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The Duel of the Energy Drinks Glucon D Vs. Gatorade

In a dispute (IA No. 3646/2010 in CS (OS) 514/2010) over tag lines of two energy drinks, Glucon D Isotonik (manufactured by Heinz India) and Gatorade (manufactured by PepsiCo) the Delhi High Court found in favour of Heinz India and dismissed the interim injunction application filed by Pepsi.

Pepsi's Gatorade is marketed under the trademarked tagline, "Rehydrate, Replenish and Recharge". Pepsi took offence and instituted a suit when Heinz came out with a new product called Glucon D Isotonik which it marketed under the tag line "rehydrates fluids, replenishes vital salts and recharges glucose".

PepsiCo alleged that the use of the above tagline by Heinz has resulted in infringement of PepsiCo's trade mark. The court however observed that "In the case of a sports drink or an energy drink such like words or expressions which are akin to the plaintiffs' mark are not only common but perhaps in a sense, necessary to describe, the characteristics or attributes of the product. Therefore, notwithstanding the fact that there is a registration in favour of the plaintiffs if, the expression which is registered or an expression similar to the one which is registered is used to describe the character of the product then, within the meaning of Section 30(2)(a) of the T.M. Act, 1999, the user will not be guilty of infringement."

The Hon'ble Court also cited Lord Herschell in Reddaway v Banham

"The name of a person, or words forming part of the common stock of language, may become so far associated with the goods of a particular maker that it is capable of proof that the use of them by themselves without explanation or qualification by another manufacturer would deceive a purchaser into the belief that he was getting the goods of A. when he was really getting the goods of B. In a case of this description the mere proof by the plaintiff that the defendant was using a name, word, or device which he had adopted to distinguish his goods would not entitle him to any relief. He could only obtain it by proving further that the defendant was using it under such circumstances or in such manner as to put off his goods as the goods of the plaintiff. If he could succeed in proving this, I think he would, on well-established principles, be entitled to an injunction."

Hilltone wins against Hilton

In a peculiar case before Additional District Judge Narinder Singh Dadda, Sirohi, Rajasthan (Civil Original Suit: 02/2008) filed by Hotel Hilltone against the famous Hilton International Corporation, the additional judge has passed an order permanently restraining the Hilton Group from operating in India under its "Duplicate Trade Mark" Hilton.

Hotel Hilltone Rajasthan based petitioners contended that they were founded in 1973 and were registered under the Companies Act, 1956. The Rajasthan based hotel sought to restrain the Hilton International Corporation from operating in India by using a "deceptively similar trademark".

The Addl. District judge surprisingly found in favour of Hilltone hotel disregarding the fact that the Trademark 'Hilton' is internationally recognized and has been in existence much before Hilltone.

Hilton International Corporation has appealed to Rajasthan High Court challenging the order and though the High Court is yet to hear the case on its merit; it has refused to stay the order of the Addl. District Judge. The rationale behind this surprising decision of the Hon'ble High Court seems to be "When registration of the Hilton Hotel has not been quashed and it is still in existence in their name and they are running their business in the said registered name, as such their apprehension is totally unfounded that due to judgment impugned they will suffer irreparable loss"

CSIR to include 900 yoga aasans in the TKDL

In an effort to curb the growing number of patents being filed abroad claiming rights over yoga postures (aasanas) the Council of Scientific & Industrial Research (CSIR) has made efforts to include digitized formats of these aasanas in the Traditional Knowledge Digital Library (TKDL) which will be available to European and American patenting authorities to block any entity from attempting to patent these aasanas. According to the director of the TKDL, Dr. VK Gupta "Video recordings of the aasanas are also being made and recorded to prevent them from being stolen.". According to various news reports About 900 aasanas have been digitized so far and these will be included in the TKDL.

Clarity on Date of Grant of Patents

It often happens in the Indian Patent system that although the Patent is granted on the basis of the status shown on the internet, the patent holder does not receive the physical Patent Certificate until much later. This 'later' may be a few weeks or even a few years. Since a suit for infringement in India can only be filed after grant of patent it was uncertain as to which date should be considered for the purposes of an infringement suit. Secondly, the date of grant is also material to distinguish a post grant opposition from a pre grant opposition. This issue seems to have been decided in a judgment given by Hon'ble Justice S. Muralidhar of the Delhi High Court.

The aforesaid Judgment deals with 8 writ petitions. The Court, inter alia, held that the date of grant of patent is the date on which the Controller passes an order to that effect on the file.

In addition to the above the Court also directed the controller to disclose the award of patents on a real-time basis by placing signed orders on the website of the Controller. The court held in para 58 of its judgement:

“Placing the digitally signed orders on the net

In order to minimise any unnecessary time-gap between the signing by the Controller or Assistant Controller of the final order granting patent and the “publishing” of such order, it is directed that every final order granting the patent passed by the Controller or the Assistant Controller, as the case may be, should be digitally signed by the Controller or the Assistant Controller and placed on the website of the Controller on the very same day without any unnecessary delay. The procedure in this regard be streamlined for being followed uniformly by all the officers and necessary instructions/practice directions should be issued by the Controller.”

