

In the wake of Prime Minister Mr. Modi's 'Make in India' and 'Digital India' initiatives, drafts and inputs were provided to the Indian government in the year 2015 for finalizing India's Intellectual Property Policy. The IP Policy is yet to be finalized; however, India saw some other developments on the intellectual property front in the last year. The same include – (1) New Design Amendment Rules were notified; (1) India joined TMClass; (3) Revisions were proposed for amending the Patent and Trademark Rules, which in addition to other changes, recommend for substantial increase in patent and trademark filing fees; and (4) Some notable decisions were given by Indian courts, including, long-pending patent infringement dispute between Swiss pharma company, Roche, and Indian generic drug manufacturer, Cipla, being decided in favour of Roche.

We elaborate the key developments of the year below.

I. Amendments and Proposed Amendments in IP Laws in India

DESIGNS (AMENDMENT) RULES, 2014

Designs (Amendment) Rules, 2014, were notified by the Government of India, Ministry of Commerce and Industry (Department of Industrial Policy and Promotion) and made effective from 30-12-2014. The same are available at http://dipp.nic.in/English/acts_rules/Rules/design_Amendment_Rules_2014_01January2015.pdf

Salient features of the said Rules are:

1. Two main categories of applicants for designs have been introduced as “natural person” and “other than natural person(s)”. The second category of applicants i.e. “other than natural person(s)” has been further divided into two sub-categories viz., “small entity” and “others except small entity”. The fees for “small entity” have been fixed in between the fees for a natural person and for all persons other than natural persons (except a small entity). The criteria for “small entity” have been elaborated in the amended Rules.
2. A revised fee structure has been provided for filing of design application as well as other proceedings under the Designs Act in the First as well as Fourth Schedule of the amended Rules.

INDIA JOINS TMCLASS

Indian Office of the Controller General of Patents, Designs & Trade Marks (CGPDTM) joined TMClass on 07 December 2015.

This successful integration is the result of the EU-INDIA Intellectual Property Cooperation (IPC-EUI) project co-funded by the European Union and the Office for Harmonization in the Internal Market within the framework of the International Cooperation Programme and in close collaboration with CGPDTM.

As we are aware, TMClass is an online tool that helps classify goods and services. It contains an extensive list of classification terms. TMClass offers users the opportunity to search and translate terms to and from any of the 40 languages available. With CGPDTM on-board, TMClass now contains data from 57 participating offices.

Please find below the link of the notification of this development, for your reference

<https://oami.europa.eu/ohimportal/en/web/guest/news/-/action/view/2586222>

PROPOSED PATENT RULES (REVISION – 2015)

The Ministry of Commerce and Industry, Department of Industrial Policy and Promotion ("DIPP") issued a notification on October 26, 2015 publishing the draft Patents (Amendment) Rules, 2015 ("Draft Rules") to amend the Patent Rules, 2003 ("Patent Rules"). The same are available at http://ipindia.nic.in/IPActs_Rules/PatentRules_2015_E_29October2015.pdf.

The said draft of the revised Patent Rules, implements some important changes to the Patent Rules in relation to timelines to be maintained by the patent authorities and the patentee. The other significant amendments are as follows:

1. Specifications accompanying patent applications, that contain abstracts providing technical information, will now have to indicate the technical advancement brought about by the invention, excluding speculative uses.
2. Where a patent application concerns a biological invention, references to any biological material will have to be made within 3 months from the date of filing of the patent application. Inventions using biological material from India will have to be declared in Form 1 under the Draft Rules.
3. The Indian Patent Office will consider the request for expatiated examination if a request is accompanied by documentary evidences supporting possession of capital and facilities required to undertake the manufacture of the invention in India or that the proposed manufacturer has entered into a license agreement for such manufacture. Other than the above, the Patent Office may also consider a request for expedited examination if the applicant submits an affidavit in Form 27A at the time of filing the request saying that the manufacturing of the invention in India has already started or shall commence within two years from the date of grant of patent, if granted. If the applicant has failed to satisfy any of the grounds on which the expedited request for examination is filed, the application will proceed for examination ordinarily. However, the additional fee paid for expedited examination shall not be refunded.

