

# **Intellectual Property Rights Relating to Trademarks, Copyrights, Patents and Designs**



**National Judicial Academy, Bhopal**

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# BACKGROUND

- **Almost 20 International Treaties concerning Intellectual Property.**
  - The PARIS Convention – for all Intellectual Property.
  - The BERNE Convention – for Copyright.
  - The TRIPS Agreement – covering all Intellectual Property.
  - Patent Cooperation Treaty – for Patents.
  - The HAGUE, MADRID, NICE Conventions.
  - The ROME Convention - for Phonograms, Broadcast, etc.
  - Modern Conventions – WPPT and WCT
  - The LOCARNO Treaty

# SOME ISSUES

- Issues of International Importance (e.g. Parallel Importation) Vs. Local Importance (e.g. Territorial Jurisdiction).
- Huge similarity between IP laws of nations but some differences
- This presentation highlights some of the hotter issues from the Indian perspective:
  - Recognition of Torts through common law
  - Wider interpretation to existing concepts
  - Time and remedies revolution

# Indian Law on Intellectual Property

- Patents Act, 1970 – Inventions
- Trade Marks Act, 1999 – Trade marks
- Copyright Act, 1957- works
- Design Act, 2000 – designs of mass produced articles
- Semiconductor Chip, Geographical Indications, IT Act, Biological Diversity

# TRADE MARKS, TRADE DRESS, PERSONALITY RIGHTS

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# Unconventional Trademarks

## Shape Marks



## Sound Marks



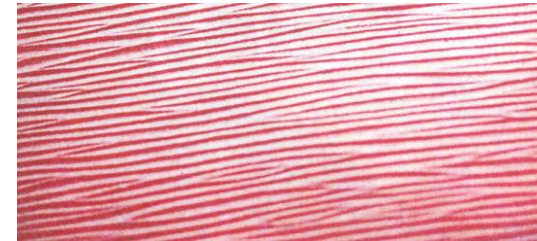
Western  
Classical  
i ICICI Bank

Folk  
i ICICI Bank

Carnatic  
i ICICI Bank

Jazz  
i ICICI Bank

## Texture Mark



## Color Mark



# Well Known Trade Marks : Recognized by TMR



- **68** marks designated well known by Trade Marks Registry

- List of well known marks available on Registry's website:

<http://ipindiaseservices.gov.in/tmrpublicsearch/wellknownmarks.aspx>



# Well Known Trade Marks Recognized by Courts in recent years

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**BOSE**® **PRIUS**



Microsoft, Bose, Autodesk, Adobe, Disney, Toyota, Prius, John Deere, TATA, GE, Polo recognized as Well Known Marks by the Delhi High Court



**Autodesk**



**POLO**  
RALPH LAUREN



## Trans-border Reputation

- “PRIUS”, the world’s first hybrid car witnessed spill over of its immense reputation in India, much prior to its national launch.
- Defendants’ adoption of PRIUS as part of trading name for business of sale of automobile spare parts likely to cause confusion and deception
- Defendants’ prior knowledge of PRIUS trademark found certain and adoption held as being dishonest



**PRIUS**

**Toyota Jidosha Kabushiki  
Kaisha v. Mr. Deepak  
Mangal & Ors. , CS (OS)  
2490 of 2009**

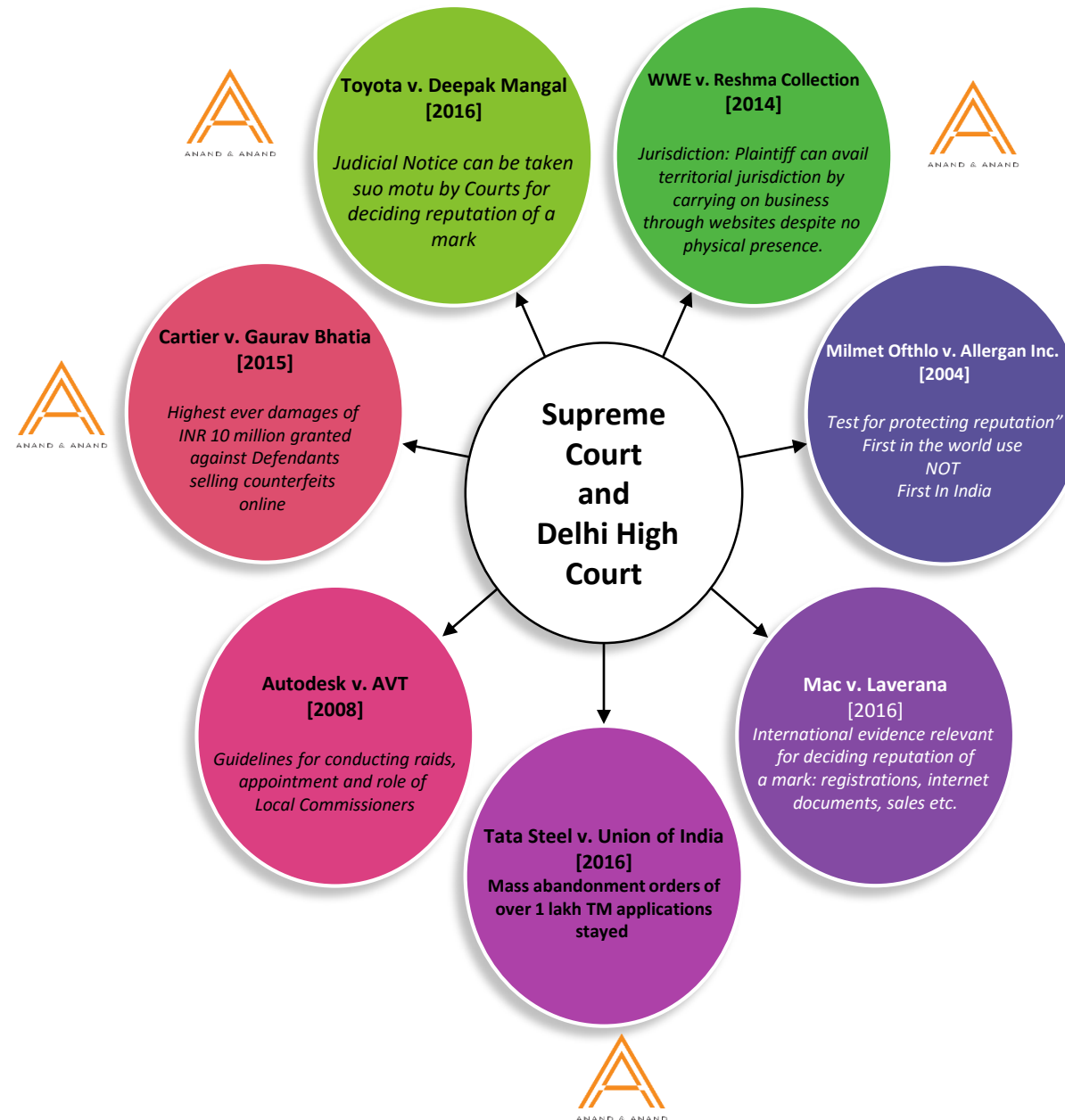
# Personality Rights

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- Tanishq Advertisement Case
- TATA Cyrus Mistry case
- Gulaab Gang case
- Phoolan Devi case
- Rajnikanth case
- Arun Jaitley case
- Daler Mehndi doll case
- TATA Turtle case



# INDIAN TRADEMARK LAW – LANDMARK DECISIONS



# High Cost of Litigation: Safeguards\*

- The Timken Company vs Timken Services Private Limited (2013) – Court required parties to submit estimate of future cost before commencement of trial.
- The estimate of other side would enable decision on how to conduct litigation and permit transparency.
- Toyota v. Deepak Mangal – In addition to damages, Plaintiffs given liberty to recover actual costs of litigation including fee of counsel.

