



Newsletter May 2011

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American Court rejects Google Books Settlement with the Authors Guild

Google's ambitious but controversial project of digitising all the books in the world has hit another speed bump. A US District court denied approval of the proposed Amended Settlement Agreement to be entered between Google and various authors and the Authors Guild. The Court stated "The question presented is whether the ASA is fair, adequate, and reasonable. I conclude that it is not."

To briefly sum up the facts of the case- The Authors Guild and others had sued Google in 2005 for copyright infringement for Google digitizing millions of books that were under copyright. The authors also sought injunctive relief. In 2006 negotiations for settlement began. In 2008 the parties filed a proposed settlement in the Court. This however triggered many objections. In 2009 the Amended Settlement Agreement ("ASA") was filed for which notice was circulated. Once again hundreds of objections were raised; the court conducted a fairness hearing in Feb 2010.

The Court rejected the ASA stating "While the digitization of books and the creation of a universal digital library would benefit many, the ASA would simply go too far.....It would permit this class action--which was brought against defendant Google Inc. to challenge its scanning of books and display of 'snippets' for on-line searching--to implement a forward-looking business arrangement that would grant Google significant rights to exploit entire books, without permission of the copyright owners. Indeed, the ASA (Amended Settlement Agreement) would give Google a significant advantage over competitors, rewarding it for engaging in wholesale copying of copyrighted works without permission, while releasing claims well beyond those presented in the case."

To read the Court's Decision on the matter please click

Google Bids Big for Nortel Patents

Nortel, once one of the largest telecom companies in the world but presently doomed by bankruptcy, has chosen Google's \$900 million bid for its patent portfolio as the stalking horse bid. This does not imply that Google will automatically emerge successful and own Nortel's massive collection of telecoms patents, but Google is definitely the preferred buyer.

Google, in recent history has been the target of many patent litigation suits and has been pressing for patent law reforms. Google says that the reason it does not have a patent portfolio as rich as some of its rivals like Oracle and IBM is because it is comparatively a newer company. If Google is successful in getting its hands on Nortel's portfolio of 6,000 patents, it could serve as a protective armour against possible future patent litigations. However it must be noted that both Apple and RIM have shown active interest in the portfolio, too.

According to Nortel the patents cover "a broad range of wires, wireless and digital communication technologies" -including 4G wireless, data networking, optical, voice, internet, internet service provider, semiconductors and other patents. Success in this auction could go a long way in defending Google's Android mobile operating system, over certain aspects of which, Oracle has sued it. In its official blog Google said that "The patent system should reward those who create the most useful innovations for society, not those who stake bogus claims or file dubious lawsuits. It's for these reasons that Google has long argued in favor of real patent reform, which we believe will benefit users and the U.S. economy as a whole.

But as things stand today, one of a company's best defences against this kind of litigation is (ironically) to have a formidable patent portfolio, as this helps maintain your freedom to develop new products and services. Google is a relatively young company, and although we have a growing number of patents, many of our competitors have larger portfolios given their longer histories."

European Union: EPO grants fewer patents despite rise in applications

The number of European patent applications continues to increase, but the EPO is granting fewer patents. Last year, the EPO received a record total of 218 200 patent filings, compared to 210 600 the previous year. At the same time, the 54 700 European patents granted in 2007 represented a decrease of 12.9% over the previous year (62 800 granted patents).

Top filers at the EPO

The proportion of applications originating from the 32 member states of the European Patent Organization remained almost stable at 48.5%, following a decrease of 1% to 48.6% in 2006. Germany once again topped the table with 17.9% of the total (25 176 applications), followed by France with 5.9% (8 328) and the Netherlands with 5% (6 999).

Among the non-European countries, the USA and Japan maintained their dominant share of the total number of European patent applications in 2007, amounting to 25.3% (2006: 25.8%) and 16.3% (16.4%) respectively, whilst South Korea accounted for 3.5% (3.4%).