4. An ordinary request for examination can be converted into an expedited request by paying the difference in the fees. Further, a request for the examination of a patent application can be withdrawn, along with a refund of fees paid by the applicant, before the application is queued for examination before the controller.
5. It has been clarified that voluntary amendments cannot be made by the Applicant at the time of PCT national phase entry in India. Amendments made by the applicant in the original application only should be communicated to designated office.
6. A period of two years is proposed to be set as the timeframe to dispose off examination applications that have been filed before the commencement of the Draft Rules.
7. Hearings in relation to the patent applications can be held through video-conferencing or other communication devices. Further, the Controller will have a time of 1 month to determine the grant of patent based on representations made by an applicant against the objections raised on patent application.
8. The timeframe for placing the application in order for grant has been reduced to 4 months (currently 12 months).

The Draft Rules seem to be aiming at reducing the timelines between the time of application and the approval of patent. The long wait for grant of patents may soon end.

PROPOSED TRADEMARK RULES (REVISION – 2015)

Recently, the Department of Industrial Policy and Promotion (DIPP) released a draft of the new proposed rules for trademark (available at http://www.ipindia.nic.in/IPActs_Rules/TMR_Amendment_Rules_2015_19November2015.pdf).

The same are published, for the information of all persons likely to be affected and for inviting public comments. According to the said revision, some significant additions like provision to filing sound marks and provisions relating to international applications for marks originating in India have been made. The new rules will also eliminate the provision for search by the Registrar for any prior, registered mark.

The most debated topic of the proposed trademark rules is the hefty doubling of all fees. An extra 10% will be charged on the fees for trademark application and forms submitted physically. The table below gives a brief idea of the changes in the fee schedule:

	The Rule as is	Fee (INR)	Proposed changes	Fee (INR)
Trademark Application	On application to register a trade mark for a specification of goods or services included in one class	4,000	Application to register a trade mark	8,000
Trademark Renewal	Application for renewal after expiry of last registration of a trade mark	5,000	Application for renewal after expiry of last registration of a trade mark	10,000
Restoration of a trademark	Restoration of a trademark within one year from expiry date	5,000	Restoration of a trademark within one year from expiry date	10,000
Request for certificate u/s 45(1) of the	Request for issue of a certificate u/s 45(1) of the	5,000	Request for issue of a certificate u/s 45(1) of the	10,000 (e-filing)

Copyright Act, 1947	Copyright Act, 1957 to the effect that no trade mark identical with or deceptively similar to such artistic work as sought to be registered has been registered or in respect of which a pending re-registration application subsists for re-registration as a copyright under the Copyright Act, 1957.		Copyright Act, 1957 to the effect that no trade mark identical with or deceptively similar to such artistic work as sought to be registered has been registered or in respect of which a pending re-registration application subsists for re-registration as a copyright under the Copyright Act, 1957.	11,000 (for physical filing)
	The certificate shall ordinarily be issued within 30 working days of the date of request		The certificate shall ordinarily be issued within 30 working days of the date of request.	
Request for expedited search certificate u/s 45(1) of the Copyright Act, 1947	Certificate to be ordinarily issued within 7 days of application on payment of 5 times the fee	25,000	Certificate to be ordinarily issued within 7 days of application on payment of 5 times the fee.	1,25,000
International application handling fee	For applications to be forwarded to the International Bureau (IB) for international registration	2,000	Rule 66 of the draft rules provides for applications to be forwarded to the International Bureau (IB) for international registration under the Madrid Protocol	4,000

Some of the other key changes are mentioned here below:

- Under the revised rules, several forms and processes has been consolidated.
- The revised rules continue to have the provision for expedited examination of applications ('ordinarily' with a within 3 month limit guarantee) on the payment of 5 times. With the doubled fee, this is proposed to cost a hefty INR 20,000 for e-filing and INR 44,000 for physical filing.
- Rule 27(5) of the draft rules clarify that sound marks are to be submitted in MP3 format and with a graphical notation.
- Under the Rule 127, the Registrar has the discretion to determine whether a certain mark is 'well known' after an application for such determination is made in Form TM-M. The Registrar is to maintain a list of well-known trademarks based on these decisions. The fee for review of this determination is proposed to be fixed at INR 4000 (for e-filing) and INR 4400 (for physical filing).
- Rule 69 talks about the procedure pursuant to the IB designating India as a protected country pursuant to an international application made in another country.

With the new rules, one may expect for the trademark process to get faster. However, the change is receiving both positive and negative responses, as the debate is about the expedited process and a doubled fee structure.