\* *These principles are applicable to each filed of IP law including Trademarks, Copyright, Patents, Designs etc.*

# CONCLUSION: BEST PRACTICES FOR TRADEMARK PROPRIETORS

## VIGILANCE

- Have a clear trademark protection policy (when to sue; who to sue; what to settle, etc.) Budget for customs, criminal and civil enforcement and strategy. Eg. Fresh Acquisitions.
- Take prompt legal action against infringers to avoid allegations of “acquiescence” and the mark being “common to trade”.
- Engage in brand awareness campaigns. Eg. Caution notices in newspapers act as constructive notice of rights to the public.
- Initiate regular market surveys to ascertain potential infringers.
- Periodic checks in trademark journals and Register of Companies for any adoption of identical and/or deceptively similar trade mark/name by third parties.
- Monitor trade activities of past infringers against whom action was taken.
- Provide an option for “conditional amnesty” for infringers settling a trademark dispute by becoming an informant for the right holder of infringing activity in the market.

## USAGE

- Use trademark widely, i.e. for goods and services, on packaging, in advertising, on the internet, including social media platforms.
- Do not use the mark descriptively (“GENERICIDE”). Eg. “Get me a XEROX of the report”.
- Maintain consistency in the manner of use and the manner in which the mark is Registered/Applied for. Eg. Refrain from changing fonts.
- Trademark usage guidelines should be circulated to Licensees, Franchisors, Distributors, Vendors, etc.

## REGISTRATION

- Choose a distinctive trademark. Prefer invented words. Avoid descriptive words.
- Register trademark in foreign jurisdictions.
- Filing in countries with strict registration norms should be a primary focus of the enforcement strategy. Eg. China and UAE strictly follow the “first to file” principles.
- Update trademark registry in a timely manner with any changes in ownership, manner of use, design, etc. of the trademark.
- Applying for a mark in Black & White secures the broadest form of protection.

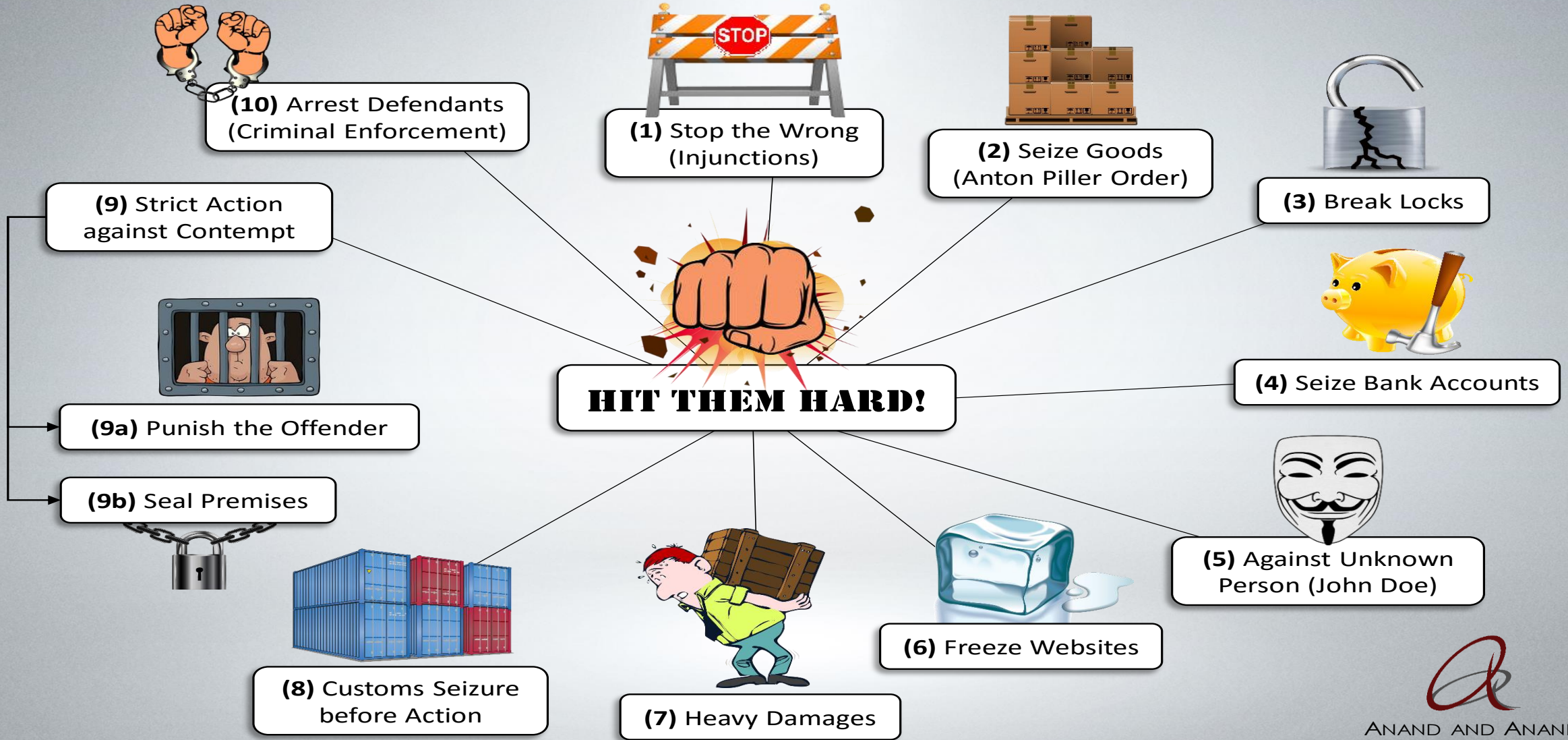
## DUE DILIGENCE

- Evaluate trademark and goodwill.
- Extensive search for your trademark on the internet. Eg. Registrar of Companies, national trademark office register, WIPO Market Survey.
- No Naked or Oral Licensing – Must have quality control and documentation.
- Maintaining records evidencing first use of TM in various jurisdictions as per their local laws.
- Maintain records of all agreements between subsidiaries/licensees/franchisees /JV companies authorizing permitted use of trademark.
- Ensure chain of assignment of artistic work in a mark is appropriately documented. Specially when work is created by a third party. Eg. Label and Device marks.
- Advisable to have a separate trademark holding company to maintain consistency in ownership. Eg. Tata, Verizon, Volvo. Multiple group companies should not hold the same mark.

# CUSTOMS AND ENFORCEMENT

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# PIRACY AND COUNTERFEITING



## **Nokia**

- Order passed by customs for seizure of good bearing the impugned mark N95 without recordal with customs.

