R. K. DEWAN & CO.
ADVOCATES, TRADE MARK & PATENT ATTORNEYS
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Google outbid in the auction for Nortel's Patent portfolio

In the previous edition of our newsletter which came out in May, we had talked about Google's $900 million bid for acquiring Nortel's patent portfolio which encompassed 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. Google wanted to acquire the patents to assist it in defending patent litigations in respect of its Android mobile operating system. Nortel had chosen Google's $900 million bid as the stalking horse bid and at that time it seemed highly likely that Google would be successful in getting its hands on Nortel's portfolio of 6,000 patents.

However things took a sharp turn and stand very differently in the present scenario. A consortium comprising of Apple, Microsoft, EMC Corp., RIM, Ericsson and Sony came up with a colossal bid of $4.5 Billion. The consortium bid under the name "Rockstar Bidco LP". This massive bid of $4.5 Billion won the auction and left Google high and dry. Lisa Schweitzer of Cleary Gottlieb Steen & Hamilton LLP, which represents Nortel called the auction "record breaking in terms of this case and in the patent industry generally". The auction started with a "stalking horse" bid of $900 million by Google and came to an end after nineteen rounds. Analysts have pointed out that the high price paid to acquire Nortel's patent portfolio, emphasizes the lengths Apple was willing to go to in order to prevent Google from acquiring the patents.

The contribution of each of the participants in the consortium to the auction winning bid and the splitting of the patent portfolio amongst them is unknown. But this certainly leaves Google in a spot of bother as now it would not have the luxury of Nortel's patent portfolio to defend itself against patent litigations involving its Android mobile operating system.

Mike Tyson's Tattoo could not stop Warner Bros. Hangover

The tattooist who decorated boxer Mike Tyson's face has sued Warner Bros. The allegation of the tattooist was that the studio is misappropriating that particular tattoo for its upcoming movie, The Hangover Part II.

Victor Whitmill had tattooed the left side of the face of the former heavyweight boxing champion Mike Tyson in 2003, and has copyrighted his work.

Those of you who have watched Hangover II must have noticed a tattoo on one of the actor's face which looks similar to that of the boxing champion. In one of the scenes in the movie, actor Ed Helms wakes up to find similar ink on his face.

Victor Whitmill pleaded before the federal judge to restrain Warner Bros. from showing the tattoo in the promotion of the film and in the comedy film itself. The federal lawsuit was filed in Missouri. The tattooist claimed that the movie featured a virtually exact reproduction of the original, which appeared on the character played by actor Ed Helms.

The tattooist was seeking an injunction to halt the release of the highly-anticipated film, but his attempt was in vain. He also alleged that the movie producers didn't seek permission before using the deceptively similar design on the face of Ed Helms. He further alleged that the producers were guilty of infringing his copyright.

Dr. Wobben allowed to withdraw appeals, but not without costs

The Delhi High Court has allowed Dr. Wobben to withdraw all three of his appeals which he had filed earlier against the orders passed by the Madras bench of the IPAB revoking twelve patents granted to Dr. Wobben. The Court further ordered Dr. Wobben to pay costs worth Rs. 1,00,000 in respect of each of the three appeals, with 50,000 going to Enercon and 50,000 to the government per appeal.

Earlier Enercon had filed revocation petitions before the Intellectual Property Appellate Board seeking revocation of the patents granted to Dr. Wobben. By IPAB's orders, these revocation petitions were granted and the 12 patents granted to Dr. Wobben were revoked. Following this, Dr. Wobben had filed 3 appeals in the Delhi High Court against the IPAB's orders. After extensive arguments put forth by Enercon questioning the jurisdiction of the Delhi High Court to hear an appeal against the orders of the Madras bench of the IPAB, the Delhi High Court finally decided to take charge of the matter.

Before the Delhi High Court could finally decide and pass a judgement on the matter, Dr. Wobben withdrew all three of his appeals. Justice Gita Mittal awarded the costs on the ground of waste of judicial time and said that it was justified to award costs demanded by the respondent. The Hon'ble judge said: "'However, it cannot be denied that valuable judicial time has been expended on hearing prolonged arguments on the respondents' preliminary objection which were raised at the first instance with regard to maintainability of the three writ petitions before this court. The prayer of the respondents for award of costs appears to be justified.'

Gorbatschow Wodka gets a new high, from their design, not their drink!