II. Notable IP Cases

CIPLA LTD. VS F.HOFFMANN-LA ROCHE LTD. & ANR.

ON 27 NOVEMBER, 2015

In a recent judgment, a Division Bench of the Hon'ble Delhi High Court passed an order in favour of F. Hoffman-La Roche (Roche) and provided it a relief in its long-pending patent infringement dispute with Cipla Limited (Cipla). Cipla has been making, marketing and selling a generic version (named Erlocip) of Roche's patented cancer drug under the brand Tarceva. While Roche's patented drug under the brand Tarceva costs around Rs 4,800 per tablet, Cipla's generic version under the brand Erlocip costs around Rs 1,600 per tablet. Cipla's Erlocip was launched in 2008.

The series of suits in the matter are as below:

In January 2008, Roche filed a suit before the Delhi High Court seeking an injunction against Cipla from marketing Erlocip, the generic version of Roche's patented drug named 'Erlotinib Hydrochloride' (granted under no. IN 774) in India.

In September 2008, Roche's plea for interim injunction against Cipla was dismissed by a learned Single Judge of the Delhi High Court (Ref: (Del) F Hoffman-La Roche v. Cipla Ltd). Roche's plea for interim injunction was rejected by the Single Judge on grounds of public interest and affordability of Cipla's medicine in the Indian market.

An appeal was made by Roche in 2009 to the Division Bench of the Court against the order passed by the learned Single Judge. The same was also dismissed. The decision is reported as (Del) F Hoffman-La Roche v. Cipla Ltd. The Court noted that the Roche's patent did not meet the full disclosure requirement, as is required with respect to the subject matter seeking patent grant under law. The Court also found merit in Cipla's counter-claim challenging the validity of Roche's patent – Cipla claimed that Roche's patented product lacked inventive step.

Roche's subsequent attempt seeking special leave before the Supreme Court was also denied. And the case moved to trial.

A division bench of the Delhi High Court last month (November 2015) held that Cipla was infringing on Roche's patent in lung cancer drug 'Erlotinib Hydrochloride', sold under the name of Tarceva. The case was ruled in favour of Roche after the division bench noted that Cipla's lung cancer medicine, Erlocip, was a polymorphic form of the Erlotinib Hydrochloride compound, which may exist in several forms, and Roche's patent claim was not limited to any one version of Erlotinib Hydrochloride. The relevant finding of the division bench is reproduced below:

"This (Roche's patent) is a sufficiently broad claim that is clearly not limited to any polymorphic version of erlotinib hydrochloride, but to erlotinib hydrochloride itself. This compound may exist in several polymorphic forms, but any and all such forms will be subsumed within this patent. Therefore, as Cipla's Erlocip is admittedly one particular polymorphic form of the erlotinib hydrochloride compound (polymorph B), it will clearly infringe the IN 774 patent (of Roche)... We thus conclude this issue by noting that the single judge's finding that 'Tarceva' and 'Erlocip' were based on the polymorph B version of erlotinib hydrochloride, though correct factually, is irrelevant to the subject matter of the present patent as Cipla has clearly infringed Claim 1 of Roche's IN 774 patent in arriving at the said polymorph".

As Roche's patent would expire in March 2016, the Division Bench has not granted any injunction in favour of Roche for restraining Cipla. The Court, however, has directed Cipla to maintain accounts of profits in relation to the drug sold under the brand Erlocip.

KRISHIKA LULLA & ORS. V. SHYAM VITHALRAO & ANR.

ON 15 OCTOBER, 2015

The Hon'ble Supreme Court has conclusively held that there can be no copyright protection for "titles" of works under normal circumstances. The *ratio decidendi* is captured in Paragraph 19, which is self-explanatory and reads:

"We are thus, of the view, that no copyright subsists in the title of a literary work and a plaintiff or a complainant is not entitled to relief on such basis except in an action for passing off or in respect of a registered trademark comprising such titles. This does not mean that in no case can a title be a proper subject of protection against being copied as held in Dicks v Yates where Jessel M.R said "there might be copyright in a title as for instance a whole page of title or something of that kind requiring invention" or as observed by Copinger (supra)."

INDCHEMIE HEALTH SPECIALTIES V. INTAS PHARMACEUTICALS AND ANR.