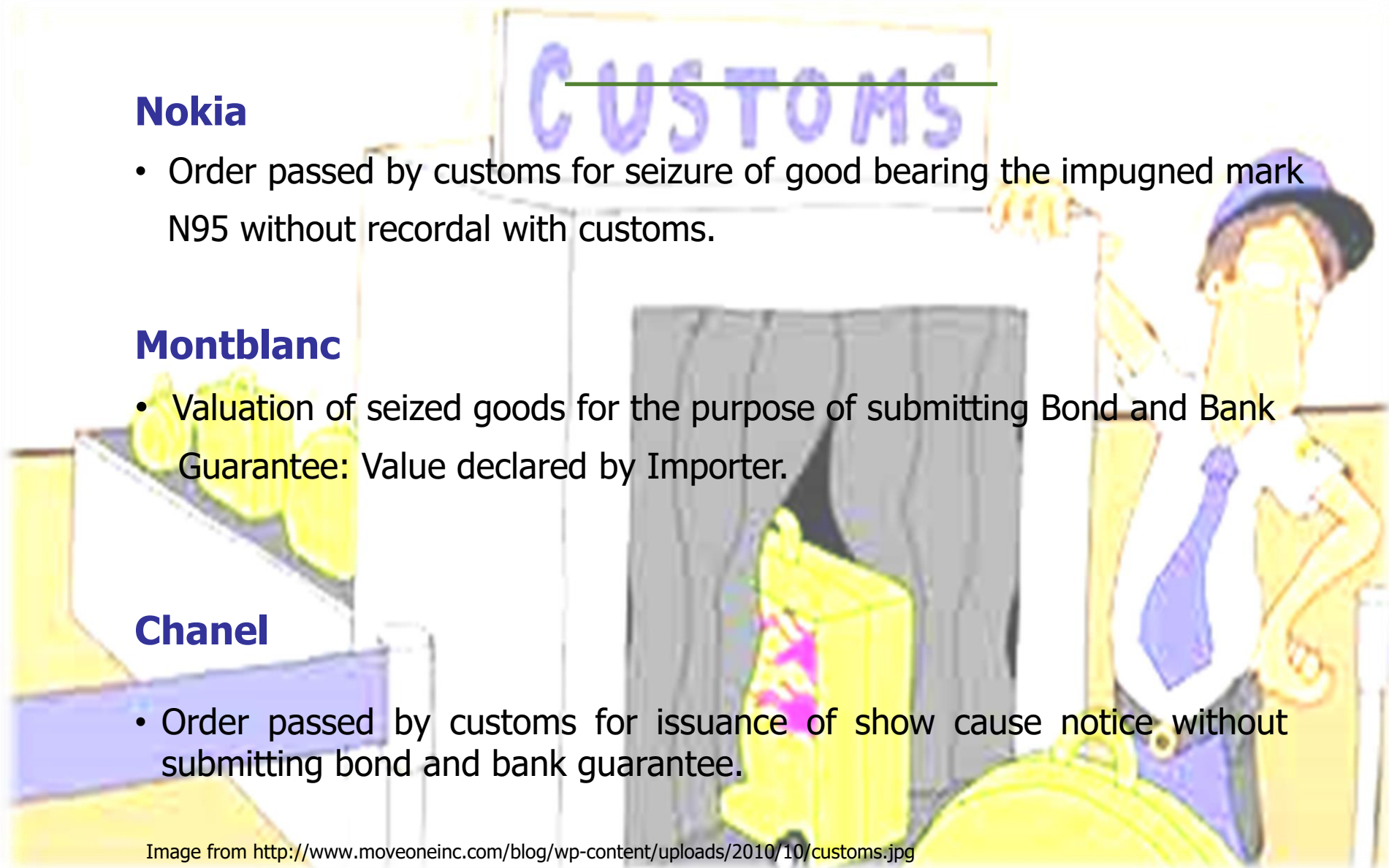
## **Montblanc**

- Valuation of seized goods for the purpose of submitting Bond and Bank Guarantee: Value declared by Importer.

## **Chanel**

- Order passed by customs for issuance of show cause notice without submitting bond and bank guarantee.

Image from <http://www.moveoneinc.com/blog/wp-content/uploads/2010/10/customs.jpg>





# Parallel Importation: Samsung v. Kapil Wadhwa

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- Division Bench of Delhi High Court reversed order of Single Judge that recognized 'National Exhaustion' in India.
- Division Bench held that India follows 'International Exhaustion'.
- Court continued injunction on meta-tagging and hyper-linking.
- Court directed Defendants to put up signage indicating that goods were grey market goods.
- Samsung has preferred an appeal to the Supreme Court.
- Other companies and associations likely to intervene.

# Judiciary – Best Practices

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- Look at and rely on foreign law and cases
- Insist on NIL suppression
- Grant status quo orders in pre – launch cases
- Writ Jurisdiction – eg. Stay on Mass abandonment of over one lakh trade mark applications (Tata Steel v. Union of India)
- Recognize importance of commercial disputes and the relevance of quick decisions to the Indian economy and international trade: Staples (Delhi High Court), Merck (Supreme Court)
- Take suo motu cognizance of reputation of trademarks through material available in public domain (books, articles etc.) – Toyota v. Deepak Mangal (Delhi High Court)

# PATENTS AND RELATED RIGHTS

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# The Environment - Past

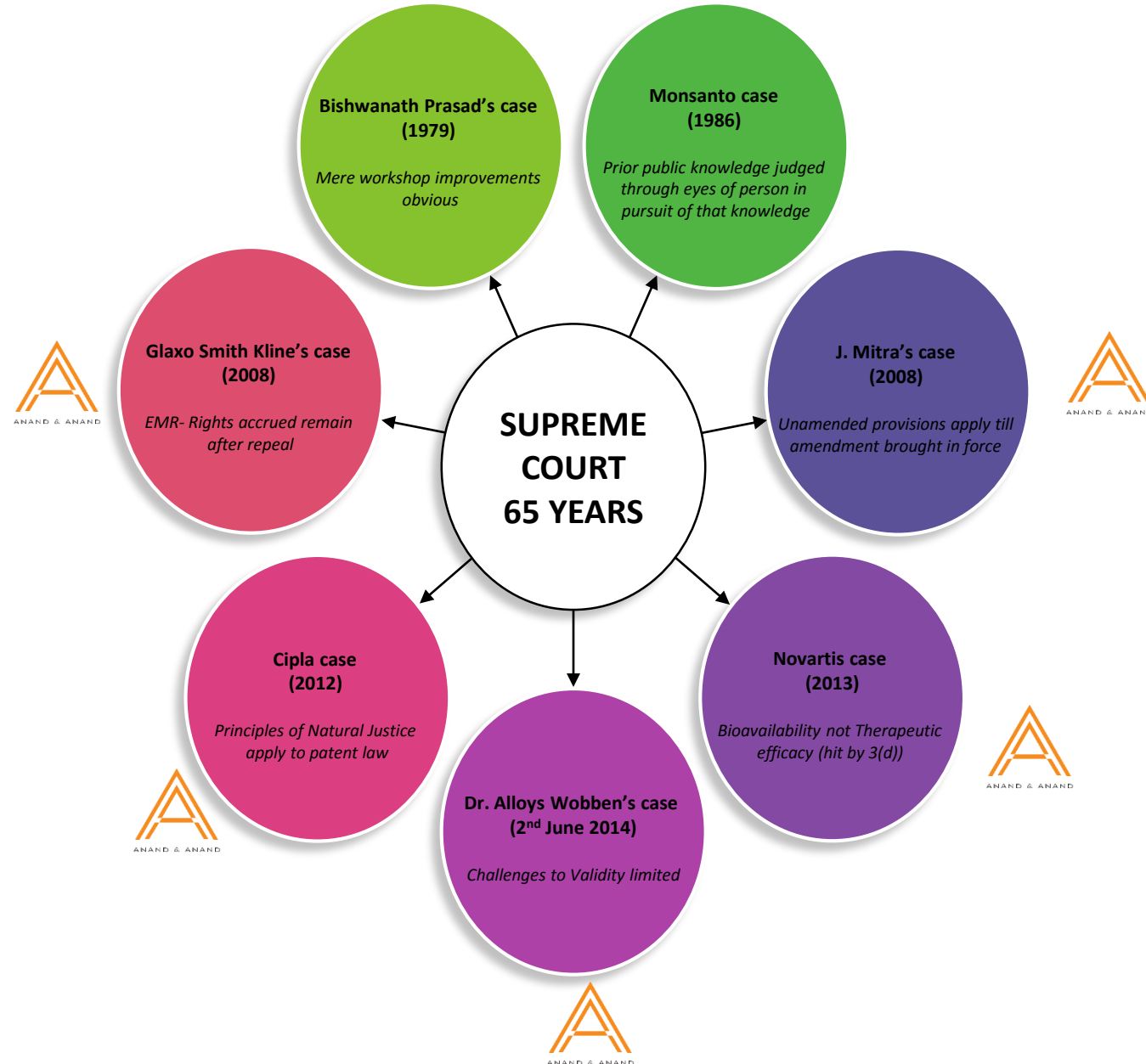
- Only two patent trials since 1947 – 7 cases by SC
- Patents protected as compulsion of TRIPS, not to advance innovation
- Novartis case – Additional Solicitor General called India “Pharmacy of the World”, justifying low protection
- In the press – link between innovation and patent system challenged

