceutical trademarks is not without its challenges, and one of the paradoxes that often perplexes both legal experts and industry professionals is the concept of "likelihood of confusion."¹ The probability or chance that people could confuse two similar objects is known as the "likelihood of confusion." It means that there's a chance that customers will confuse one brand or product for another based on similarities in their names,

logos, packaging or labelling. This confusion gets alarming when it connotes to medicines resulting in medication error. Innovating while guaranteeing consumer safety is a delicate balance that characterizes this industry.

Medication error is defined as "any preventable event that may cause or lead to inappropriate medication use or patient harm, while medication is in the control of healthcare professional, patient, or consumer" by the National Coordinating Council for Medication Error Reporting and Prevention.² Errors may occur at different stages such as during prescribing, transcribing the order, sending order to pharmacy, dispensing, administering, documenting the administered medication, and assessing its effect on patient.² Furthermore,

factors include miscommunication of drug order due to poor handwriting, missing information, work load, stress, incomplete training.²

The Mark of Confusion

It is imperative to understand that protecting trademarks is about what they represent and portray than just the mark itself. One would expect certain flavors and quality, if a burger is received in a box that resembles McDonalds. But, if the burger is not from a genuine food outlet, the goodwill of McDonald's, can be greatly tarnished. There are innumerable ways a brand can lose profit when your trademarks are being infringed upon, but the two most common and serious ones are:

- Losing direct sales; and
- Brand reputation gets damaged.³

"It is important to understand exactly what is understood by the term trademark confusion, as the concept can be assessed by reference to how the public may become confused by trademarks that are identical or similar to other marks, and this can best be explained in the context of how the public becomes aware of the goods or services in question"⁴

Direct confusion, or source confusion, occurs at the time of purchase by the consumer, as the goods displaying the infringing mark cause them to believe that they are purchasing the original products of a well-known brand such as Armani or Versace, not counterfeit copies.⁵

Initial interest confusion, or pre-sale confusion, occurs when the consumer becomes aware of the infringer's use of an identical or similar pre-existing trademark.⁵ However, by the time the purchase is close to completion, they are either aware that they are being misled or they intend to purchase the counterfeit goods.⁵ An example is when the infringer uses the original trademark as a keyword to promote their business in a search engine online, which leads the consumer to the infringer's site.⁵

After-sale confusion occurs when the consumer has purchased counterfeit goods, but confusion arises when others are confused about the origin and status of the goods.⁵ For example, a consumer buys a bag with a trademark or design identical or similar to a well-known brand, and others assume that it is an original item from a high-status brand.⁵

Two other examples of confusion are indirect or sponsorship confusion and reverse confusion. The former category arises when the public becomes confused about the potential association between the infringer and the original trademark holder rather than assuming the source of the goods or services in question.⁵ They may mistakenly assume that the infringer has a sponsorship arrangement or license agreement with the trademark holder or that the parties operate a joint operation.⁵

An example of this category is where the infringer uses the original trademark in its brochures or on its website but not on the actual goods being sold.⁵ However, the effect is to allow the infringer to profit from the trademark holder's goodwill and create confusion in the minds of the public, who may assume a commercial relationship between the infringer and the trademark holder.⁵

On the other hand, the latter category, reverse confusion, is slightly more complicated but relates to the confusion caused when an infringer adopts a trademark that is identical to or similar to a trademark registered to another party earlier and causes the consumer to believe that the adopted trademark originated from the later party or that there is an association between them.⁵ This often arises when the later party is a well-known, larger or more successful brand and their investment and brand promotion have an enhancing effect on the earlier party's business.⁵

Sections 9 and 11 of the Indian Trade Marks Act, 1999 talks about confusion. Section 9(2)(a) of the Trade Marks Act, 1999, states:

“A mark shall not be registered as a trademark if it is of such nature as to deceive the public or cause confusion.”

Section 9(2)(a) is primarily concerned with the deceptive nature of the mark by virtue of something inherent in the mark or its use, such as to the nature, quality or geographical origin of the goods or services.⁵ This section covers the confusion caused by the misrepresentation of a mark with respect to its characteristics and marks that contain false or misleading information.⁵

The concept of confusion is also envisaged in Section 11(1) of the Indian Trade Marks Act, 1999, which states:

Save as provided in Section 12, a trademark shall not be registered if, because of

- its identity with an earlier trademark and similarity of goods or services covered by the trademark; or
- its similarity to an earlier trademark and the identity or similarity of the goods or services covered by the trademark; or
- there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trademark.

