No amendments permissible at the time of National Phase Entry in India

Strict interpretation of law at the time of National Phase entry in India: no amendment to specification, claims or drawings is permissible.

In a hard hitting judgement delivered on July 30th , The Controller of Patents, at Calcutta (in Re: Ericsson) decided that entering the National Phase in India from a PCT application must be only done with the specification as finally published at WIPO during the International Phase. Amending the specification drawings or claims at the time of national entry is a “malpractice and a surreptitious action”.

In this case, at the time of National Entry, the applicant dropped 3 claims and introduced amendments in 3 claims. By dropping the 3 claims the applicant filed the application by paying less fees (i.e. no fees were paid for the dropped 3 claims). The Controller held that by this action the applicant had committed an “illegality". Also he held that the time for payment of the balance fees had lapsed and by law this amounted to not paying the fees at all. With the result that the application was deemed to not to have been filed at all at the Indian Patent Office. The end result was that in Re: Ericsson the application was deemed not to have been filed at the Patent Office and therefore resulted in complete loss of rights of the applicant.

Applicant seeking to enter the National Phase and their representatives are cautioned that the Indian Patent System follows the rule that at the time of National Phase Entry, strictly the specification as last published at the WIPO website by the Intellectual Bureau (IB) will be allowed for national entry and not following this rule will be fatal to the applicant’s rights and result in total loss of rights.

Any amendment in claims or specifications or drawings must be carried out only after National Phase Entry by making a formal request on Form 13.

IPO denies Lee Pharma’s compulsory licence application for Saxagliptin

In an order dated 12th August 2015, the Controller of Patents Rajiv Aggarwal, turned down the application for Compulsory License filed by Indian pharmaceutical company Lee Pharma Ltd. (LPL) for the patented drug ‘Saxagliptin’ used for treating Type II Diabetes Mellitus. The original patent for ‘Saxagliptin’ was granted to Bristol Myers Squibb (BMS) on April 30, 2007 by way of Patent No. IN 206543. BMS assigned its rights to AstraZeneca AB, which is responsible for sales and marketing of the drug in India.

LPL had applied to obtain a compulsory licence of Saxagliptin on the basis of Section 84 (1) of the Indian Patents Act, 1970 on the following grounds:

(a) That the reasonable requirements of the public with respect to the patented invention have not been satisfied, or

(b) That the patented invention is not available to the public at a reasonably affordable price, or

(c) That the patented invention is not worked in the territory of India.

The main assertions of LPL were that:

1) The drug is not manufactured in India even eight years after the patent was granted, and that the entire supply of the drug is imported and marketed by BMS and AstraZeneca from Ireland and the US

2) The drug is being sold by AstraZeneca at INR 41-45 per tablet, while the cost of

importing is less than INR 1 i.e. 0.80 per tablet.

3) The quantity imported does not meet the requirements of the Indian market.

The Controller however found that:

1) In the presence of substitutes for Saxagliptin in the Indian market (namely Linagliptin, Sitagliptin and Vildagliptin), and in the absence of any kind of detail regarding the quantum of these substitutes, it was not possible to arrive at any conclusion regarding the demand for Saxagliptin in India. Therefore the applicant failed to make out a prima facie case with respect to Section 84(1) clause (a).

2) Paradoxically, the applicant's proposed selling price of INR 27 to INR 31.50 per tablet was several times higher than the alleged cost of import (i.e. INR 0.8 to 0.92 per tablet). Therefore, the applicant failed to show that it could provide the medicine to the public at a 'reasonably affordable price' as per Section 84(1) clause (b).

3) The manufacture in India is not a necessary pre-condition in all cases to establish working in India. As the applicant did not provide any information on the manufacturing capabilities of the patentee, it failed to show that the patented invention had not been worked in India.

In conclusion, the Controller prima facie refused the application for compulsory license on all three grounds as Lee Pharma was not able to successfully make its case. Lee Pharma has been given one month's time until 12th September 2015 to request a hearing under Rule 97(1), failing which the present order will be rendered final.