# The Environment - Past

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- IPO bias – pharma guidelines
- Two fold effect
  - Low level of basic research
  - India has cheapest medicines in the world

# LANDMARK DECISIONS IN INDIAN PATENT LAW



# Positive Changes

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- Too low filing – 45000
  - National IPR policy – food, public health, textiles
  - Tax benefits
  - Government funding
- Takes too long – **Nitto Denko**
  - Number of examiners being increased
  - Work patent (make in India) – expedited examination
  - Time limit to be reduced – estimate by 5 years
- Obstacles being removed
  - eg sequence listing **Evogene** case -now upper limit proposed
  - Everything electronic (e-filing and other stages)

# Government Initiatives

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- National IPR Policy –
  - established IP Promotion and Development Council to create awareness,
  - increased funding to identified inventors and researchers,
  - fee waivers for first time filings ,
  - support services to MSMEs for increased innovation
- Make in India – fee reduction for start ups
- Digital India – promoting digitization across industries
- Uniformity of practice –guidelines search & examination, Pharma, Biotech, TK, biological material, (CRI – withdrawn and re-introduced)



# Government Initiatives

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- Start up defined
  - Turnover not more than US\$ 4 million in last 5 years; and
  - Incorporated not more than 5 years ago; and
  - Innovating, developing and commercializing new products, services, processes or IP
- Patent applications filed by start-ups to be fast tracked
- Panel to facilitate filing of applications by start ups
- Tax breaks for income from patented inventions (rate reduced: 33% to 10%)

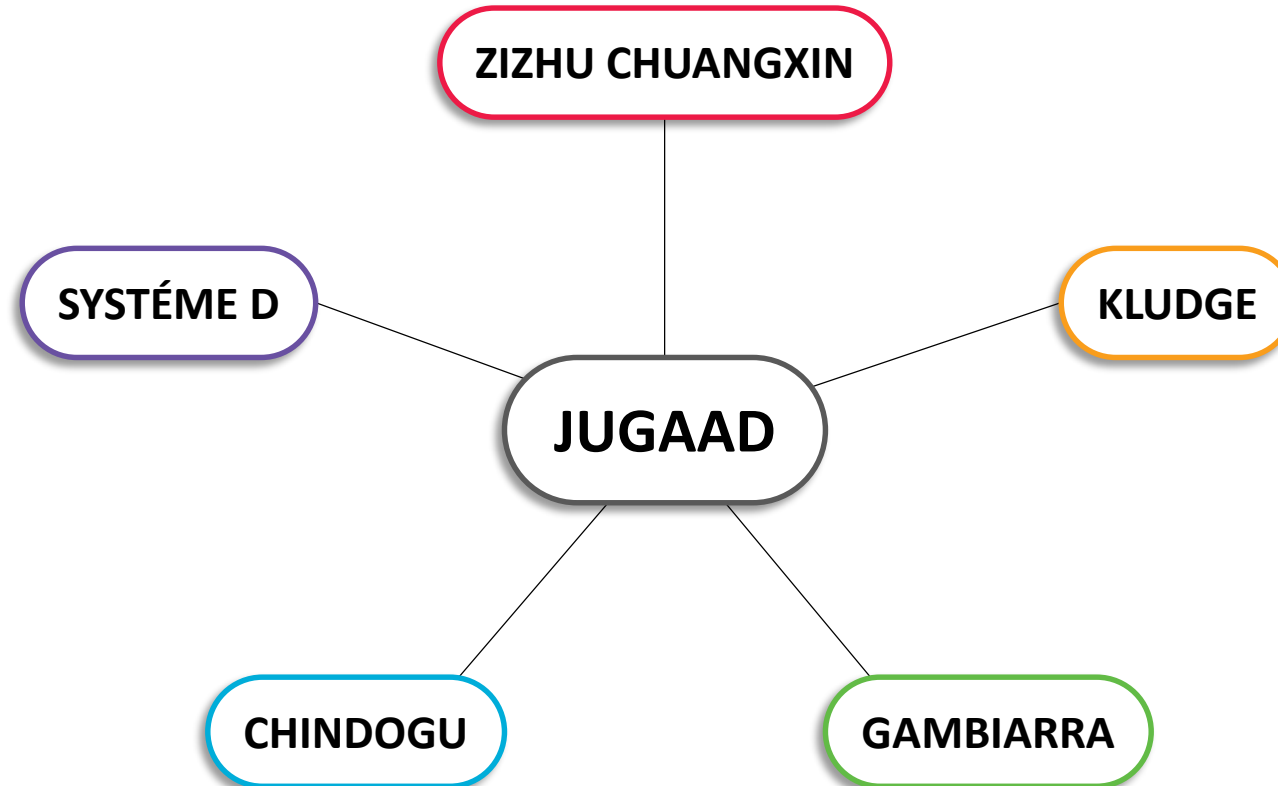
# STEM Education

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- India – 4 out of 1000
- South Korea – 46 out of 1000
- Germany – 76 out of 1000
- Japan – 110 out of 1000

# A QUICK AND CRUDE SOLUTION

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WHY GLORIFIED ?