The Russian vodka manufacturing company, Gorbatschow Wodka succeeded in restraining John Distilleries Limited from marketing vodka in a bottle similar in shape and appearance to the one used by Gorbatschow Wodka. On 20 September 2010, a Single Judge granted ex parte ad interim relief to the plaintiff Gorbatschow Wodka by saying:

"Pending the hearing and final disposal of the suit this Hon'ble Court be pleased to restrain the Defendant, its promoters, assigns, successors in interest, licensees, franchisees, partners, directors, representatives, servants, distributors, employees, agents and all persons claiming under the Defendant from using the objectionable bottle and/or any other shape identical/deceptively similar to the Plaintiff's trade mark shape of the bottle upon and in relation to its products/business in any manner whatsoever so as to pass off or enable others to pass off its goods as that of the Plaintiff or convey that it is in some way connected with the Plaintiff."

In its affidavit in reply, the defendant John Distilleries Limited based its arguments on the following facts:

- The Defendant is the owner of a design registration for the bottle by virtue of a registration of 5th of February 2008 under the Designs Act, 2000 granted by the Controller General of Patents, Designs and Trademarks.
- The Defendant's bottles of Vodka coupled with a distinctive trade mark "SALUTE" and a differently coloured, distinctive label can never be confused by the general public with the bottles of the Plaintiff.
- Owing to its high price, the target consumer is highly educated, rich and discerning and the test of passing off had to be applied differently.

Relying on the above mentioned facts the defendant claimed honest use and adoption of the shape of the bottle.

The Plaintiff said that it had devised the peculiar shape of the bottle in 1996 and had based the bulbous structure of the bottle on the architecture of the Russian Orthodox Church. The Plaintiff said that it had registered the shape of its bottle in various jurisdictions worldwide, including in Germany, Poland, New Zealand, Australia and in several nations governed by the WIPO framework. In India, the Plaintiff applied for registration of the shape of its bottle as a trade mark on 31 January 2008 in Class 33 of the Trade Marks Act, 1999, claiming use since 19 December 1999. Moreover, the Plaintiff argued that the mere fact that the defendant had obtained a design registration does not make the defendant immune to the test of passing off and hence use of a similarly shaped bottle would lead the public to believe that the product being marketed by the defendant originated from the plaintiff.

The Court ruled in favour of the plaintiff and stated the following:

"The Plaintiff has, in these circumstances, made out a strong prima facie case for the grant of injunction. The balance of convenience must necessarily weigh in favour of the Plaintiff which has an established reputation. Irreparable injury would be caused to the established reputation and goodwill of the Plaintiff if the

Defendant is allowed to proceed ahead. The Defendant is still to commence business in the use of the disputed product, this not being a position in dispute at the hearing."

MDH successfully defends its trademark

In May, 2011 the Delhi High Court passed a judgment related to remedies pertaining to infringement and passing off. The court re-affirmed the differential evidentiary standards prescribed for trademark infringement and passing off in the case of M/S Mahashian Di Hatti Ltd. vs. Mr. Raj Niwas, Proprietor of MHS.

The plaintiff (Mahashisn Di Hatti) has used the logo "MDH" since 1949. The logo is within three hexagon device on a red coloured background. M/S Mahashian Di Hatti Ltd. has a business of manufacturing and selling spices and condiments. The aforesaid company has been using the logo since 1949 in respect of various products such as "kashimiri mirch", "kasoori methi" and "chana masala", "Meat Masala", "Chat Masala", "Sambar Masala", "Kitchen King" and "Khushbudar Masala" etc. The plaintiff company attributes its goodwill and reputation to the long and continuous use of the mark which was registered two decades back in May, 1991.The plaintiff company claims a sale of Rs. 181,90,67,134/-, Rs.217,24,30,303/- and Rs.252,79,37,137/- and advertisement and publicity expenses of Rs.10,56,00,000/-, Rs.12,34,00,000/- and Rs.9,14,57,886/- in the years 2005-06, 2006-07 and 2007- 08 respectively.

The question of dispute in the present case is that the logo used by the defendant "MHS" is similar to that of the plaintiff. The plaintiff further contends that such an act of the defendant is being done with the sole intention to pass off the goods of the defendant as those of the plaintiff. Also it amounts not only infringement of the registered trademark of the plaintiff but also to the passing off the goods of the defendant as those of the plaintiff.

The plaintiff company has accordingly sought an injunction restraining the defendant from using the infringing logo "MHS" or any other trademark which is deceptively similar to that of the plaintiff's registered trademark "MDH". The plaintiff company has also sought an injunction restraining the defendant from passing off its goods as those of the plaintiff besides seeking destruction of the infringing material and damages amounting to Rs.20,00,000/-.

The defendant on the other hand took preliminary objection that the suit is not maintainable since he had applied for registration of the trademark "MHS" and there was no objection from the plaintiff with respect to the aforesaid registration.