Ignore jurisdiction at your own risk

On the 1st of July 2015, the legal position with respect to jurisdiction was clarified by the Hon'ble Supreme Court of India through its landmark judgment in the trademark & copyright infringement case of Indian Performing Rights Society Ltd. vs. Sanjay Dalia & Anr.

The Appellant in the present case had filed the suit in the Delhi High Court for infringement of its IP rights. The Respondents raised an objection with respect to the jurisdiction of the suit. They argued that the suit should be filed where the infringement was alleged and that since the entire cause of action had arisen in Mumbai, the suit had to be filed in Mumbai itself. The Delhi High Court granted an order in favor of the Defendant and held that it did not have the jurisdiction to hear the present matter.

Section 20 of the Code of Civil Procedure allows a Plaintiff to institute a suit wherever the Defendant has its i) head/principal/registered office or ii) where it has its branch/subordinate/ancillary office or iii) where the cause of action arises wholly or in part. However, Section 134 of the Trademark Act, 1999 and Section 62 of the Copyright Act, 1957 give an additional forum to the plaintiff to file a suit where it has its head/principal/registered office or its branch/subordinate/ancillary office.

When the matter was heard by the Supreme Court, it was submitted by the Respondents that Section 62 of the Copyright Act and Section 134 of the Trade Marks Act were being abused by plaintiffs in order to harass the defendants by instituting suits in far-flung areas across the country making it inconvenient for the defendant in terms of finances and logistics. It was observed by the Court that, the provisions of section 134 of the Trade Marks Act and section 62 of the Copyright Act must be interpreted in the purposive manner. The Supreme Court therefore dismissed the appellant's appeal.

In conclusion, it is now clear that while plaintiffs have the option of instituting a suit at a place where they carry on business etc., this must be at the principal place of business or the place where the cause of action has arisen wholly or in part; and not at a branch office where no cause of action has arisen. The provisions of the Copyright & Trademark Acts are to provide a convenience for the plaintiff, not to inconvenience the defendant.

John Doe strikes again

On the 22nd of July, 2015, The Hon'ble Bombay High Court granted a John Doe order in favor of Phantom Films Pvt. Ltd., a Cinematographic Film Production house, restraining the Defendants i.e. Sonali Cable Vision Pvt. Ltd. & Others from infringing the Plaintiff's Copyright in the Cinematographic film "Masaan". The film had already been released internationally on 24th June 2015 and was scheduled for release in India on 24th July 2015

The John Doe order, which is a recent trend in copyright cases, is based on the existence of reasonable apprehension that the Copyright of the Plaintiff will be infringed if the order is not passed in time. Therefore, if the court is satisfied that such urgency exists, it may pass such an *Ex-parte Ad-interim* order against unnamed defendants, in order to protect the rights of the Plaintiff.

In the present case, the cause of action arose when the Plaintiff came across several websites and links on the internet which offered to the general public an opportunity to download/stream the Plaintiff's movie "Masaan". These links were in a dormant state, but the plaintiff strongly believed that they would be activated immediately after the release of the movie. Thus, a suit was filed by the Plaintiff to restrain the Defendants from doing so, as it would result in an irreparable loss to the Plaintiff if the pirated copies of the film were circulated as soon as the movie was released in Cinemas.

On hearing the above arguments as well as the various precedents, the Court ordered that the Defendants be restrained from infringing the Plaintiff's copyright in any manner whatsoever. Therefore, the order was passed in favor of the Plaintiff and the liberty to publicize the order by prominently displaying it or advertising it on television and in cinemas was also given to the Plaintiff. This measure was taken by the court so as to warn the general public about the consequences of circulating/pirating infringing copies of the film.

Furthermore, similar orders have been passed in various other cases, for example the case of *Shemaroo Entertainment Ltd. Vs Gujarat Telelink Pvt. Ltd.* and the case of *Viacom 18 Motion Pictures v. Sonali Cable Vision Private Limited* wherein, the Bombay High Court passed ad-interim orders grating reliefs in similar set of facts.