US companies filed 35 590 European patent applications (2006: 34 790, +2%), Japanese companies 22 890 (22 140, +3.4%) and South Korean companies 4 930 (4 590, +7.3%). With a total of 1 145 European filings, China sharply increased its number of applications by 59% and now ranks among the five most active non-European applicant countries.

Amul Trade Mark Case - A Boon For Trade Mark Owners !!!

To the great relief leading organisations whose trade marks are regularly being infringed by unprincipled elements, The Gujarat High Court have ruled that a registered trade mark owner has the right to restrict others using their trade mark for different class or goods. It has ruled that a registered trade mark is infringed by a person who, not being a registered proprietor or a person using by way of permitted use, uses in the course of trade, a mark which is identical with or similar to the registered trade mark and is used in relation to goods or services which are not similar to those for which the trade mark is registered.

Tea anyone? Darjeeling?

The Calcutta High Court recently decided a case involving infringement of Geographical Indication. This is the first case of GI infringement instituted in India. The Tea Board, India, owns the Geographical Indication of Darjeeling Tea logo and also a certification mark.

The Tea board sued ITC Limited for use of the word Darjeeling as part of the name of ITC's exclusive lounge the "Darjeeling Lounge".

The Tea Board claimed that the use of "Darjeeling" in the name of the ITC's exclusive lounge amounts to infringement of the Tea Board's "Darjeeling Tea" geographical indication mark and certification mark; that, it amounts to passing-off; and, that it leads to dilution of the "Darjeeling" brand which exclusively belongs to the Tea Board.

The Hon'ble High Court however digressed and in its eloquent decision stated:

"The word "Darjeeling" – as precious to tea as it may be as champagne to sparkling wines of that province in France – cannot be exclusively claimed by the plaintiff by virtue of its registration as a geographical indication or as a certification trade mark. Even for a case of passing-off, the use of "Darjeeling" by a person other than the plaintiff can be complained of if the word or the geographical indication has any nexus with the product with which it is exclusively associated upon the registration. It is not necessary to consider whether a "Darjeeling Tea Stall" selling only hot cups of tea can entitle the plaintiff to carry a complaint in respect thereof or a "Darjeeling Tea House" selling all varieties of packaged tea can be said to be in derogation of the plaintiff's rights. The defendant's "Darjeeling Lounge" is an exclusive area within the

confines of its hotel which is accessible only to its high-end customers. The lounge is a place where such customers and accompanying visitors may frequent, and even sip Darjeeling tea or any other beverage or drink, but there is scarcely any likelihood of deception or confusion in the lounge being named “Darjeeling” for the plaintiff to be granted to any order that it seeks.

As to the case of dilution, the name “Darjeeling” has been extensively used in trading and commercial circles for decades before the GI Act was enacted. In a case of dilution by blurring, it is the uniqueness of a mark which is protected even in a case where there is no likelihood of confusion. But the word “Darjeeling” has been and continues to be so widely used as a business name or for like purpose for so long that the plaintiff’s recent registration would, prima facie, not entitle it to enjoy the kind of exclusivity that it asserts.”

For the full Judgment click [here](#).

‘Thank You’ for the Controversy

A recent Bollywood movie named ‘Thank You’ starring Akshay Kumar which was released on the 8th of April 2011 appears to be embroiled in multiple litigations. The following are brief summations of the same:

Trouble with the Title: Fisheye Networks filed a suit against, inter alia, the producers of the movie ‘Thank You’ attempting to restrain them from releasing the movie claiming that Fisheye has rights over the title ‘Thank You’ as they had registered the same with the Association of Motion Pictures and TV Programming in 2005. Justice Dr. D. Y. Chandrachud dealt with the matter giving a succinct and insightful order which is reproduced herein below:

“The film industry basically operates through three associations the Association of Motion Pictures and T.V. Programme Producers (the First Defendant), Film Makers Combine (the Second Defendant) and the Indian Motion Pictures Producers Association (the Third Defendant). The Plaintiff has relied on a custom or trade practice under which a title is registered with one of the associations of which the registrant is a member. Before registering the title the association verifies with the other associations as to whether the same or deceptively similar title has been registered with another association. In the present case, it is contended by the Plaintiff that the title “THANK YOU” was registered by it with the First Defendant in 2005. On this basis, it has been contended that when an attempt was made by the Fifth Defendant to use the same title, objections were lodged by the Plaintiff with its own association, the First Defendant.

