

# INTELLECTUAL PROPERTY AND TECHNOLOGY LAW UPDATES

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# CONTENTS

	PERMITTED USER OF TRADEMARK: A BRIEF STUDY3
>	PATENT MONETIZATION6
	US COURT DECLARES RESTASIS PATENTS INVALID AND RAISES CONCERNS ON ALLERGAN-MOHAWK TRIBE AGREEMENT
>	IPAB – PROCESS FLOW CHART
>	PATENT CLAIMS AND THEIR TYPES
	WORKING STATEMENT COMPLIANCE FOR PATENTS IN INDIA

# PERMITTED USER OF TRADEMARK: A BRIEF STUDY

By Himanshu Sharma

Trademark Rights are exclusive rights provided to an owner, after the registration of trademark, for use in the course of business or trade. These rights can also be passed on to others by different means such as license, assignment etc. The use of a trademark by any third party with the permission of the proprietor of trademark is described as Permitted use under the Indian Trademark Act and hence the same will not be treated as infringement. As regards to the permitted user, the Act is silent, thereby creating confusion regarding the same and it is not sure whether the permitted user can also be someone who is allowed the use of the mark under an oral agreement.

# Permitted use under the Indian Trademarks Act, 1999

According to the statute, there can be two kinds of permitted uses by third parties. Firstly, any use by a third party who is a registered user under the Act and secondly, permitted use by a third party without registration as a registered user.

The statute defines permitted use under Section 2(1)(r), which mandates that if the permitted use is by a third party without registration as a registered user, then the following conditions must be met:

- The trademark should be remain in the register for the time being and;
- should be used by permitted user in the course of his trade.

- The permitted user has to take the consent of the registered proprietor in a written agreement.
- The permitted user must abide by the terms and conditions of which the registration of the trademark is subject to and those which have been laid out by the Registered proprietor.

Under the Act, the written agreement between the parties is an important element for proving that any use by a third party is a valid use under the Act as a permitted use and is not an infringement of rights of the owner of the trademark.

# Validity of permitted user under an oral arrangement:

It is pertinent here to mention that the Act provides the circumstance under which an infringer can prove that his use is a permitted use and that it is governed under the Act as a permitted use. It should be kept in mind that the Act defines permitted use and not permitted user and hence does not put up any condition on the registered proprietor to enter into any agreement with the permitted user for the use of his registered trademark. If the proprietor is of the view that any user of his trademark is a permitted user under an oral arrangement, in my view it should be taken as such.

For instance, A starts a business with his trademark 'Z'. A is the registered proprietor of the trademark. After sometime, he enters into an oral agreement with B wherein he permits B to use the trademark Z. In a few years, they start their own company together under the trademark Z. If in the succeeding years, there is any dispute between A and B, can A be divested off his proprietary right to trademark

'Z' lose control of his trademark simply because he has no written agreement as per the definition of the permitted use under the Act?

Though the Act offers no explanation on this front, there are several precedents laid down by the Courts that state that the absence of a formal licensing agreement does not mean that the use cannot accrue to the benefit of the licensor. case of Allianz In Management of America L.P. v. Middlefield Capital Corporation it was held by the Federal Court that "Questions regarding the lack of quality control in the absence of documentation, limit of use of the trademark are all pertinent questions that may arise here. However it has to be kept in mind that absence of documentation governing the terms of use is one factor. A proprietor can keep a check on the products and govern its quality even in the absence of a written agreement. Even if no formal license arrangement was found to exist, that does not preclude the existence of an oral license."1

A written license agreement with respect of the use of a mark is not required to maintain control over a mark.

It is required to be seen the importance of an agreement in case of a license and as held in the above case, it is safe to presume that in order to put some checks and control over the use of a trademark by a permitted user, the proprietor can have all the terms and conditions in writing. However, even in cases where there is no written license among the licensor and licensee and the trademark is used

under an oral arrangement, it would not jeopardize the claim of the proprietor over his trademark.

In the above case, it was further held that "A licensing agreement can be inferred from the facts of the case. A written license agreement in respect of the use of a mark is not required to maintain control over a mark. Maintenance of control over the trademark can be inferred from the condition and quality of the goods being manufactured or services being provided."<sup>2</sup>

The absence of express licensing and governing provisions to inspect and supervise a licensee's operations is not material and it is the actual inspection/control/supervision that is important. Further, the fact remains that the licensor is the owner of the trademark and any use by the licensee, in any way whatsoever cannot not take away rights of the licensor in the trademark. A licensee cannot become the owner of trademark under any circumstances unless there is an express transfer of rights under the Trademark Act, 1999.

# Treatment of permitted use under section 48 (2):

Section 48(2) expressly provides that any permitted use of a trademark shall be deemed to be used by the proprietor of trademark and would not be taken as being used by a person other than the proprietor and hence the permitted user under any condition, cannot claim rights over a trademark even if he was permitted to use it under an oral arrangement.