“The main difference between the two sections is that deception or confusion envisaged in Section 9(2)(a) flows out of something contained in the mark itself sought to be registered and not out of resemblance with any other mark. The question related to resemblance arises under Section 11(1).”⁶

‘Likelihood of confusion’ is the gold standard by which infringement is measured across almost every region although, of course, specific phraseology may vary.⁵ Many regions, including the United States, have different ‘tests’ that they apply to assess likelihood of confusion with set factors to measure.⁵

Discussion

Trademark is how customers recognize your goods or services in the marketplace and distinguish your goods or services from your competitors.⁷ If your trademark is confusingly similar to another trademark and the goods and services are related, consumers are likely to mistakenly believe these goods or services come from the same source.⁷ This is known as a ‘likelihood of confusion’.

The core principle of trademark infringement is not too difficult to decipher. In the event that consumers are likely to become confused between two trademarks, trademark infringement is highly prevalent.

However, there are subtleties to this rule and intricacies to federal statutes, just like in any other area of intellectual property law. For example, it is not necessary for actual consumer confusion order to determine likelihood of confusion. That being said, the strongest proof of trademark infringement is actual consumer confusion. If there are no recorded incidents of consumers confusing one product for another, the courts may nevertheless determine that use of a similar trademark qualifies for a trademark injunction and potential damages.

The phrase ‘likelihood of confusion’ has been a topic of discussion before the adjudicating authority in every case. There can be no straight jacket formula to define the phrase because the interpretation differs from facts to facts of a case.

Some prominent precedents have been discussed below to lay down the broad guidelines that can be torch bearer for the lower courts in India.

1. National Sewing Thread Co. Ltd., Chidambaram Vs. James Chadwick and Bros Ltd.,⁸

- The apex court held that, “in deciding whether a particular trade mark is likely to deceive or cause confusion, that duty is not discharged by arriving at the result by merely

comparing it with the trade mark which is already registered and whose proprietor is offering opposition to the registration of the mark.”

- The real issue to decide in such cases is to see as to how a purchaser, who must be looked upon as an ‘average man of ordinary intelligence’, would respond to a particular trade mark, what association he would form by looking at the trade mark, and in what respect he would connect the trade mark with the goods which he would be purchasing.⁹

2. Corn Products Refining Company Vs. Shangrila Food Products Ltd.,¹⁰

- The conflicting trademark involved in this case was GLUCOVITA and GLUVITA
- Desai, J., held that, English cases proceeding on the English way of pronouncing an English word by Englishmen, which it may be stated is not always the same, as it may not be of much assistance in our country in deciding questions of phonetic similarity. It cannot be overlooked that the word is an English word which to the mass of the Indian people is a foreign word.¹⁰
- It is well settled that in deciding a question of similarity between two marks, the marks have to be considered as a whole-complete.¹¹
- Desai, J., held that, “the marks with which this case is concerned are similar. Apart from the syllable ‘co’ in the appellants mark, the two marks are identical. That syllable is not in our opinion such as would enable the buyers in our country to distinguish the one mark from the other.”

3. Amritdhara Pharmacy Vs. Satya Deo¹²

- The conflicting marks involved in this case were Amritdhara and Lakshmandhara. Both being medical preparation.
- Such medicinal preparation will be purchased mostly by people who instead of going to a doctor, wish to purchase a medicine for the quick alleviation of their suffering, both

villagers & townsfolk, literate as well as illiterate.¹³

- The question has to be approached from the point of view of a ‘man of average intelligence and imperfect recollection.’ To such a man the overall structural and phonetic similarity of the two names Amritdhara and Lakshmandhara is, in our opinion, likely to deceive or cause confusion. We must consider the overall similarity of the two composite words Amritdhara and Lakshmandhara.¹³
- A critical comparison of the two names may disclose some points of difference but an unwary purchaser of average intelligence and imperfect recollection would be deceived by the overall similarity of the two names having regard to the nature of the medicine he is looking for with a somewhat vague recollection that he had purchased a similar medicine on a previous occasion with a similar name. The trade mark is the whole thing – the whole word has to be considered.¹³