Pfizer protects the 'DOLONEX' mark in India

The Delhi High Court on 17th July, 2015 decided the matter of trademark infringement in the case of *Pfizer Products Inc vs M/s Seeko Biotics,* wherein an order was passed of permanent injunction in favor of the Plaintiff alongwith punitive damages to the tune of INR 3,00,000/- (Three Lakh) only. The case dealt with the dispute regarding the infringement of the Plaintiff's trademark **DOLONEX** by the Defendant, which adopted a deceptively similar mark under the brand name **DOLONAK**.

In the present suit, the Plaintiff is the proprietor of the mark DOLONEX used as a brand name for a drug used to treat rheumatic disorders, gout, postoperative pain, juvenile idiopathic arthritis and/or musculoskeletal conditions. In the present suit, it was the Plaintiff's contention that the Defendant had adopted the mark DOLONAK with a *mala fide* intent to ride upon the goodwill of the Plaintiff's trademark. The Plaintiff further contended that as the mark DOLONEX had no meaning within the English vocabulary and was an invented term by the Plaintiff, it was entitled for protection of its trademark. The Court accepted this reasoning and observed that the mark DOLONAK had been adopted by the Defendant with the intent of diluting the Plaintiff's trademark. As it was found that the Defendant's product was produced to treat the same ailments and causes as that of the Plaintiff's product, the Court held that there would be sufficient cause for confusion among the general masses to distinguish between the two marks and the products.

After taking into account all the arguments and evidence brought forth by the Plaintiff, the

Court was satisfied in granting a permanent injunction in favor of the Plaintiff along with an order of punitive damages as a deterrent factor to give warning to other potential infringing parties that may conduct similar activities.

Madras High Court jolts trademark suit

On 10th June, 2015, the Madras High Court in the state of Tamil Nadu in India heard the case of *Wipro Enterprises Ltd vs Heinz India Pvt. Ltd,* in its interlocutory stage over the dispute of similarity between the marks **BOLT** and **VOLT**. The Madras High Court ruled in favor of the Defendant by refusing to grant interim injunction to the Plaintiff.

(Plaintiff'sMark) 

vs 

(Defendant's Mark)

In the present case the Plaintiff is the owner of the mark GLUCOVITA, which happens to be a reputed glucose based energy drink brand in the Indian market. In the year 2012, the plaintiff had launched a glucose based chewy tablet product in the market that was capable of providing instant energy after consumption under the sub-brand mark of BOLT. It was contended by the Plaintiff that in the year 2014 it came across the Defendant's product under the brand name VOLT, for a similar product of glucose based tablets along with its house mark GLUCON-D. Upon the institution of the present suit by the Plaintiff, it was contended before the Court that the Defendant's mark may be construed to be deceptively similar to that of the Plaintiff due to visual and phonetic similarity between the marks **BOLT** and **VOLT**. It was further contended by the Plaintiff that the Defendant had blatantly, with *mala fide* intent infringed upon the Plaintiff's trademark, the Plaintiff's tagline of "INSTANT ENERGY….ANYTIME ANYWHERE" and its trade-dress that included the writing of pricing in perforated format.

The Madras High Court held that while both the marks **BOLT** and **VOLT** may sound similar, they are *publici juris* i.e. common words over which no trader can claim an exclusive right. It was further held by the Court that the tagline "ANYTIME ANYWHERE" is quite common, not only as words but as taglines as well in various lines of trade and is used by many business entities. The Court further held in the issue of trade-dress infringement, that the Defendant's product was distinguishable from that of the Plaintiff's, the basis of which were three arrows that pointed towards 'Glucose', 'Calcium' and 'Vitamin-C' as the highlighted features of the product thus making it distinguishable. Lastly the Court stated that the practice of placing the pricing amount on the product in a perforated style is quite common in trade and the Plaintiff cannot lay any exclusive claim over it. As the Plaintiff had failed to establish a *Prima facie* case in its favor, the Madras High Court refused the Plaintiff's application to grant an interim injunction.