# THE EVOLVING STRENGTH OF PATENT LITIGATION

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- **Pre – 2009**

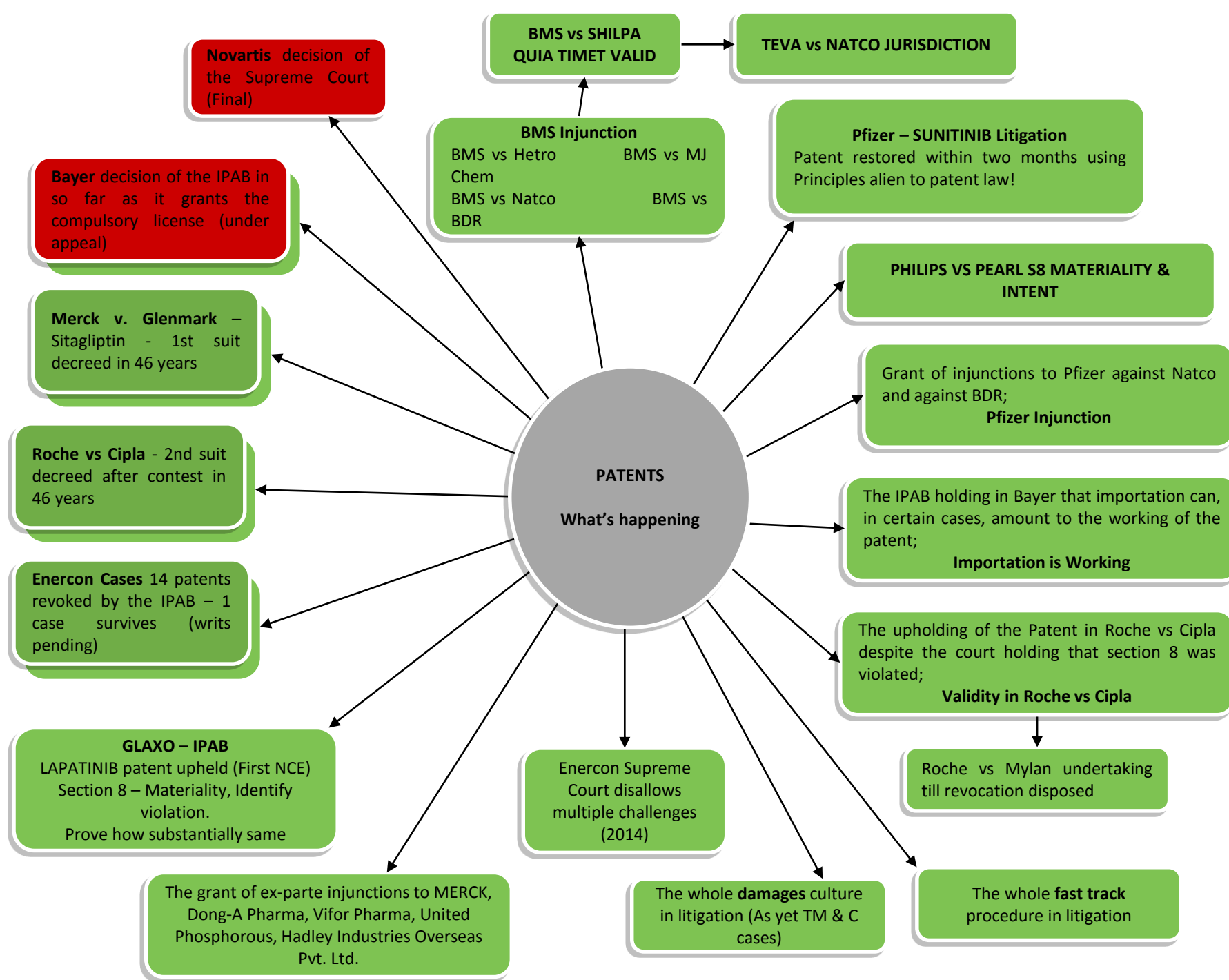
- Franz Xavier case – no ex parte injunction

- **BMS v. Hetero Labs (2009)**

- First ex – parte injunction in a patent matter

- **2009 – 2016**

- Over **30 cases** where ex – parte injunction have been granted when suit filed at the pre – launch stage
- Two suits decreed for the first time in India history, after trial and final arguments.
- Supreme Court recognizes importance of patent disputes as commercial matters: directing expeditious disposal



# Section 3 (d)- Novartis and Roche cases

## **NOVARTIS**

- Section 3(d) acts as a second tier for pharmaceutical patents  
(First tier – Novelty, Utility & Non – obviousness)
- Efficacy means “therapeutic efficacy” for pharmaceutical substances (“therapeutic” not defined)
- Inherent properties of new form – cannot be considered for 3(d)
  - Eg. Higher solubility of a salt
- Safety and Toxicity left open

## **ROCHE**

- Section 3 (d) is not a defence to patent infringement.
- Section 3 (d) is not a patentability standard

# Compulsory Licensing

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- Three types :
  - Section 84 (Normal) –Bayer & BMS, AstraZeneca
  - Section 92A (Doha) – Pfizer and Roche vs Natco
  - Section 92 (National Emergency)
- Except Bayer – **innovators** (BMS, AstraZeneca, Roche) **won all cases**

# Working and Reasonable Requirements

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- Originally Bayer held – importation not working
- Importation may amount to working – case by case basis – explain late India entry
- Non working cannot annul patent or decline injunction (except in an extreme situation)



# Other positive movements

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- S 39 – to be taken seriously but foreign filing certificate (**15 days**)
- S 8 – Chemtura diluted after **PHILIPS** and **ROCHE**
- Multiple dispute resolution bodies – pre grant post grant IPO(**ENERCON** Case), IPAB, Courts, Customs
- Importance of expert testimony for deciding complex issues – Merck v. Glenmark
- Defined rules on construction of patent claims – Roche v. Cipla
- First Certificate issued for Validity under section 113 of the Patents Act to **MERCK** for Sitagliptin.

# Roche Appeal

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- Suit decreed (patent valid and infringed)
- Role of experts
- Claim construction principles
- Coverage vs disclosure (polymorphs)
- Obviousness test
- Admissions and prosecution history estoppel
- Damages granted ...few months to expiry so no injunction

# FRAND LICENSING CASES

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- Philips DVD / VCD cases – Essential Patents – FRAND Terms – first cases in India to have Defendants deposit royalty in Court during litigation – **huge damages expected**
- Ericson v. Micromax – Essential Patents – FRAND Terms – interim order – **huge damages expected**

# Other issues

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- Patent linkage – Bayer – Quia Timet overrides
- Public Interest – Patient Access Programmes
- Bolar Exemptions – Merck v. Teva litigation

# Best Practices

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1. [Evidence on POSA](#)
2. Explore story of inventor
3. Beware of hindsight in obviousness analysis
4. Expert should not get a contingent or disproportionately high fee
5. Affidavit of Accounts Expert should have technology background relevant to industry and justify royalty by comparative and other methods
6. Demonstrate success of technology in marketplace.
7. Explore hot tubbing to expose experts
8. Prefer infringement and validity by same court – quick filing to invoke ***ENERCON***

# Copyright

- Automatic protection upon creation in all Berne countries
- Registration not compulsory – Copying essential
- Protected subject matter -Works (4+2), Moral rights, Broadcast  
Reproduction rights, Performers rights
- Author, owner, exclusive rights, Infringement, defences, remedies
- Software cases, Music cases, DU Book Publishing case, fashion cases  
S15(2), Internet cases