4. No statutory basis has been set up for the trade practice or custom which forms the foundation of the suit. Prima facie, there is no copyright as such in a mere title. The Plaintiff has not come before the Court with a case that it has acquired a goodwill or reputation in the use of the title or secondary rights in association with the title. The Court is not inclined to accede to the prayer for the grant of an ad interim injunction since the balance of convenience must weigh against the grant of an injunction at this stage. The Plaintiff was aware as far back as on 5 May 2010 that the Fifth Defendant was using the title “THANK YOU” which is evident from a letter addressed by the Plaintiff to its own association, the First Defendant. The Court has been informed that the film which has been produced by the Fifth Defendant is due to premiere on 7 April 2011

and is slated for a worldwide release on 8 April 2011. The learned senior counsel for the Fifth Defendant has stated that an amount of Rs.60 Crores has been spent on the making of the film. The music release took place well over a month and a half ago. In this view of the matter, particularly having regard to the fact that there is prima facie no copyright as such in a title, the Court would not be inclined to grant an ad interim injunction especially at this stage. The Plaintiff has an alternate claim in damages. Ad interim relief is accordingly refused. ”

Thus, it must be remembered that even if there is no copyright in a title one may register the title as a trade mark and build goodwill on that. This route would be preferable to registering the title with an association which provides no statutory protection.

Trouble with the Song: Feroz Khan Films the producers of the original 1986 movie which originally featured the Famous song Pyar Do Pyar Lo instituted a suit for infringement of Copyright against the producers of Thank You in the Bombay High Court. Feroz Khan Films also filed an Interim Injunction from the High Court for restraining UTV from using the impugned song. Feroz Khan Films alleged that the UTV had not sought a license and thus had no right to use the use the song. The Bombay High Court refused to grant the injunction stating that there has been a gross delay in filing the suit and that the injunction cannot be granted at this stage.

A delay in filing an application for injunction can be fatal to the application. In another recent case, one Mr. Faraaz Ahmed, sought an interim order against the release of a cinematographic film by the name of “Chalo Dilli” which was due to be released the day after the order by Justice Dr. D. Y. Chandrachud, which was passed on the 28th of April 2011. The Plaintiff alleged that he has written the lyrics of one of the songs featured in the movie. The Plaintiff claimed authorship based on the fact that on the 27th of December 2010 the Plaintiff registered the song with the Film Writer’s Association. The Hon’ble Bombay High Court stated that:-

“At this stage, the Court would not be inclined to grant an injunction on the release of the film. The promotional activities commenced from 1 April 2011 and the music launch took place on 5 April 2011. The Plaintiff has moved the Court virtually on the eve of the release of the film. However, it has been submitted in the alternate that a direction should be issued to the Second Defendant to ensure that due credits for the song are contained in the prints of the film. Learned counsel appearing on behalf of the Second Defendant states that all the prints have already been released since the film is to be shown in the theatres from tomorrow. Prima facie a direction of the nature which is sought cannot be granted at this stage until the Court is satisfied with regard to the authorship of the song. However, having regard to the fact that the Plaintiff has prima facie shown that he had obtained registration of the lyrics on 27 December 2010 with the Film Writers’ Association, the ends of justice would be served if the Defendants are directed to deposit a reasonable sum as and by way of security.”