Another consideration that the Court could have taken into account could have been that of the use of 'accents' in different areas of India. Hypothetically had the present case been instituted in the High Court of Calcutta or any District Court in the State of West Bengal, the confusion between BOLT and VOLT would have been quite grave. As per the Bengali accent, the letter 'V' is pronounced as 'B', thus the word VOLT would have been pronounced as BOLT anyways leading to mass confusion amongst sellers and consumers.

Trademark CHERI fails to be merry

The Bombay High Court on 24th June, 2015 decided not to grant an interim injunction to the plaintiff in the case of *Indchemie Health Specialities Pvt. Ltd vs Intas Pharmaceuticals Ltd* concerning the dispute over the marks CHERI for a pharmaceutical preparation belonging to the Plaintiff and MULTI CHERRY for a dietary supplement belonging to the Defendant, both marks having been registered in Class 5.

The Bombay High Court took to the view that since the Defendant had been in the market with its trademarked a proprietary food product which was to be consumed as advised by a dietician since the year 2012, it had successfully built a strong standing reputation for itself and furthermore since the Defendants mark MULTI CHERRY is a proprietary food product and not a drug like the Plaintiffs product under the mark CHERI; hence the Court refused to grant an interim injunction in favor of the Plaintiff due to the dissimilarity between the products and the adopted trademarks.

The Plaintiff in the present suit had its mark CHERI registered in the international Class 5 in respect of pharmaceutical preparations and sold its drugs to treat iron deficiency in the form of syrups and tablets under the brand name of CHERI. The plaintiff discovered in January 2014 that the Defendant was selling its own proprietary food product under the brand name of MULTI CHERRY. Subsequently, the Plaintiff sent a Legal Notice to cease and desist from using the impugned trademark, which the Defendant refused to comply with. The Plaintiff therefore instituted the present suit for trademark infringement. During the suit proceedings, the Plaintiff raised the contentions that the Defendant had adopted a similar mark to that of the Plaintiff for its product under the same medicinal class under which the Plaintiff had registered its mark and had done so with *mala fide* intent to ride upon the goodwill and reputation of the Plaintiff.

The Bombay High Court however took an opposing view to that of the Plaintiff. It was held by the Bombay High Court that the product of the Plaintiff was for medicinal preparation and was guided by the Drugs & Cosmetics Act, 1940 while that of the Defendant, being a dietary supplement, was governed under the Food Safety and Standards Act. Therefore, the two products could not be compared. As a result, both products were held to be entirely different and the marks CHERI and MULTI CHERRY provided a clear distinction between them, enabling the general masses to easily distinguish between the two marks. The Bombay High Court hence concluded that as the Plaintiff had failed to establish a *prima facie* case in its favor and since the balance of convenience lay in favor of the Defendant, the Bombay High Court refused to grant the application of interim injunction in favor of the Plaintiff.

MOTHER DAIRY successfully protects its trademark and trade dress

Justice Manmohan Singh of the Delhi High Court passed a judgment on July 15, 2015 in favour of M/s. Mother Dairy Fruit and Vegetable Pvt. Ltd. (Plaintiff) in a suit filed against Sri Vinayaka Milk Products (Defendant) for permanent injunction, restraining infringement of trademark, copyright, passing off, damages and rendition of accounts.

The Plaintiff is engaged in the business of manufacturing and marketing of milk and milk products, frozen foods, horticultural and other agricultural products. The trademark 'MOTHER DAIRY' was adopted by the plaintiff in the year 1974 and has been used by the Plaintiff continuously to such an extent that the consuming public and members of trade associate the trademark and the goods under it to be originating from the Plaintiff alone. The Plaintiff has also registered its trademark 'MOTHER DAIRY' in foreign jurisdictions *inter alia* United Arab Emirates, Indonesia, Thailand and Malaysia. The trademark has even acquired the status of a “well known” trademark within the meaning of Section 2(zg) of the Trademarks Act, 1999. Mother Dairy’s blue trademark/logo, , has been used since the year 2003 and serves as a source identifier of the Plaintiff’s products in the market.

The Plaintiff first became aware of the infringing activities of the Defendant i.e. Sri Vinayaka

Milk Products, in November 2010. Thereafter, the plaintiff sent a cease and desist notice which was returned undelivered. Therefore, the present suit was filed before the High Court of Delhi. Despite serving of summons, the Defendant failed to appear before the Court. Hence the matter was decided ex-parte.