# Design cases

- New or Original Shape , Configuration etc...applied to finished article excludes functional designs, trademarks and artistic works
- Monopoly for 15 years

# Trade secrets

- Covered in 2<sup>nd</sup> Presentation under Know how licensing

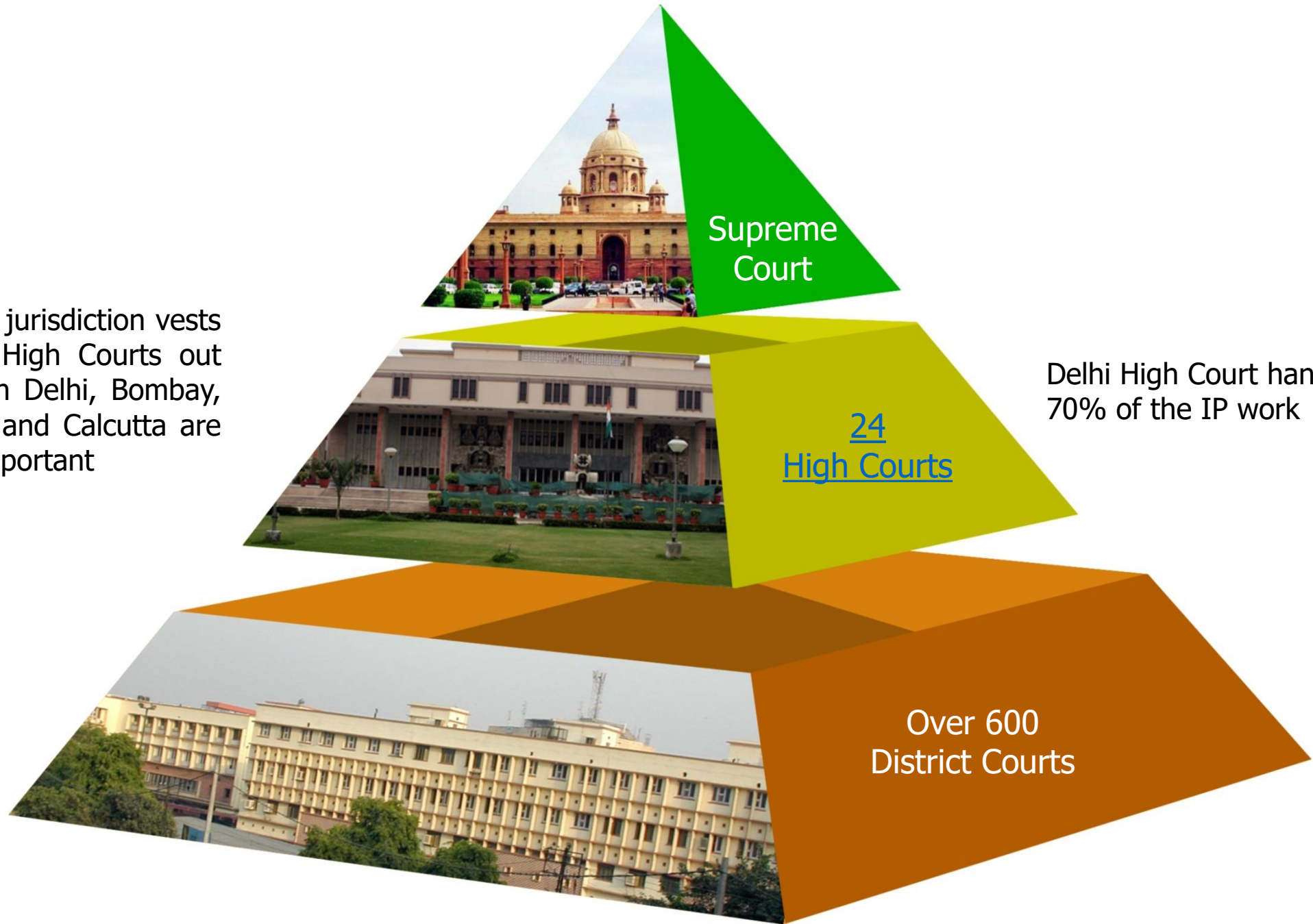


# Fast Track and Remedies

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Commercial Courts, Commercial Divisions and Commercial  
Appellate Divisions of High Courts Act, 2015

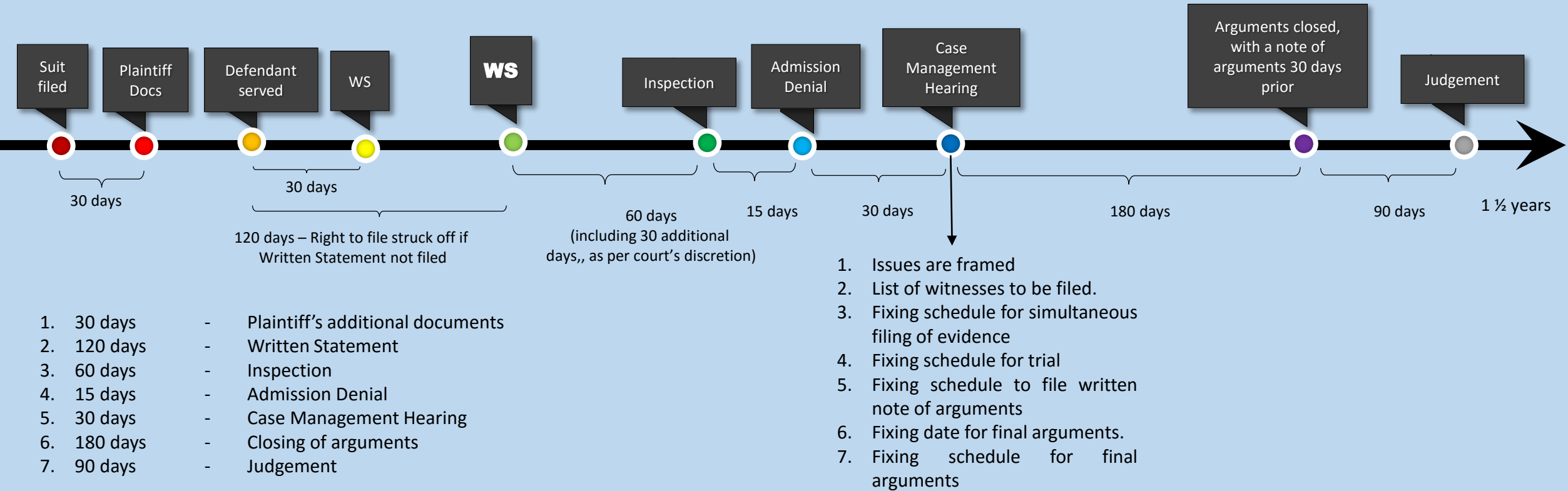
Original jurisdiction vests with 6 High Courts out of which Delhi, Bombay, Madras and Calcutta are most important



# TIMELINE UNDER COMMERCIAL COURTS, COMMERCIAL DIVISIONS AND COMMERCIAL APPELLATE DIVISIONS OF HIGH COURTS ACT, 2015

Brought into force on October 23, 2015

There are **5 Commercial Benches** in The Delhi High Court



# E- COURTS IN INDIA



A22

COUNSEL ARE REQUESTED TO GIVE XEROX COPIES OF THE JUDGMENTS RELIED UPON BY THEM.