The Hon'ble High Court further directed the controller to start the practice of “publishing a ‘cause list’ of such cases under the heading ‘for pronouncement of orders’ the previous evening both on the website as well the notice Board of the Office of the Controller, just as it happens in the Courts

Tata Vs.Green Peace

In a suit [CS(OS) 1407/2010] brought about by Tata Sons against the international environmental NGOs Greenpeace India and Greenpeace International, the Delhi High Court “advised” Greenpeace to consider removing Tata’s logo from an online game featured on green peace’s site, which Tata Sons alleges to be of a libelous and disparaging nature.

The in controversy looks very similar to the pac man game; the introduction above the game reads “TATAs Dhamra port could be the beginning of the end for Gahirmatha’s turtles. Your objective is simple – get the turtles to eat as many of the white dots – jellyfish and other sea creatures – while dodging the TATA demons! If you eat a power pill, you will be gifted with super-turtle powers to vanquish the demons of development that are threatening your coastal home!”. The ‘Tata demons’ consist of the TATA logo with eyes.

In what seems to be a clear case of trade mark infringement, Justice Bhat, while addressing said Greenpeace: “It (removing the logo) is only a suggestion and not a direction. We are not directing you to stop using the name but you can consider not using the logo.

Reliance Big challenges Service Tax on Copyright Transactions

Reliance Big Entertainment and PVR Pictures have filed writ petitions (W.P.(C) 4432/2010& W.P.(C) 4416/2010 respectively)in the Delhi High Court Challenging the levy of service tax on sale of copyrights of movies and other artistic works. The writ petitions challenge the constitutionality of Section 65(105)(zzzzt), of the Finance Act, 2010 which is aimed at imposing service tax on the transfer of copyright from one entity to another.

According to language of the section "original literary, dramatic, musical and artistic works;" will not be included and only cinematograph works & sound recordings will be covered.

Representing PVR Pictures, Mr. Tarun Gulati a partner of Economic Laws Practice said in a press release: "Copyrights are intangible property and are liable to VAT, charging service tax on the transfer of copyrights is a clear transgression of the powers of the states to levy tax on the sale and purchase of goods,"... "The industry will not be able to survive if this duality of taxation is not done away with."

The impugned provision is due to become operative from 5th of August.

Fakes reach market before the original in CWG

It appears that even before original Common Wealth Games- branded merchandise comes to the market the fakes have already taken it over. Pursuant to an order passed on 2nd of July by the Delhi High Court the Games Organising Committee (OC), along with the local commissioner, carried out raids at three shops where infringing t-shirts bearing the official 'Commonwealth Games Delhi' logo, were seized. It was also found that a travel agency was using the logo on a bus.

The order of the High Court was in relation to a case (CS(OS) 1299/2010) filed by the organising committee of the Common Wealth Games alleging infringement of its logo and trademark symbols like mascot 'Shera'.

India Vs EU, Netherlands at WTO

Patents are territorial in nature. A patent granted in one jurisdiction (country) is not valid in another in which such a patent has not been obtained. Therefore enterprises in countries where a particular patent is not granted are freely entitled to trade in such unprotected products to the detriment of the patent holder & the innovator who are left empty handed. The patent holder gets an opportunity to block such transactions if such goods transit through countries in which the patent holder has obtained the patent. To give an example - if a pharmaceutical product is patented in Switzerland but not patented in India & Cuba then an Indian pharmaceutical company can export the pharmaceutical product without any peril to Cuba. But if the Company were to export the goods via Swiss Air and if the flight landed in Geneva then the patent is violated and the shipment is liable to be confiscated.

This practice of repeated confiscation by Netherlands and other European countries of goods which are in transit to third country destinations has been protested by India and India has requested the WTO for consultation with European Union and the Netherlands (in DISPUTE No. DS408). The confiscation has allegedly been on the grounds of Patent Infringement. According to the website of the WTO "On 28 May 2010, Brazil, Canada and Ecuador requested to join the consultations. On 31 May 2010, China, Japan and Turkey requested to join the consultations. Subsequently, the European Union informed the DSB that it had accepted the requests of Canada, China, Ecuador, India, Japan and Turkey to join the consultations."



India alleges that such seizure is against the provisions of General Agreement on Tariffs and Trade and Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPS) If this Dispute cannot be solved by consultation, it would be referred to the dispute settlement panel of the WTO.

Israel Joins Madrid Protocol

Israel has become the 85th member of the Madrid Protocol. The provisions of the protocol will come into operation in Israel from 1st September 2010. Applicants who seek international registration of their trade marks under the Madrid Protocol will now be able to designate Israel as one of the countries in which they wish to protect their mark. For more information on the Madrid System of International Registration of Marks of which Madrid protocol is a part please click