The Court observed that, the Defendant was manufacturing and selling identical products under an identical label/logo as that of the Plaintiff. The High Court of Delhi compared the two logos/labels side-by-side:

The High Court of Delhi also compared the packaging/trade dress of the two side-by-side:

After close comparisons, the Court observed that there is a clear violation of the Plaintiff's common law rights as well as statutory rights in the MOTHER DAIRY (blue logo) trademark and the trade dress used for its milk products. Based upon the documents produced and evidence put forth by the Plaintiff, the Delhi High Court granted a permanent injunction against the Defendant.

Trademark win for VIT University, Vellore

On June 1st, 2015, the Hon'ble Madras High Court passed an order granting an Interim Injunction in favour of VIT University, Vellore in a Trademark Infringement Suit against Bagaria Education Trust and other educational institutions for infringement of its registered Trademark **'VIT'**.

VIT University, Vellore was established in the year 1984 under the name of Vellore Engineering College and the name VIT University was adopted in 2006 after it was declared a deemed University. The mark 'VIT' was granted registration in the year 2005 itself. The Plaintiff argued that the University has gained immense goodwill and reputation in the field of education in India and abroad as well. The Entrance exam for VIT University, Vellore is conducted in 243 centres in 105 cities in India, including 20 centres covering 6 cities in the State of Rajasthan alone where the Defendants are established. Moreover, entrance exams are also held in countries like Singapore, Saudi Arabia and the UAE.

The Defendants on the other hand argued that the mark 'VIT' is generic and is thus common to trade and no one can claim monopoly over such a mark since it is being used by universities and colleges all over India. In reply to this, the Plaintiff submitted that the mark VIT has acquired distinctiveness due to the Plaintiff's usage of the mark and that the Plaintiff has never failed to initiate action against any college/university who has adopted the mark with *mala fide* intentions.

The Hon'ble Madras High Court, on being satisfied with the contentions of the Plaintiff granted an Interim Injunction in favour of the Plaintiff thereby, restraining the Defendants from using the mark 'VIT' on the basis of prior registration obtained by the Plaintiff.

Infringement of the CAFÉ MADRAS brand

The Bombay High Court on 11th March 2015 heard the case of *Jagdish G Kamath & Ors vs Lime and Chilli Hospitality* in the matter of alleged trademark infringement of the name and logo **'CAFÉ MADRAS'** and proceeded to grant an interim injunction against the defendant at this interlocutory stage of the suit.

In the present suit, it was observed by the Court that the brand name **CAFÉ MADRAS** is associated with a South-Indian cuisine restaurant owned and managed by the plaintiffs and has been used continuously and extensively since 1951. The Plaintiffs had first applied for registration of the mark CAFÉ MADRAS in 2005 in the international class 16 for which registration was acquired in 2007 and in class 42 which was acquired in 2009. It was contended by the Plaintiff that in the year 2012, it was first made aware of the Defendant's activity of using the infringing mark similar to that of the Plaintiff. Thereafter, the Plaintiff immediately sent a Cease and Desist Notice to the Defendant asking them to refrain from adopting and using the said mark **CAFÉ MADRAS** any further, to which the Defendant responded with inquiries relating to details of the Plaintiff's mark. Later that year, the Plaintiff discovered the Defendant's application for registration of the mark **CAFÉ MADRAS**, as a result of which the present suit was instituted before the Court. During the suit proceedings, the Plaintiff contended that the mark used by the defendant, **CAFÉ MADRAS** on a device of a banana leaf is identical or, at any rate deceptively similar to the plaintiff's registered trademark. In its defense, the Defendants claimed continuous usage of its mark since 2004; however there was no evidence placed by the Defendant before the Court to substantiate the said claim.

In conclusion, the Bombay High Court stated that there was enough material to establish *prima facie* that the plaintiff had been using the mark **'CAFÉ MADRAS'** for several decades; at least since the early 1950's. Balance of convenience was established to be in favor of the Plaintiff as well, as a result of which the Bombay High Court passed an order restraining the Defendant from adoption the disputed mark in its course of trade.