4. Durga Dutt Sharma Vs. N.P. Laboratories,¹⁴

- The difference between an action for passing off and action for infringement of trade mark was discussed in this case by the apex court of India. While an action for passing off is a common law remedy being in substance an action for deceit, that is, a passing off by a person of his own goods as those of another, that is not the gist of an action for infringement.¹⁵ The action for infringement is a statutory remedy conferred on the registered proprietor of a registered trade mark for the vindication of the exclusive right to the use of the trade mark in relation to those goods.¹⁶ The use by the defendant of the trade mark of the plaintiff is not essential in an action for passing off, but is the sine qua non in the case of an action for infringement.
- In an infringement case, the plaintiff must unquestionably demonstrate that the defendant's mark evidence is required likely to be misleading; however, if the plaintiff's and the defendant's marks are so similar, either phonologically or visually, and the court

determines that there a duplication, no supplementary evidence is required to assert that plaintiff's rights have been infringed.

5. F. Hoffmann-La Roche & Co. Ltd. Vs. Geoffrey Manner & Co. Pvt. Ltd.,¹⁷

- Lord Justice Lukmoore made an attempt to answer the question, "whether the sound of one word resembles too nearly the sound of another so as to bring the former within the limits of Section 12 of the Trade Marks Act, 1938, must nearly always depend on first impression, for obviously a person who is familiar with both words will neither be deceived nor confused."

- It is the person who only knows the one word and has perhaps an imperfect recollection of it, is likely to be deceived or confused. Little assistance, therefore, is to be obtained from a meticulous comparison of the two words, letter by letter and syllable by syllable, pronounced with the clarity to be expected from a teacher of elocution.¹⁸

- The Court must be careful to make allowance for imperfect recollection and the effect of careless pronunciation and speech on the part not only of the person seeking to buy under the trade description, but also of the shop assistant ministering to that persons wants.¹⁸

With the advent of globalization, as the brands are traded in international market, the trademark needs protection not just at the national level but at the international level too. Since the trademark is territorial in nature, therefore if the brand wants to enter the international market, it is advisable to register their mark in that country also to avoid the counterfeit trade. At this juncture, it becomes pertinent to know that the test to infringement i.e. 'likelihood of confusion' is universally acceptable. But what remains a point of discussion is the interpretation to 'likelihood of confusion'.

The perspective of different countries can be best studied through English precedents such as:

1. Re Pianotist Co.s Application¹⁹

- Parker J, stated that, "you must take the two words; You must judge them, both by their look and by their sound; You must consider the goods to which they are to be applied; You must consider the nature and kind of customer who would be likely to buy those goods; In fact you must consider all the surrounding circumstances; and you must further consider what is likely to happen if each of those trademarks is used in a normal way as a trade mark for the goods of the respective owners of the marks."

- For deceptive resemblance, there are two important questions: (1) who are the persons whom the resemblance must be likely to deceive or confuse, and (2) what rules of comparison are to be adopted in judging whether such resemblance exists.²⁰ As to confusion, it is perhaps an appropriate description of the state of mind of a customer who, on seeing a mark thinks that it differs from the mark on goods which he has previously bought, but is doubtful whether that impression is not due to imperfect recollection.²¹

2. William Bailey (Birmingham) Ltd.s Application²²

According to Farwell J, "it is not right to take a part of the word and compare it with a part of the other word; one word must be considered as a whole and compared with the other word as a whole. I think it is a dangerous method to adopt to divide the word up and seek to distinguish a portion of it from a portion of the other word."

3. American Cynamid Corporation Vs. Connaught Laboratories Inc.,²¹

- Exacting judicial scrutiny is required if there is 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.²²

- It may here be noticed that Schedule H drugs are those which can be sold by the chemist only on the prescription of the Doctor but Schedule L drugs are not sold across the

counter but are sold only to the hospitals and clinics.²² Nevertheless, it is not un-common that because of lack of competence or otherwise, mistakes can arise especially where the trade marks are deceptively similar.²²

4. **Blansett Pharmaceuticals Co. Vs. Carmick Laboratories Inc.,**²³

1. Confusion and mistake is likely, even for prescription drugs prescribed by doctors and dispensed by pharmacists, where these similar goods are marketed under marks which look alike and sound alike.²⁴

5. **Glenwood Laboratories, Inc. Vs. American Home Products Corp.,**²⁵

2. The fact that confusion as to prescription drugs could produce harm a contrast to confusion with respect to non-medicinal products as an additional consideration of the Board as is evident from that portion of the opinion in which the Board stated, "The products of the parties are medicinal and applicants product is contraindicated for the disease for which opposers product is indicated. It is apparent that confusion or mistake in filling a prescription for either product could produce harmful effects. Under such circumstances, it is necessary for obvious reasons, to avoid confusion or mistake in the dispensing of the pharmaceuticals."