HC(G) 60/96-09

HC(G) TCM-40

# TRIAL IN COURTS



# ANOTHER VIEW OF THE COURT



# THE JUDGES' SCREEN

**008. SUIT.pdf - Adobe Acrobat Pro**  
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008. SUIT.pdf 1 / 10 65.7%

IN THE HIGH COURT OF DELHI AT NEW DELHI

CS(OS) No. 6 of 2009

IN THE MATTER OF:

Shri Bir Singh  
S/o Shri Nanak Ram,  
R/o B-4/13, Safdarjung Enclave,  
New Delhi - 110 029 ... Plaintiff

*Versus*

Gaon Sabha, Village Kapashera,  
Service to be effected through:  
Block Development Officer,  
Najafgarh, New Delhi ... Defendant

SUIT FOR PERMANENT INJUNCTION

MOST RESPECTFULLY SHOWETH:

1. That the plaintiff is an original resident of Village Kapashera, where he is holding ancestral agricultural land as well as residential houses.
2. That the subject matter of the present suit is the land comprised in Khata No.38/31 measuring 4 bighas 5 birwas, situated in

8.44 x 13.36 in

**010. W.S.pdf - Adobe Acrobat Pro**  
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IN THE HIGH COURT OF DELHI AT NEW DELHI

CSOS NO.38/09

IN THE MATTER OF:

BIR SINGH PLAINTIFF

VERSUS

GAON SABHA, VILL. KAPASHERA DEFENDANT

WRITTEN STATEMENT ON BEHALF OF DEFENDANT

A. That I am conversant with the facts of the case and competent in my official capacity to swear the present affidavit.

PRELIMINARY OBJECTION:

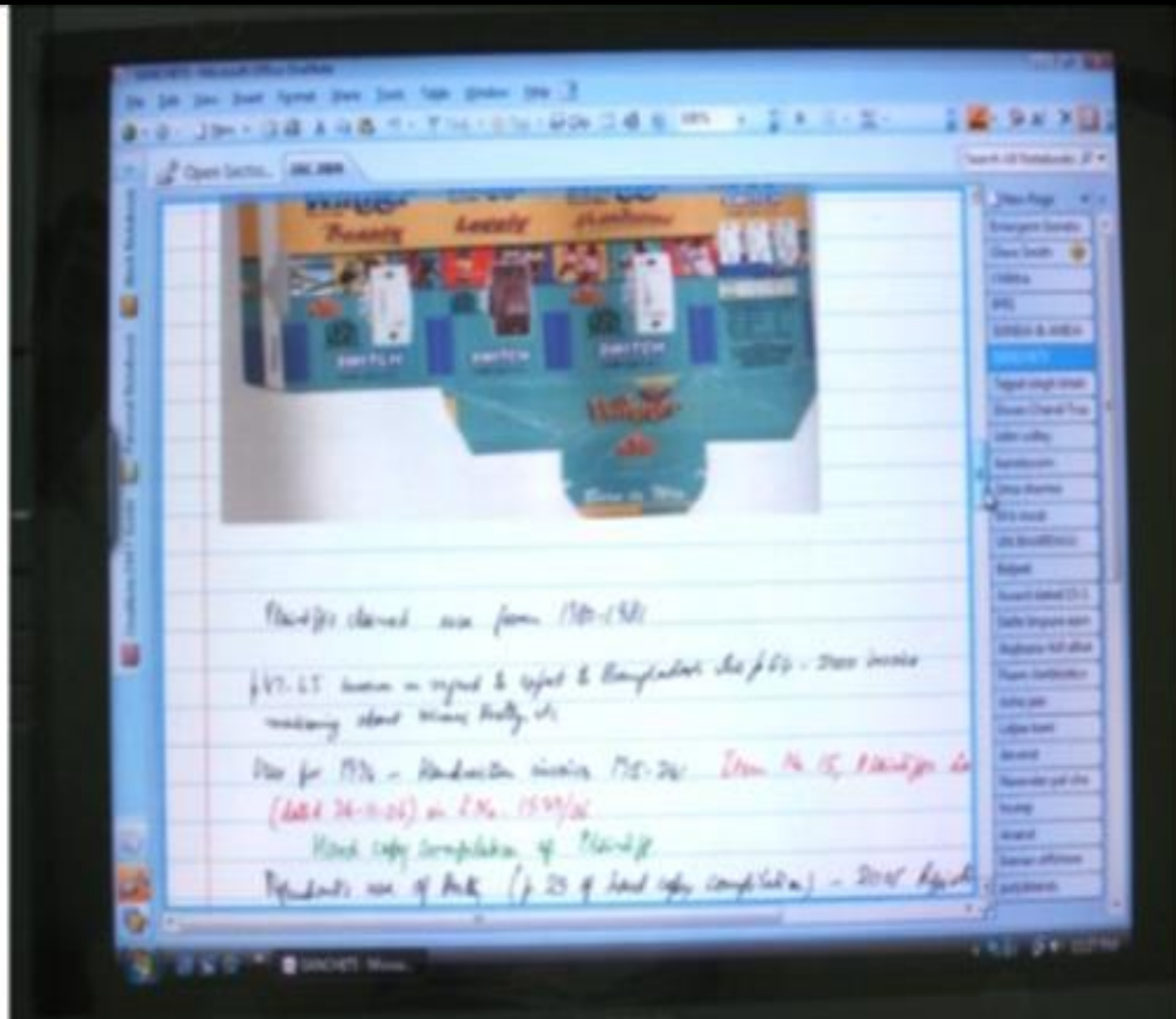
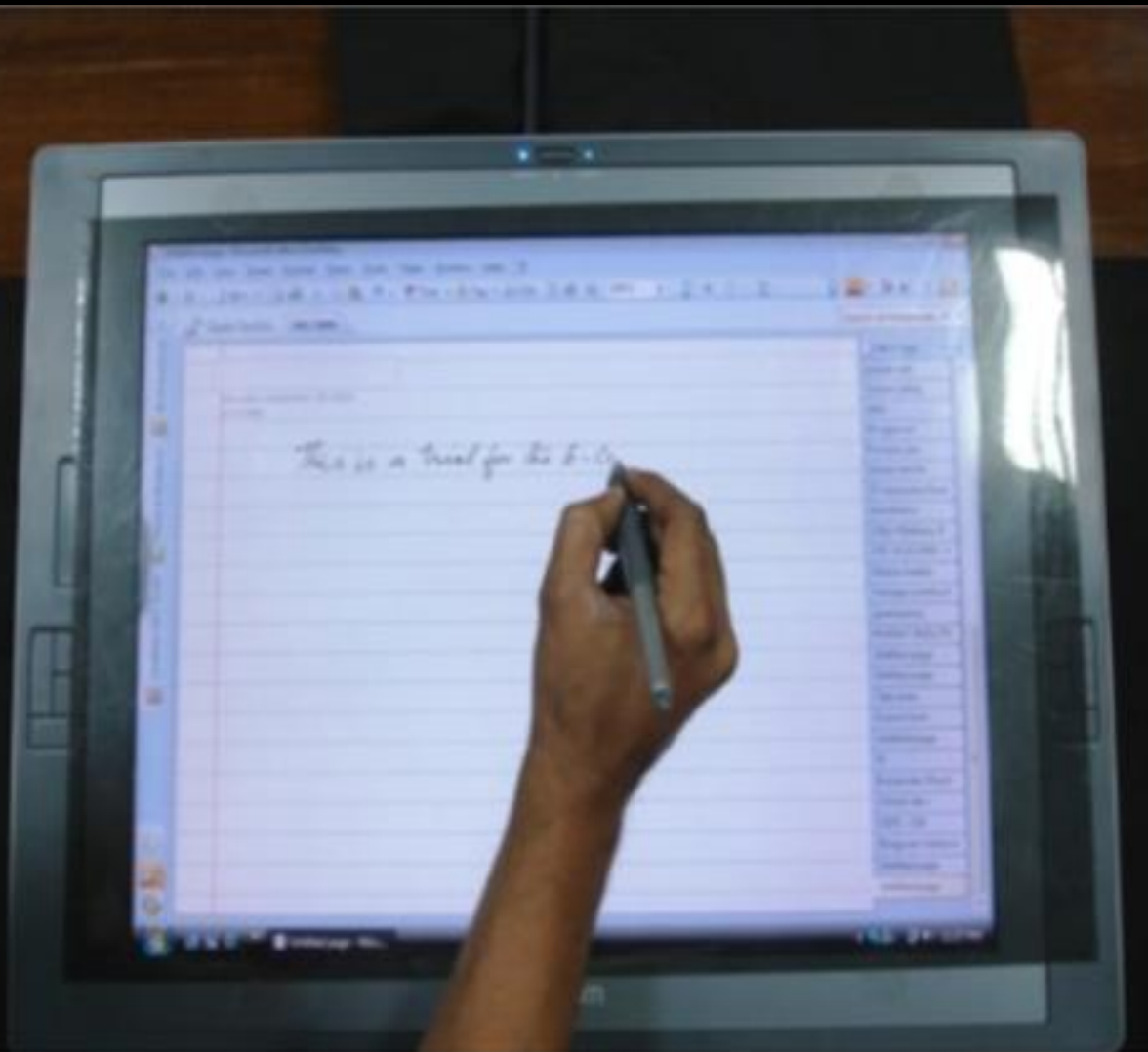
1. That the present Suit is not maintainable due to non-joinder of necessary party as the Union of India is a mandatory party along with Gaon Sabha as per Sec.161 of Delhi Land Reform Act as the land in dispute is governed by Delhi Land Reform Act.