The institute of piracy

On the 27th of July 2015, The Hon'ble High Court of Delhi granted a Permanent Injunction in favor of Sap Aktiengesellschaft, a multinational ERP (Enterprise Resource Planning) software development corporation, thereby restraining the Defendants i.e. Appsone Consulting India & Anr from infringing the Copyright in the Plaintiff's software.

The Plaintiffs contended that they had spent a large amount of time, resources and expertise in developing the ERP software known as SAP (Systems Applications and Products) in different modules. This software was sold/distributed/installed by the Plaintiff exclusively and without the help of any external agency and the Copyright in the software was owned by the Plaintiff solely.

It was discovered by the Plaintiff that the Defendants were conducting unauthorized courses for students interested in learning how to use the Plaintiff's software. Subsequently, a Police complaint was also lodged against the defendant and upon investigation the Police was able to recover and seize hard disks and servers containing the pirated version of the plaintiff's software as well as study material and certificates that were being issued to the students.

The Plaintiff further contended that the Defendants were charging INR 30,000 to 35,000 for their program as against a fee of INR 150,000 charged by the Plaintiff for the same course. Unlike the Plaintiffs, the Defendants had not spent any money on the research and development of the software. Furthermore, they were using pirated versions of the software for their training program without any license or authority to do so, which enabled them to provide the training at almost one-fifth of the fee charged by the Plaintiff. This illegal practice of the Defendant amounted to a huge loss to the Plaintiff.

On considering the above arguments, the Hon'ble Delhi High Court ruled in favor of the Plaintiff. Not only did the Court award costs, but it also charged the Defendant with punitive damages to the tune of INR 300,000 and granted the relief of a Permanent Injunction in favor of the Plaintiff, restraining the Defendants from directly or indirectly reproducing/installing and/or using pirated/unlicensed software programs of the Plaintiff.

Super Cassettes obtain a major copyright win

On 15th July 2015, Justice Manmohan Singh of the Delhi High Court passed an Order in favour of the Plaintiff Super Cassettes Industries Ltd., thereby restraining the Defendant, Maury Diginet Pvt. Ltd from violating its copyright. Furthermore, Justice Manmohan Singh granted INR 500,000 as punitive damages in favour of the Plaintiff and a Decree for cost of the proceedings was also passed against the Defendant.

Super Cassettes Industries Ltd. is one of the most reputed and well known music companies in India. The Plaintiff has, since its inception, been engaged in the business of manufacturing and marketing audio cassettes which are sold under the brand 'T-Series'. The plaintiff has a number of exclusive recording arrangements with some of the well-known artists/singers of India. The Plaintiff has also established a Film Production Division and has produced some of the most popular movies in India. The Plaintiff is thus the owner of a "large repertoire" of copyright works comprising *inter-alia* cinematographic films, sound recordings and underlying musical and literary works.

The Defendant is engaged in the business of providing cable television services to various subscribers in the State of Bihar in India. The Defendant also runs and operates its own cable network channel, namely, Maury Music.

In the month of January 2012, the Plaintiff first became aware of the infringement of its copyright by the Defendant, during the course of random monitoring of the Defendant's cable network channel Maury Music. It was found that, the sound recordings, audio, visual works (cinematograph films) and underlying literary and musical works belonging to the Plaintiff's repertoire were communicated to the public throughout the day without the Plaintiff's prior consent and/or permission or license. The Plaintiff pursued the Defendant to obtain necessary licenses to broadcast such works. However, the Defendant did not obtain the requisite licenses and continued to infringe the Plaintiff's copyright. Despite being served with a cease and desist notice by the Plaintiff, the Defendant did not relent. Hence, the present suit was filed before the High Court of Delhi by the Plaintiff.

Even though summons was served, the Defendant neither appeared personally nor through its advocate nor filed a written statement. Therefore, the suit was decided ex-parte and a decree for permanent injunction was passed in favour of the Plaintiff along with punitive damages and cost of proceedings.

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