

Distribution and Licensing Agreements and their Disputes

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24th September, 2016

Introduction

- Assignment v. License
- License types – Sole, Exclusive and non-exclusive
- Covered by Commercial Courts Act, 2015
- Who can sue – Exclusive Licensees
- Disputes:
 - When quality fails
 - Payment not made
 - Other breaches

Copyright

- Assignment - presumption of Section 19 – 5 years, India and reverter
- What cannot be assigned – S. 18, S. 19(10)
- Licenses:
 - Territory
 - Duration
 - Rights (Satellite, Cable TV, Internet, Mobile Platform, etc.)

Patents

- Recordal Essential – Section 68 and 69 (Telemechanique case)
- Suit by exclusive licensee can proceed without recordal if Court permits (Sergi case)

Trademarks

- Recordal of assignment essential
- License – registered user – directory not mandatory
- Ziff Davies – licensee estoppel
- Licensor must have quality control or else “trafficking”
- Dristan, K.R. Berry and TI Raleigh cases
- Licensee’s use inures to licensor benefit

Know how

- May be confidential or publicly known
- If confidential (eg. Trade secrets for manufacturing, pricing, sourcing, marketing etc.), protected by contract and tort
- John Brady's case (suppliers of panels) and Konrad Weidemann (licensee)
- Employees leaving employer – typical dispute

Enercon GmbH v. Wind World

- International Commercial Arbitration
- Seat - India and Venue – London
- Took one year to decide
- Award to German Company – Injunction and Damages.
- Three arguments:
 - (i) Schedule was not filled-up;
 - (ii) The agreement was not recorded; and
 - (iii) Previous agreement transferred technology

Case studies

- Exide case – Battery v UPS – define goods
- Choice of mode of transferring tech – JV, subsidiary or third party licensee
- One Plus – prior non-exclusive licensee trumps subsequent exclusive licensee
- RS Agarwal – 10 crores
- Sephi v Roli Books – Moral rights, photography to cook books

Case studies

- Deadpool dispute – “Mera Joota hai Japani” by Shailendra Mazumdar
- Dilution of brand by improper manner of use by licensee



Television Format Rights



Text



Text