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RKD Succeeds at the EPO

On the 16th Of October (RKD's Founder Day), our Dr. Niti Dewan & Dr. Mohan Dewan attended oral proceedings before the opposition division on behalf of our client Gharda Chemicals Limited in respect of an opposition filed by BASF against Patent number EP-B-2069311 on the grounds that the invention claimed in the patent lacked inventive step and the specification did not sufficiently disclosed the claimed invention. RKD was efficiently assisted by their associate Dr. Wolfgang Santmann during the proceedings. By 9:00 AM, the opposition proceeding was opened and by 10:30 AM, the Chairman closed proceeding after rejecting the opposition. The efforts of the RKD Patent team in building up the case in defence of the Gharda Patent resulted in this swift closure to the proceeding which normally lasts the whole day.

Use of KHADI as a Trademark for Goods other than Textiles

There is an on-going dispute between the Government of India and Khadi Natur Produkte, GmbH & Co. of Germany, on the use and ownership of the Trademark Khadi in respect of goods such as cosmetics, soaps, hair lotions, shampoos, kajals and the like. Khadi has been defined as hand-woven cloth from India, Bangladesh or Pakistan which can be made out of cotton, hemp, silk or wool by spinning into yarn on a spinning wheel called "Charkha". "Khadi" is also synonymous with the Indian Independence Movement 'Swadeshi' where Mahatma Gandhiji promoted the spinning of Khadi to develop rural India and to counter attack foreign made fabrics coming into India. The German company has obtained the registration of the trademark Khadi in respect of non textile products particularly cosmetics and the like in Europe. The website of this German company clearly shows that it is promoting Indian made goods and application of the trademark Khadi on these goods is to establish a link between the goods and the origin of the goods, i.e., India.

In India, Khadi is also used as a brand for soaps, oils, creams, cleansers, shampoos which are popular products. These products appeared to be manufactured and sold by an enterprise referred to as Gramodaya Ashram which is a private enterprise, although registered under the Khadi and Village Industries Commission, the owner of the trademark in India. The Khadi branded products can be bought not only in stores but also online through e-retailers such as Amazon and Flipkart. Although, KVIC had registered the trademark Khadi in India, it did not take the effort to protect this mark overseas particularly in Europe and the

US. It is now crying “wolf” when it is confronted with the foresight of the German entity to protect this brand. It is obvious from the German company’s website that this company is sourcing the goods from India. If the trademark has been applied in India by the same manufacturer who manufactures the products for sale in India then obviously the use of the trademark is legitimate and the German company is within its rights to register the trademark in respect of such goods depending upon the terms of agreement between the Indian manufacturer and the German company. A close reading of the German company’s website clearly reveals that the German company has gone to lengths to explain the significance of the work Khadi and the association of Khadi fabric with Indian politics and the freedom movement. If the German company is sourcing goods from a different entity then it is for the brand owner in India to take appropriate action in India itself. It must be appreciated that the use of a fabric name in respect of goods in a different class such as fabrics is well established. For example, the use of the trademark silk for cigarettes or shampoos. This is in the same genre as the use of mark Opium for perfumes. Clearly Khadi is likely to go on the same route as Darjeeling and other Indian brands which were not protected overseas.

The moral of the story is that Indian companies should go all out to protect their brands overseas because if they do not, exports to countries outside India may be hampered, if other entities in those countries protect the brand in their name.

LITCON 2014

On the 6th of December, 2014, the Confederation of Indian Industry (CII) is organizing a one day conference in IP litigation at the Hotel Taj Connemara, Chennai under the Chairmanship of our Dr. Mohan Dewan. There is considerable misconception about IP litigation in India particularly in the case of Pharmaceutical Patents. There is a feeling that justice is significantly delayed, the dispensation of justice is anti-monopolistic and that litigation proceedings are fraught with procedural “Red Tape”. It is hoped that the deliberations during this conference which is entitled “Devising Winning Strategies for Protection and Enforcement of IPR in India” will dispel some of these misconceptions. It is expected that several legal luminaries from the judiciary, from the Appellate tribunal, from the bar and in-house counsels of several leading companies in India will be attending the conference. For further particulars please contact Paritosh Goyal at paritosh.goyal@rkdewanmail.com or Subhajit Saha at tntdpc@cii.in. Late month our Dr. Mohan Dewan was also a key note speaker and Co-chair at the Bio Similar 2014 Conference at Hyderabad.

