

# HELLO

Series of brief newsletters released by Bharucha & Co. on latest development of IP predominantly in Pakistan.

## APPLICATION FOR DECLARATION OF INVALIDITY OF TRADE MARK – BAR ON FILING OF APPLICATION FOR DECLARATION OF INVALIDITY OF TRADE MARK BEFORE IMPROPER FORUM

**Petitioner:** ITALFARMACO S.P.A.

**Respondent:** HIMONT PHARMACEUTICALS (PVT) LTD.

**Decision:** C.M Application allowed- The application returned to the Applicant to be filed at appropriate forum.

In this case, the Applicant filed an application in the Lahore High Court, for invalidation of the entry in the Trade Marks Register of the trade mark “FERPLEX” registered in class-5 in the name of Respondent No-1 HIMONT PHARMACEUTICALS (PVT) LTD. In response to this The Respondent filed an application under the provision of CPC to reject the application on the grounds that the proceedings in respect of the trade mark in question were pending in the District Court as a suit for permanent injunction and declaration regarding the mark “FERPLEX” had already been filed by the Respondent. Hence, the application for invalidation of the said mark by the Applicant before the High Court was not maintainable within the meaning of section 80(4) (a) of the Trade Marks Ordinance 2001.

The brief facts of the case were that the Respondent was a licensee of the Applicant for formulating, manufacturing and selling of pharmaceutical products under the trademark FERPLEX under a license agreement executed on 26.10.1994. The agreement had effectively been terminated on 01.04.2009. The Respondent alleged that the agreement could not be terminated and brought a suit before the District Court, Lahore. Both the sides did not dispute that the trademark FERPLEX was the proprietary trademark of the Applicant and that the registration of the trademark FERPLEX in the Register of Trade Marks was made in the name of The Respondent. The applicant asserted that as per the license agreement, The Respondent was merely conferred a license for the use of trademark within the territory of Pakistan and that The Respondent had in the license agreement recognized the exclusive ownership of the Applicant of its trademark FERPLEX. The Respondent also agreed that by the use of the trademark it did not acquire any proprietary rights to it. The applicant provided requisite data and information to The Respondent to enable it to obtain marketing approval/drug registration under the trademark FERPLEX for formulating, manufacturing and selling the FERPLEX products as a licensee of the applicant. However, the fact remained that the trademark was registered in the name of Respondent and the application made by the Applicant was to declare the registration of the mark as invalid.

In its reply to the invalidation application the Respondent stated that since the proceedings in respect of the said trademark were pending before the District Court in Lahore, the instant application for invalidation should have been filed in the same place/ Court as the present application for invalidation in the High Court fell within the mischief of the exception contained in clause (a) of subsection (4) of Section 80 and hence should be rejected.

The Honourable learned J. observed that two grounds form the nub of the Applicant's arguments with regard to the application filed by the Respondent; Firstly, the learned counsel stated that no proceedings were pending with the District Court within the contemplation of the term as used in subsection (4) and thus, the exception to subsection (4) was not attractive/ well taken so as to convince this Court to allow the Respondent's application. Secondly, the learned

counsel invited this Court to hold that the purposive construction of subsection (4) was that the choice to approach the appellate forum was retained by the Applicant who brought an application under section 80 for seeking a declaration of invalidity with regard to a trademark.

The learned counsel for the Respondent made reference to a reported case relating to an application under section 73 of the Ordinance for the revocation of the trademark. It was held in the judgment that the application ought to be filed with the Registrar and the only exception which allowed the filing before the High Court was if proceedings were already pending with the High Court. This precedent was cited as a complete answer to the arguments raised by the learned counsel for the Applicant that the Applicant had a choice to file proceedings either before the High Court or before the District Court. The reference was also made to a Division Bench judgment of the Karachi High Court, wherein it was held that sections 73 and 80 of the Ordinance required such proceedings to be filed before the forum where, the proceedings concerning the trademark were already pending. This judgment is on all fours with the facts in the instant application and primarily supported the findings rendered in the instant application. The Division Bench concluded that all such proceedings be decided by the same forum based on sound principles of administration of justice and judicial governance and thus proceeded to return the application to be filed at the proper forum. Consequently, the Honourable court allowed the application of Respondent and the revocation application was returned to the Applicant to be filed before the appropriate forum.