Luxury Denied

The appeal filed by Blue Hill Logistics Pvt. Ltd. , against an order of injunction restraining them from using the trademark LUXURA passed by a Single Judge of the Madras High Court was dismissed by a division bench of the Madras High Court on 6th May.

Earlier, Ashok Leyland had sued Blue Hill Logistics Pvt. Ltd., a Bengaluru based company along with Dilip Chhabria Design Pvt. Ltd. of Mumbai for infringing Ashok Leyland's registered trademark "Luxura" by using an identical and deceptively similar trademark LUXURIA on their buses.

Ashok Leyland based their arguments on the fact that the Luxura bus had been launched by them five years back and had been sold to many customers all over India, including Transport Corporations. The defendants argued that the word LUXURY is not an invented word and as such the Plaintiff cannot claim an exclusive right over it or any variations thereof. Moreover, the Defendants submitted to the Hon'ble Court that since Ashok Leyland's registered mark pertained to goods whereas the Defendant's mark was in respect of services, the balance of convenience did not lie in favour of the Plaintiff.

A Division Bench comprising of Justice R. Banumathi and Justice V. Periyakarrupiah upheld the order of injunction stating that if the injunction was not granted irreparable loss would be caused to the Plaintiff. The Division Bench said that "Since the plaintiff (Ashok Leyland) is the registered proprietor of the trade mark, its statutory right is to be protected. Once prima facie case of infringement of trade mark is established, normally an injunction must follow."

44,000 Files Missing from TM Registry

As many as 44,000 files have been misplaced by the Trade Marks Registry (TMR) in the past 5 years. This fact was stated by the Department of Industrial Policy and Promotion (DIPP) in an affidavit filed by it before Justice Murlidhar of the Delhi High Court.

In the case of HALDIRAM INDIA PVT LTD Vs UNION OF INDIA AND ANR., HALDIRAM INDIA PVT LTD had requested the TMR for issuance of certified copies of several documents in the custody of the TMR. The TMR could not locate the documents asked for and neither could it give an explanation as to why the files were missing. Following this, the Delhi High Court, via an order dated 16th December 2010, ordered the DIPP to file an affidavit to indicate whether it is only the files in question or files of other cases as well that have gone missing, the corrective action that the Trade Marks Registry has taken in the matter and the procedure to be adopted for the purposes of reconstruction of missing original records.

The DIPP carried out a detailed inspection by visiting all the offices of the TMR at Chennai, Kolkata, Delhi, Ahmedabad and Mumbai and consequently filed an affidavit before Justice Murlidhar of the Delhi High Court which revealed that 44,000 files had been misplaced by the TMR. The DIPP further stated that the main cause for such a large number of files being misplaced was the decentralization of the TMR from Mumbai to other cities.

To avoid recurrence of this problem, the Delhi High Court has asked the Controller General of Patents, Trademarks and Designs to implement a scientific record keeping scheme. Further physical audit of all files in the registry should be undertaken every three months by the Records in-charge and every six months by the registry head. It was further stated to the Delhi High Court that the e-filing of trademark applications would solve the problem of data storage.

For the full judgement of the Delhi High Court [Click here](#).

Can an Unregistered Partnership Sue for Infringement/ Passing Off

The owners of the immensely famous Bademiya stall in Colaba, Mumbai were successful in obtaining an interim injunction against one Mr. Mubin Ahmed Zahurislam the owner of "Wah Bademiyan" restaurant in Andheri Mumbai.

The Defendant contended inter alia that the Plaintiffs' partnership firm is unregistered and hence the suit is not maintainable; that the Defendant's impugned mark is distinct and different from the Plaintiffs' trademark; and that Plaintiffs have not applied for the purpose of reclassification of Plaintiffs' existing registration under Class-42 and hence the Plaintiffs cannot claim any benefit in respect of the existing registration.