<sup>&</sup>lt;sup>1</sup> Allianz Asset Management of America L.P. v. Middlefield Capital Corporation available at <a href="https://decisions.fct-cf.gc.ca/fc-cf/decisions/en/item/72355/index.do">https://decisions.fct-cf.gc.ca/fc-cf/decisions/en/item/72355/index.do</a>

<sup>&</sup>lt;sup>2</sup> Allianz Global Investors of America LP v. Middlefield Capital Corporation available at <a href="https://decisions.fct-cf.gc.ca/fc-cf/decisions/en/item/72399/index.do">https://decisions.fct-cf.gc.ca/fc-cf/decisions/en/item/72399/index.do</a>

In the case of Sant Lal Jain v Avtar Singh, reported in AIR 1985 SC 857 wherein it was held by the Hon'ble Apex Court of India that "a Licensee, and could not, therefore, set up a title to the property in himself or anyone else". On the question of rights of the licensee after the termination of license, the Hon'ble apex court held that "the respondent was a licensee, and he must be deemed to be always a licensee. It is not open to him, during the subsistence of the license or in the suit for recovery of possession of the property instituted after the revocation of the license to set up title to the property in himself or anyone else."

An oral license is an implied contract. Implied contracts are inferred from the facts and circumstances of the case or the conduct of the parties. The lack of a written license agreement may weaken the claim regarding control of the mark but a written agreement is not required to maintain control or ownership over a trademark.

Now it is also to be taken into consideration that a licensee is also a permitted user but the

conditions mentioned under section 2(1)(r) for the permitted use, are for the cases wherein the owner of the trademark alleges infringement and not for the cases where the owner is not disputing the fact that the use of the trademark is with his own permission under an oral license. Hence the two cases of permitted use need to be seen accordingly.

### **Conclusion:**

The Act doesn't define permitted user anywhere and hence the definition of the permitted user can be deduced from the fact and circumstances of each case and where use is not in dispute then the defendant cannot take the plea that he is permitted user. Although the permitted user if recognized by the proprietor himself, cannot be challenged on the ground that there is no written agreement in this regard. A written agreement is a condition imposed upon a user of a mark which according to him is permitted for use by the owner of the trademark.

#### PATENT MONETIZATION

By Monika Sailesh

A patent is an intangible asset. It reflects owner's right to profit from his creation, an invention. However, merely owning the rights in a patent does not amount to actual cash flow unless the patent owner takes additional steps to monetize those rights. Patent monetization has emerged as a promising cash-generator for many businesses to generate a significant amount of revenue.

Monetizing changes an intangible asset i.e. the patent -- into a stream of revenue. Patent monetization defines an assortment of approaches for extracting value from and otherwise financially leveraging patents. Heightened awareness about the value of patents has led to an increased focus on ways to patent monetization beyond the standard techniques of direct patent licensing and enforcement by patent owners.

Traditionally business houses across the world invested huge funds to generate intellectual property by R&D activities. The major motivation for these intellectual property rights was to leverage the first mover advantage and to keep the competition at bay. However, with changing business landscape these incentives may no longer be sufficient to justify the R&D cost. Companies, across the world, have started considering their R&D centres as profit centres rather than cost centre. In light of this, society coupled with the financial industry empowered with the evolving legal regime and the IPR regime, has come up with various IP monetization mechanisms, which help IP owners augment their revenues and thereby recover their R&D investment.

# IP-novice, IP-wise and IP-progressive companies

The mettle of companies lies not in simply filing for patents to protect their innovation, but that in their understanding of the importance of IP monetization and in devising ingenious ways for monetizing their IP.

The fundamental difference in the approach of "IP novice" CEO with their a "IP-wise" or a IP sagacious counterparts is in the way the two view their Intellectual Properties; for the "IP-wise" CEO IP also denotes 'intellectual pride' – to proudly showcase the patents filed as a measure of the firm's innovativeness, whereas, "IP novice" CEOs' notion of IP is to consider it as 'Intellectual Profit' only.

For example, in patents, being at the brim of innovation in your field of technology does not only result in commanding high prices for your products/services, it does much more than that. More importantly, it confers the honour on the innovating Company of being a Leader in its field on whom the consumers and the industry look upon to bring in the next "big change". The reputation in itself is a huge advantage not to forget the privilege of defining the standards in their field of technology.

Therefore, a CEO or the decision maker should never limit his vision for IP as simply a 'cost advantage' in rapidly transforming patented inventions into profit-making assets in the marketplace. The "IP-wise" companies, as seen in regions like USA and Europe, tend to comprehensively compile their patented inventions, even those that turn out to be commercial flops, to form "IP-Portfolios". Such "IP-Portfolios" can be termed as team comprising of few superstar players and few non-performing ones, but on whole, associating a huge reputation to the owner

company by means of their IP ownership landscape.