The court relied on section 28 of Trade Marks Act, 1999. Section 28 gives to the registered proprietor of the trade mark an exclusive right to the use of the trade mark in relation to the goods or services in respect of which the trade mark is registered and to obtain relief in respect of infringement of the trade mark provided by the said Act.

The court compared the logos of both the parties and held that the trademark of the plaintiff was infringed by the defendant. The defendant was therefore restrained from manufacturing, selling or marketing any spices or condiments using the impugned logo “MHS”.

Further the court awarded punitive damages amounting to rupees one lakh to the plaintiff.

Novartis vs. Cipla – Pre-Grant Opposition

A Patent Application (593/CHENP/2005) in respect of an invention titled ‘Dispersible Tablets Comprising Deferacirox’ which was filed by Novartis AG, on 11th April 2005 was opposed by Cipla. The Assistant Controller of Patents, Dr. S. P. Subramaniyan allowed the opposition and refused to grant the patent.

The Patent Application was opposed by Cipla on various grounds including the invention claimed is obvious, does not involve an inventive step, claim is not an invention or subject is not patentable and that the Applicant has failed to disclose information required under the Patents Act. The Assistant Controller was not satisfied with Cipla’s contention that the invention is specifically disclosed in prior art documents presented. The Assistant Controller, after considering the documents and arguments presented by both parties held that the claims do not involve an inventive step under the provisions of the Act.

However, the Assistant Controller further stated as under:

“Even subject matters of claims 1,2 & 10 have combined together to form a composition claim, it is still considered to be a mere admixture, because each of the ingredient present in the composition functioning as per intended purpose, the total effect is an additive effect. There is no unforeseen synergistic effect with support provided in the specification. Therefore, the claims of the present invention for patent are not an invention under the provision of the Act and the opposition filed u/s 25(1) (f) is allowed.”

For the full decision of the Assistant Controller, please click here.

The Delhi high Court rains on MOET & CHANDON’s champagne parade

The Delhi High Court recently passed a judgement confirming the IPAB’s decision in the matter of Champagne Moet and Chandon v. Union of India & Ors regarding the trademark "MOET”. The Petitioner, Champagne Moet, is a company that was established in 1743 under the laws of France and is a well-known manufacturer of wines which it is selling under the trademark MOET, MOET & CHANDON and other brands in more than 150 countries of the world. The petitioner claimed that it had been shipping its champagne bearing the mark MOET & CHANDON to India since 1906 and holds a registration for the trademark MOET from 1982 onwards and for the trademark MOET & CHANDON from 1985 onwards in class 33 under the Trade and Merchandise Marks Act, 1958.

The Respondent is a Delhi based partnership firm trading under the name “Moet’s”. The Respondent claims to have coined and adopted the mark from the Hindi word “Mohit” which happened to be the name of one of its partners. Moreover the respondent claimed continuous usage of the mark since 1967.

By an order dated 12th June 1995, the Deputy Registrar of Trademarks dismissed the petitioner’s opposition by stating the following grounds:

- The rival marks are identical but the goods being respectively manufactured and marketed by the Petitioner and Respondent were not the same or of the same description, The Petitioner’s specification of goods was `quality wines, spirits and liquors, in Class 33 whereas the goods of Respondent were `meat, fish, poultry and game and meat extracts, included in Class 29.
- The Petitioner failed to establish user since 1947. The registration in its favour was from 15th October 1982 and its annual sales figures for the year 1980- 90 were given in French Francs and not in Indian currency. The bills furnished by the Petitioner did not bear the signatures of the issuing authorities or the trademark of the Petitioner in the text. Moreover, the bills were for the year 1980 onwards.
- The mark applied for by the Respondent was a significant part of its trading style since 1967. It could therefore not be said that the adoption and user of the mark by Respondent was dishonest. The Petitioner’s objections were liable to be overruled. It was registerable within the meaning of Sections 12(3) and 33 of the TM Act 1958.
- Respondent had shown sales figures from 1968 and therefore the Petitioner’s objection with reference to Sections 11(a) and 11(e) TM Act, 1958 was untenable. Since Respondent had used the mark for a substantial period, it qualified for registration under Section 9 of the TM Act, 1958.

Aggrieved by the order, the petitioner filed an appeal which was dismissed by the IPAB by stating that the documents produced by the petitioner were insufficient to show their use or goodwill in India before 1988.Moreover the IPAB said that the documents produced by the petitioner as evidence contained the mark MOET & CHANDON and not the composite mark MOET. Difference in products was also cited as one of the reasons for dismissing the petitioner’s appeal.