Hon'ble Justice S.J. Kathawalla, of the Bombay High Court relying on a case decided by the Supreme Court in 2003 in the case of Haldiram Bhujwala and Anr. v. Anand Kumar Deepak Kumar- held that ".....the Apex Court has held that an unregistered partnership firm can maintain a suit for permanent injunction and damages and seek relief against infringement of a registered trademark and for passing off and Section 69(2) of the Partnership Act, 1932 does not bar such a suit. In view of the above, the contention of the Defendant that the present suit filed by the unregistered firm is not maintainable cannot be accepted and the said contention is rejected."

Supporting the arguments put forth by Advocate Tulzapurkar who represented the Plaintiffs in the present case, the Hon'ble Court held "As regards the contention of the Defendant that Class-42 is amended, it is true that pursuant to the said Notification, the description "services for providing food and drink ..." is shifted from Class-42 to Class-43. However, prima facie I am of the view that until the Plaintiffs apply for the purpose of re-classification of the Plaintiffs existing registration in Class-42 and the same is considered and dealt with, the Plaintiffs cannot be deprived of any benefit in respect of the existing registration. Mr. Tulzapurkar is correct in his submission that the Plaintiffs' rights as proprietor of a registered trademark (word mark) "BADEMIYA" in Class-42 for services for providing food and drink are not nullified by reason of re-classification in the said Notification. The Plaintiffs continue to be registered proprietors of a registered trademark (word mark) "BADEMIYA" for services for providing food and drink until the Plaintiffs take appropriate steps to bring their registration in conformity with the amended classification. In any event as submitted by Mr. Tulzapurkar the contention of the Defendant regarding reclassification is fully irrelevant as far as Plaintiffs claim for passing off is concerned. Again the said argument would not be of any assistance to the Defendant if the Court is of the view that the Defendant is infringing the Plaintiffs' registered trademark (label mark) "BADIMIYA" bearing registration No. 641759 in Class-29."

The Court also stated "Mr. Saraogi, learned advocate appearing for the Defendant submitted that the word "BADEMIYA" is a common word used by every Muslim family and as such the same cannot be recognized only on the basis of registration as a trademark. By this contention the Defendant has sought to question the validity of the registration of the Plaintiffs' trademark "BADEMIYA". The answer to this contention is

contained in the judgment of this Court in Hindustan Embroidery Mills Pvt. Ltd. v. K. Ravindra and Co. (1974)76-Bom LR-146 wherein the learned Single Judge (Vimadalal, J.) pointed out that it is not the practice of this Court to consider the validity of the registration of a trademark on a motion for interlocutory injunction taken out by the person who has got the mark registered in his name. While the mark remains on the register (even wrongly), it is not desirable that others should imitate it.”

“ The essential feature of both the marks i.e. of the Plaintiffs and the Defendant is the word "BADEMIYA". The addition of the alphabet 'N' to the word "BADEMIYA" is of no significance. The word "Wah" allegedly written above the word "BADEMIYA" would also make no difference. Though the word "Wah" is indistinct and not easily noticeable as submitted by Mr. Tulzapurkar, the addition of that word is no defence in an infringement action”.

Tata Continues to Protect its Mark

The Delhi High Court has passed a judgement restraining Manoj Dodia, owner of Durga Scale Company from using the trademark A-ONE-TATA which in the Hon'ble Court's opinion is confusingly similar to the well known Trademark "TATA" owned by TATA Sons.

Earlier TATA Sons had filed a case against Manoj Dodia for using the mark A-ONE-TATA in connection with weighing scales and spring balances. The petitioners relied on the impeccable reputation of TATA, its continuous use since a long time and the fact that TATA had become a household name to convince the Hon'ble Court to pass an order in their favour and restrain the defendants from using the mark TATA in relation to their goods or services TATA Sons also sought damages amounting to Rs.20,05,000/- besides rendition of accounts in respect of the profits earned by the Defendants from use of the trademark A-One TATA.