ON 24 JUNE, 2015

The High Court of Bombay disposed off an injunction application in an infringement and passing off suit holding that the use of the trademark 'CHERRY / MULTI CHERRY' with respect to dietary supplements (class 5 products) does not amount to infringement of registered trademark 'CHERI' with respect to pharmaceutical preparation (also class 5 products).

Plaintiff claimed use of its brand CHERI in relation to its pharmaceutical preparation since 1987. Defendant launched its products under the brand MULTI CHERRY in January 2014. The plaintiff filed a suit against the defendant alleging infringement and passing off of its mark CHERI owing to the use of the mark CHERRY by the defendant. The defendant's argued that its product was only a dietary supplement. The defendant further claimed that the plaintiff cannot prevent the defendant's use of the mark 'MULTI CHERRY' for its dietary supplement on the basis of plaintiff's registration of the mark 'CHERI' particularly in relation to pharmaceutical preparations. The defendant also claimed that it too has been using the mark extensively on its products and if it were to discontinue the use of 'MULTI CHERRY', it would have caused an irreparable prejudice to it.

The Hon'ble High Court concluded that the plaintiff's goods are 'drugs' within the meaning of Drugs & Cosmetics Act, 1940 and are to be used 'as directed by the physician'. The Defendant's products, on the other hand, are 'proprietary food' covered under the Food Safety and Standards Act. The defendant also does not claim medical use of its product. The two products are also priced differently. Moreover, the products would be dispensed by chemists who would be knowledgeable and the names cannot cause any deception or confusion.

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Emphasizing on the narrow category of goods to which the plaintiff hold rights, and the defendant's goods being dissimilar with reference to such narrow category, the court held that there was no case made out of infringement of the Plaintiffs' mark 'CHERI'. The court opined that the use of the mark CHERRY / MULTI CHERRY by the defendant was not deceptive.

INDIAN PERFORMING RIGHTS SOCIETY LTD. VS. SANJAY DALIA & ANR.

ON 1 JULY, 2015

In a landmark decision, the Supreme Court of India interpreted section 62 of the Copyright Act, 1957 ("CA") and section 134(2) of the Trade Marks Act, 1999 ("TMA") with regard to the place where a suit can be instituted by the plaintiff. The above statutory provisions were interpreted in light of the proviso to section 20 of the Code of Civil Procedure ("CPC") by the Supreme Court.

As per section 20 of the CPC, a civil suit is required to be initiated either where the defendant's principal office is or where he carries on business or personally works for gain or where the cause of action has arisen. Section 62 of the CA and section 134 of the TMA provide additional forums to plaintiff to initiate suits of infringement of copyright and trademark respectively. As per these provisions, a plaintiff can choose to file the suit of infringement in his principal office or where he carries on business or personally works for gain. This is 'notwithstanding anything containing under the provisions of section 20 of the CPC'.

The proviso to section 20 explains that "a corporation shall be deemed to carry on business at its sole or principal office in India or, in respect of any cause of action arising at any place where it has also a subordinate office, at such place."

In the present case, the plaintiff filed a suit of copyright and trademark infringement praying for relief against the defendant No. 1 who owns Cinema halls in Mumbai, Maharashtra. The alleged cause of action arose in Mumbai. The head office of the said plaintiff was also situated in Mumbai. Despite this, the civil suit was filed in the High Court of Delhi as the plaintiff carries on business in Delhi also. The defendant raised the objection with regard to the territorial jurisdiction of the court at Delhi. The Division bench upheld the said objection.

Interpreting section 62 of the CA and section 134 of the TMA along with proviso to section 20 of the CPC, and the object with which the former provisions have been enacted, the Court opined that: If the cause of action, in part or whole, arises within any principal or subordinate office of the plaintiff, such place cannot be ignored by the plaintiff and it would have to institute the suit within such place/places. The plaintiff cannot consequently, institute suits in such scenario at such other places wherein it has a branch office and cause of action does not arise.

The restriction placed by the Apex Court in the judgment may thus be summed up as follows:

Though Sec 62 of the Copyright Act and Sec 134 of the Trademark Act do not require the actual accrual of cause of action within the principal office or branch office, if the cause of action does in fact arise within such principal office, the company cannot choose a branch office wherein no cause of action arises for instituting a suit of copyright and/or trademark infringement.

Thanks and Regards

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