Consequently, the petitioner filed a petition under A. 226 of the Constitution of India at the Delhi High Court. After hearing arguments from both the parties, Justice Muralidhar finally dismissed the writ petition by saying the following:

“The contention that a dishonest adoption of a mark would not entitle Respondent No. 3 to raise the defence of acquiescence is not tenable in view of the finding that the user of the mark by Respondent No. 3 cannot be said to be dishonest. Further, the fact remains that the adoption of "MOET'S" as part of its trading name by Respondent No. 3 has not been sought to be prevented by the Petitioner at any point in time. Also, the Petitioner did not challenge the DR's order dated 8th December 1999 rejecting the opposition by the Petitioner to the grant of registration of the mark in relation to Class 16 in favour of Respondent No. 3. The plea of acquiescence merits acceptance.

Consequently, this Court finds no grounds having been made out for interference with the impugned order dated 27th October 2004 of the IPAB. The writ petition is dismissed, but in the circumstances with no order as to costs."

The case of the Fiery Red Fort

The Madras high Court recently granted an ex parte interim injunction in favour of Standard Fireworks Pvt. Ltd. ("SFPL") against Subhiksha Trading Services Limited ("Subhiksha"). Subhiksha had been selling in their stalls in Chennai, firecrackers which infringed SFPL's well known Red Fort trade mark. Subhiksha had not only used SFPL's registered trade mark on fire crackers but also on the promotional banners without SFPL's consent.

Standard Fireworks which was established in the year 1942 is the largest manufacturer of fireworks in India and enjoys a total of 45% of the Market share in India and 5% of the global market share in Fireworks.

One of the range of SFPL's firecrackers are sold under the trade mark (label) "Red Fort" which consists of the artistic work of the Red Fort with a red background. SFPL's Red Fort mark had become renowned and in order to better protect their trade mark SFPL had the mark registered. SFPL was represented by RK Dewan & Co in this matter.

The Hon'ble High Court agreed with the SFPL's claim that Subhiksha has dishonestly adopted SFPL's mark with a motive to gain unlawfully from the reputation of SFPL's registered trade mark. SFPL also claimed that Subhiksha had infringed its copyright over the artistic work of the Red Fort label and the Court found merit in this claim as well. The Court also agreed that the act of Subhiksha imitating the Red Fort mark of the plaintiff and the artistic work of the mark constituted passing off.

Godrej Sara Lee vs. Super Good Films

In the month of June, Godrej Sara Lee Ltd, the famous mosquito and cockroach repellent manufacturer represented by R K Dewan & Co. was successful in obtaining an order of permanent injunction and damages worth Rupees Five lakhs against one of the leading banners in Tamil cinema, Super Good Films Private Limited.

Godrej Sara Lee Ltd is the owner of the trademark "HIT". "Tirupachi", the Tamil film produced by Super Good Films Private Limited depicted the repellent "HIT" owned by Godrej Sara Lee Ltd in some of its scenes. As per the plaintiff, the depiction of their product "HIT" in the said film was highly "defamatory, prejudicial, offensive and slanderous" exhibiting that "HIT" could kill not only insects and pests but also a foetus. Godrej Sara Lee Ltd. had filed a civil suit seeking damages from the producer of the film as well as an order of injunction.

Justice S Palanivelu stated that through the certificate of registration, the plaintiff had proved that the Centre has recognized their product "HIT" to be safe. The Hon'ble Judge further said that the Film Production Company has depicted the product in a disparaging and defamatory manner which was detrimental to the goodwill of the company and hence the plaintiff was entitled to damages worth Rupees Five lakhs.

Sun Pharmaceuticals vs. Ferring Pharmaceuticals

The Ld. Ahmednagar District Court Judge was pleased to grant an Interim Injunction in favour of Sun Pharmaceuticals in a recent infringement suit and this judgment was reversed by the Appellate Court.

The brief facts are as follows:

Sun Pharmaceuticals filed a suit for infringement of their registered mark AEROTIDE against Ferring Pharmaceuticals in the Ahmednagar District Court. Ferring Pharmaceuticals are proprietors of the mark FEROTIDE. Sun Pharmaceuticals discontinued their drug AEROTIDE in April 2006. Ferring Pharmaceuticals is being represented by R K Dewan & Co in the matter.

Ferring Pharmaceuticals filed an Appeal in the Aurangabad High Court against the Impugned Order of the Ahmednagar District Court. The Ld. High Court Judge, Justice Borde quashed the Impugned Order on the ground that both the drugs AEROTIDE & FEROTIDE were completely different in respect of their composition, nature, characteristics and the ailments in which they were prescribed and administered. AEROTIDE was an inhaler disk and FEROTIDE is an intravenous injection. Hence Interim Injunction granted by the Ahmednagar District Court was reversed and vacated by the Aurangabad High Court in favour of Ferring Pharmaceuticals.