The Hon'ble Judge based his decision of restraining the defendants from using the impugned mark on the fact that the mark TATA has recently been published as a well known mark in the IPR India .The Hon'ble Judge in his decision stated that:

“Considering that (a) the mark TATA whether word mark or device or in conjunction with other words is being used for last more than 100 years, in respect of a large number of goods and services, (b) Tata Group, which is probably the oldest and largest industrial and business conglomerate having turnover of Rs.96,000 crores in the year 2005-06, Tata Group comprises a number of large companies, millions of consumers are using one or more Tata products throughout India, but also in other countries, (c) there are more than hundred registrations of the trademark TATA either by way of word mark or device or use of the name TATA with other words, (d) the Courts having in a number of judgments/orders recognized TATA as a well known mark, (e) there is no evidence of any other person holding registration of or using the trademark TATA and (f) the reputation which companies of TATA group enjoys not only in India but also in many other countries, it is difficult to dispute that the trademark TATA is a famous and well known brand in India. I, therefore, have no hesitation in holding that the mark TATA whether word mark or device or when use in conjunction with some other words is a well known trademark within the meaning of Section 2(z)(b) of the

Trademarks Act, 1999. The use of the trademark TATA in relation to any goods or services is, therefore, likely to be taken as a connection between house of TATAs and the goods or services, which are sold under this trademark or a trademark which is similar to it.”

The Court also awarded damages worth Rs Two Lakh in favour of TATA Sons.

Yeh IP Mujhe De De Thakur

On March 1st 2011, the Delhi High Court has passed an ex-parte interim injunction in favour of Sholay Media & Entertainment Pvt Ltd, restraining the mobile company, Vodafone, from offering ringtones/ ringback tones created on the basis of Sholay’s music and dialogues. All the rights to the blockbuster Sholay are owned by Sholay Media & Entertainment Pvt. Ltd.

Deciding the matter Justice V.K Jain stated that:

“I am satisfied that the object of seeking injunction may be frustrated if ex parte injunction is not granted. The defendants are restrained, till further orders, from offering ringtones/caller tunes of the film Sholay to its subscribers without prior permission/license from the plaintiffs.”

This is not the first time that Sholay Media & Entertainment Pvt. Ltd. has been successful in protecting its intellectual property rights. Previously Sholay Media & Entertainment Pvt. Ltd. had successfully restrained Ram Gopal Verma from releasing a movie with the title “Sholay” which is a registered trademark owned by Sholay Media & Entertainment Pvt Ltd.

Pharmaceutical Industry may see Compulsory Licensing

According to recent reports the pharmaceutical industry may be seeing the enforcement of the compulsory licensing provisions soon. By way of this provision, inter alia, after 3 years of grant of a patent any person interested may make an application to the controller for grant of compulsory license on patent on any of the following grounds, namely:—

- that the reasonable requirements of the public with respect to the patented invention have not been satisfied, or
- that the patented invention is not available to the public at a reasonably affordable price, or
- that the patented invention is not worked in the territory of India.

If the Controller, is satisfied that the reasonable requirements of the public with respect to the patented invention have not been satisfied or that the patented invention is not worked in the territory of India or that the patented invention is not available to the public at a reasonably price, he may grant a license upon such terms as he may deem fit.



An article featured by Business Standard states that certain generic drug companies shall be filing applications for grant of compulsory license for various drugs. According to the article “Two domestic drug makers, Cipla and Natco, are known to have already written such requests to global pharmaceutical MNCs for such a contract to manufacture an AIDS drug and a cancer drug, respectively Natco’s request for permission to manufacture a generic version of cancer drug Sorafenib has been rejected by Bayer. Cipla is awaiting a response from Merck on AIDS drug Raltgravir. The next step, following an unsuccessful attempt to enter into a contract, will be to apply for a compulsory license.” To read the full article click [.](#)

The Compulsory Licensing route seems to be a better way to obtain the right to use the patent rather than entering into protracted litigation. Though this provision has been in force for some time it has hardly been exercised.