6. **R.J. Strassenburgh Co. Vs. Kenwood Laboratories, Inc.,**²⁶

3. The drugs have a marked difference in the compositions with completely different side effects, the test should be applied strictly as the possibility of harm resulting from any kind of confusion by the consumer can have unpleasant if not disastrous results.²⁷ The courts need to be particularly vigilant where the defendants drug, of which passing off is alleged, is meant for curing the same ailment as the plaintiffs medicine but the compositions are different.²⁷ The confusion is more likely in such cases and the incorrect intake of medicine may even result in loss of life or other serious health problems.²⁷

Although multiple factors can influence the likelihood of confusion, the case *In re E.I. du Pont de Nemours & Co.*,²⁷ identified 13 main Dupont factors. The Dupont Factors are:

1. The degree of similarity or differentiation between each trademark, including their trade dress, meaning, commercial impression, and phonetic;
2. The similarity or dissimilarity in the nature of the goods or services involved;
3. The similarity or dissimilarity in the trade channels through which the goods or services are marketed and whether this is likely to persist;
4. The type of consumer purchasing the goods or services and the circumstances under which the purchase is made;
5. The recognition and goodwill of the existing trademark;
6. The number and nature of similar trademarks used for similar products;
7. Whether actual confusion has occurred, including its nature and extent;
8. The duration and conditions of concurrent use without actual confusion;
9. The range of goods or services associated with the trademark;
10. The interaction between the two trademarks in the marketplace;
11. The scope of exclusive rights held;
12. The potential extent of confusion; and
13. Other relevant facts indicating any impact due to concurrent use.²⁸

In the 9th Circuit which covers California and other western states, courts use the ***Sleekcraft Factors***,²⁹ wherein the court's decision laid down eight noteworthy factors in the form of questions when adjudicating the likelihood of confusion. The factors are as followed:

1. Strength of the trademark: Does the senior trademark have market strength? Is it distinctive, generic or arbitrary?
2. Goods/Services proximity: Are similar trademarks being used on competing products? What about related products that aren't competing?

3. **Trademark similarity:** Are the trademarks similar in any way? Do they appear or sound the same?

4. **Evidence of confusion:** Can instances of actual consumer confusion be shown?

5. **Marketing channels:** Are the promotional methods used similar with both products? Are the businesses similar? Courts may even consider whether the goods are located near each other in a grocery store.

6. **Customer vigilance:** What is the likelihood that consumers will be confused when exercising ordinary caution?

7. **Intent of defendant:** Did the alleged infringer intend to create a likelihood of confusion?

8. **Market expansion:** Could either party expand their business into new markets? Could the eventual expansion create consumer confusion

CONCLUSION

With the proliferation of confusing pharmaceutical brand names in the Indian market, the issue needs attention from the regulatory bodies and the legislature. Since medication is in tangent to the human health, even a slight confusion proves fatal to human life. In such scenario, the regulatory authorities should regulate more diligently each drug's packaging and labeling before circulating in the market. Simultaneously the IP authorities should also inspect each pharmaceutical mark meticulously so as to avoid even a slightest likelihood of confusion due to phonetic/word similarity. Proper data base of all medical brand names should be maintained so that the new brand owners could do public search and avoid taking names similar to the already existing ones.

Moreover, the principle 'likelihood of confusion' should be interpreted keeping in mind that the brand names of medicines are mostly uncommon English names. According to 2023 census, 36.36% of India's population lived in urban areas, while the remaining 63.64% lived in rural areas. In a country like India with major population residing in rural areas where English

speaking is difficult and English accent is also different this can give rise to confusion if two similar pharmaceutical brand names are there in the market. Thus the court while interpreting the 'likelihood of confusion' especially in pharmaceutical trademark infringement cases, should give it a broader meaning so as to abate the medication errors due to confusing names.

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