8.44 x 13.44 in

Wacom

20-09-2010 CS(OS)-36-2009.pdf 010. W.S.pdf - Adob... 1:01 PM

# THE JUDGES' NOTES





# Trial over video conference

Cross examination of foreign witness over video conference  
(Mattel Inc. and Anr. v Jayant Agarwalla and Ors.)

Lawyers in  
India

The Local  
Commissioner



Witness in U.K.

Officer of the  
Indian High  
Commission

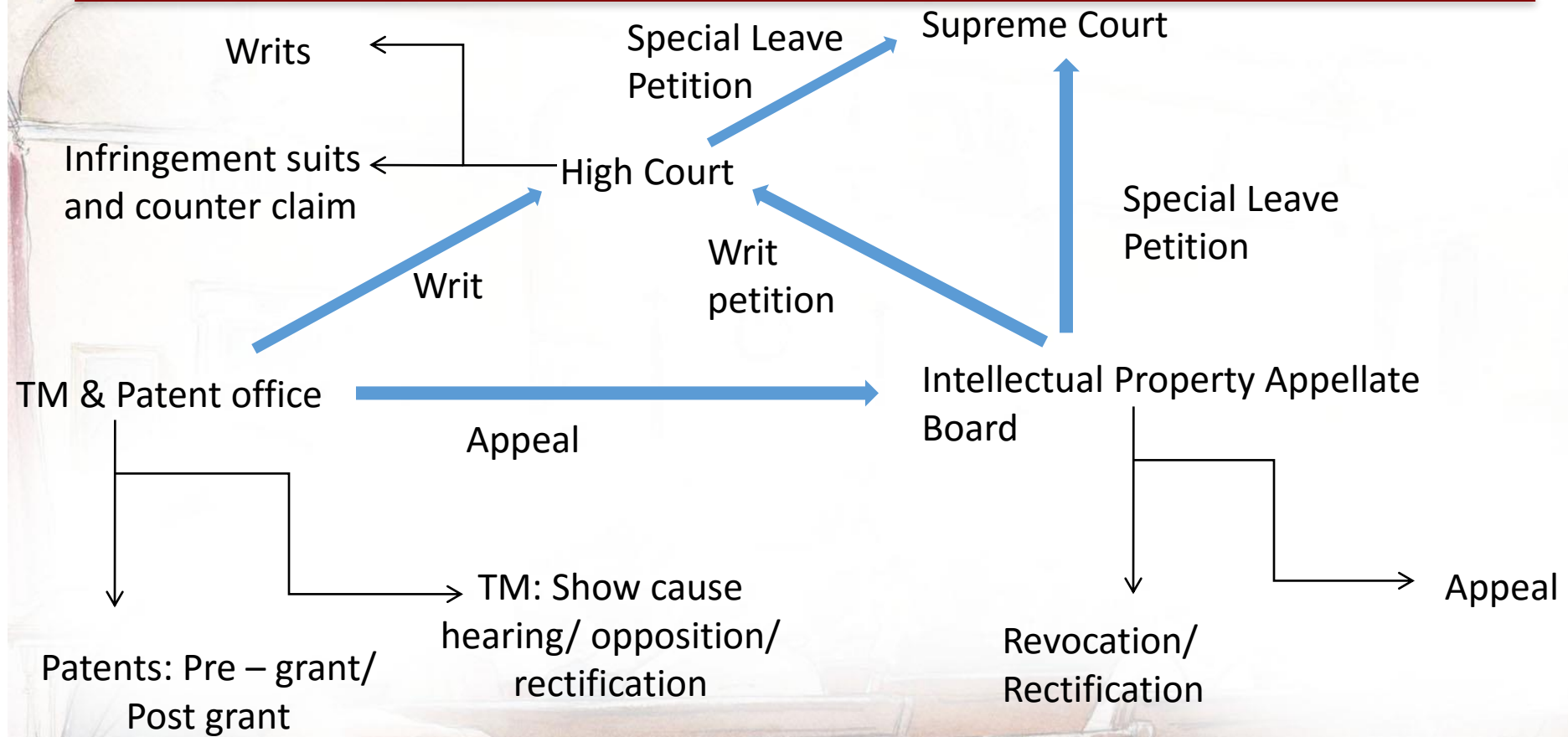
# Trial over video conference

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The typed deposition can be viewed simultaneously



# IP – Courts and Tribunals



# Conclusion – Best Practices for Patent Holders

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- Uphill task for innovators – must understand the terrain
- Do not ignore pricing – simple Pricing model
- Transparent PAP
- Local partners
- Do not delay entry in India
- Admissions anywhere in the world relevant
- Appeal adverse orders

# Conclusion – Best Practices for Patent Holders

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- Concentrate on Section 8 and Form 27
- Explore quia timet actions
- Explore fast – track
- Don't outright reject voluntary license request
- Look for admissions of opponents