Spotlight on Section 66 of the Patents Act, 1970

Section 66 of the Patents Act is a provision that can be exercised by the Central Government, if in the opinion of the Government a Patent or the mode in which it is exercised is mischievous to the State or generally prejudicial to the public. The section further states that after giving the patentee an opportunity to be heard, the Central Government may declare in the Official Gazette that the patent is not in public interest and, thereafter the patent shall be deemed to be revoked. There is no provision in this section for a competitor to invoke this section or apply to the Central Government to act as such. The Central Government is required to deliberate on this aspect unilaterally and until now, there have been only 2 rare cases where the Government has invoked this section to revoke a patent. The first case was in 1997 when

the Government revoked a process patent granted to Agracetis for the manufacture of genetically produced cotton cell lines on the grounds that cotton was an important crop for the national economy and should not be the subject matter of patents. In the second case dealing with ayurvedic bio active compositions the Government revoked the patent granted to Avesthagen on the grounds that the composition covered by the patent was not patentable subject matter and was therefore prejudicial to the public. In a move, apparently to bypass the provisions of section 84 which require an applicant for compulsory license to make efforts to obtain a license from the patentee on reasonable terms, Cipla has applied under the provisions of section 66 of the Patents Act to the Central Government particularly to the Department of Industrial Policy and Promotion (DIPP), with a demand to revoke four patents granted to Novartis for the drug “Indaceterol” (marketed by Novartis under the brand Onbrez in Europe and Arcapta in US). Simultaneously Cipla has also launched its own generic version of the drug which apparently infringes the Novartis patents. It is not Cipla's case that the patents lack eligible subject matter. Cipla's hidden strategy appears to be that it will create sufficient sympathy and publicity about the issue and thereby thwart any move by Novartis to obtain an immediate injunction against the alleged infringement on the grounds that the Central Government is looking into the matter, in the event Novartis exercises its right to sue Cipla for infringement of its patent.

Facts that do not appear to have been disclosed include the following:

1. Indaceterol was approved by the USFDA only as late as July, 2011 as an ultra-long-acting beta-adrenoceptor-agonist for the treatment of Chronic Obstructive Pulmonary Disease (COPD).
2. Patients have several other choices for treatment including drugs like Formoterol, Salmeterol and Tiotropium. All these drugs can be used by the patients in the form of dry powder inhalers.

Therefore, clearly Cipla's claim that patients are likely to suffer is misplaced particularly when cheaper equally affective alternatives are available in the market.

Competitive Television Advertising

On 31st of October, 2014 Justice Manmohan Singh of the Delhi High Court pronounced a judgment in the case of Reckitt Benckiser vs Dabur India. The issue involved was the use of similar advertisement themes for over the counter heartburn drugs. Reckitt Benckiser (plaintiff) markets an antacid under the brand Gaviscon. For advertisement purposes in relation to Gaviscon, the plaintiff uses a fireman device and a fire fighting script suggesting that Gaviscon treats the “fire of heartburn” like firemen treat a conventional fire. The fireman device is also a registered trademark of the plaintiff. The plaintiff's case is that consumers relate fire fighting action with the anti heartburn activity of Gaviscon. Dabur (the defendant) markets Pudina Hara Lemon Fizz which is an ayurvedic medicine for the treatment of heartburn. The defendant launched the product with an advertisement which showed fire burning in the gullet which is doused by fireman emerging out of the consumed dose. The plaintiff's case is that the defendant is illegally riding on the plaintiff's goodwill. Justice Singh while comparing both advertisements that of the plaintiff and that of the defendant concluded that the firemen depicted in both ads were different and that the differences in the two depictions outweigh the similarities and this dissimilarity is accentuated by the ad script and further does not amount to

infringement if used in the form of a television advertisement. Justice Singh further noted that several antacid manufacturers are using the concept of burning or fire in depicting the nature of the condition which antacids claimed to treat. At the same Justice Singh came to the conclusion that there was significant difference in the colour the background and the overall setup of the respective advertisements. Justice Singh held that cases where characters were being used in advertisements are to be looked at differently than characters used in the trademark sense. Justice Singh further negated the plea of the plaintiff that the copyright in the films script was infringed by the defendant and stated that the depiction of a person extinguishing fire is a concept or theme that cannot be monopolised by one person, even though there were commonalities in the plot of the respective advertisements. The plaintiff's case was therefore dismissed with the direction that the defendant was not allowed to use a fireman on its physical product or on its packaging.

Guidelines for Examination of Pharmaceutical Patent Applications

In late October, 2014, the Controller General of Patents issued elaborate guidelines for the examination of pharmaceutical patent applications. Various provisions of the Patent Act, 1970 and specific features of patent practice have been covered in the guidelines given to examiners for examining pharmaceutical patent applications. For instance, the guidelines direct the examiner to examine 'Markush' claims critically for common property, common use and common structure. Guidelines for determining novelty including implicit disclosure and inherent anticipation have been provided. Similarly, rules for assessment of inventive steps have also been explained. A noteworthy guideline is with respect to what is obvious: the mere existence in the prior art of each of the elements will not by itself result in obviousness. A coherent thread is required leading from the prior art to the invention with a reasonable expectation of success. Surprising effect, synergistic outcome and prior art prejudice will demonstrate the non-obvious nature of an invention. Guidelines for dealing with section 3(d) of the Act have been elaborately provided. For this aspect, the guidelines have relied heavily on the Novartis case at the Supreme Court. Another aspect dealt with in detail is sufficiency of description clarity and enablement. Finally, guidelines to determine unity of an invention have been provided and they specifically state that there is no restriction on the number of independent claims in a single application as long as all the claims have a cognate character and are so linked as to form a single inventive concept.