On the other hand, lets also talk about "IP-progressive" companies, which tend to acquire or use an IP by 'intellectual partnering'. Rather than reinventing the technology wheel inhouse, these "IP-progressive" companies rely on researchers, universities, innovator firms, etc. to meet their innovation needs.

Be it an "IP-wise" company or an "IP-progressive" one, the monetization and maintaining the overall healthy IP-portfolio (team) to best suit the needs and checks of a company is the call of the hour a CEO.

## MECHANISMS OF IP MONETIZATION

- 1. OUTRIGHT SALE: Selling the patent is one of the easiest and quickest ways to monetize the IPR. Many patents which have huge potential to gain financial leverage remain unutilised/underutilised as the patent owner may not have proper resources to put the patent in actual manufacturing/operation. Lack infrastructure and funding to create manufacturing/operation facility may lead to situation where a patent with high operational value lies wasted. There are many platforms where patent owners can sell their patents. The recently set-up IPR exchange is one of the initiatives to develop and facilitate an online platform for sale and purchase of patents in India. This platform provides various other kinds of services too.
- 2. SALE AND LEASE BACK MODEL: In this model, the IPR owner sells the patent with complete transfer of ownership for a consideration. The purchaser can buy a

single patent or a number of patents from the pool of patents. The buyer of IPR will have complete ownership of all the patent rights of the sold patent. The new owner of the patent will then lease back the patent to the erstwhile patent holder through licensing, so that he too can continue commercial operation of the patent. This kind of IPR monetization helps the initial patent holder gain a lump sum of amount which can further be used in R&D activities and build IP portfolio to expand operation.

- 3. COLLATERALIZATION OF ΙP RIGHTS: IP rights can be used as a collateral guarantee and can be used to secure bank loans. World-wide, many financial institutions now recognize IP assets as collaterals and offer loans to patent owners based on the evaluation of the worth of the patent. This model of patent monetization is very useful to owners who have less funding to leverage the financial benefit of the patent. This collateralization can be used by the patent owners not only to establish commercial operation of the patent but also to generate funds to expand business. For example: New Delhi based LT foods used its famous rice brand "Dawat" as collateral to raise 200 crores to acquire a US based rice company.
- 4. SECURITIZATION OF IP RIGHTS: With structured finance gaining popularity securitization transactions have become more popular. Securitization is similar to collateralization of IP rights, as in both the transactions the amount of funding

provided, depends on the quality and nature of the IP asset. However, securitization differs from collateralization on the matter of deployment of funds. While the royalty pay is used to pay back the interest and principal in debt scheme, in securities it is used to support one or more securities, whose credit rating could be of a quality higher than the company's secured debt. The asset backing which is required for the issuance of securities would be sufficiently fulfilled by the IP assets, provided it is protected from bankruptcy.

These mechanisms give a broad perspective and there are more specific demarcations and academic segregations of monetization of IP. The crux is that while monetization surely is the core of IP assets and the same must be perused aggressively, however, the asset's value should not be limited to monetary means only. An impressive IP portfolio, just like financial portfolios, of course adds to your (company's) repute.

# US COURT DECLARES RESTASIS PATENTS INVALID AND RAISES CONCERNS ON ALLERGAN-MOHAWK TRIBE AGREEMENT

By Shahnawaz Ibrahim

The United States District Court for the Eastern District of Texas on October 16, 2017 ruled four Allergan patents relating to its blockbuster eye drug Restasis, as invalid. Allergan has said that it will appeal the decision. But another order may have a wider ripple effect which has raised questions about the company's decision to transfer the patents to a Native American tribe, to prolong the launch of Restasis generics.

## **Background**

Restasis, a blockbuster product from Allergan, used for treatment of dry eyes, is an ophthalmic formulation of cyclosporine. The product is a valuable part of their portfolio (generates net revenues of more than a billion dollars per year); but it has been under threat from a patent challenge. Mylan and Teva are both trying to force the drug off patent before its appointed time which extends till about 2024. Last December, the US Patent Office granted an *inter partes* review of the relevant patents, a decision that did not go down well with Allergan and its investors.

About a month ago, Allergan agreed to transfer the patents on its blockbuster Restasis to the Saint Regis Mohawk Tribe, which has sovereign immunity and can protect them from challenges from generic competitors. As part of the agreement, the tribe received a one-time payment of \$13.75 million and possible annual

royalties of about \$15 million annually as long as the patents were valid. After the transfer, lawyers representing Allergan and the tribe moved to dismiss an IPR against their patents on the grounds that the patents now enjoyed "sovereign immunity."

Allergan had made this unorthodox agreement to protect Restasis patents from challenges arising out of the U.S. Patent and Trade Office's *inter partes* review process, which is separate from any court decision.

Generic pharmaceutical company, Mylan, essentially called the move by Allergan a sham and said that it was merely an attempt to evade generic competition for a longer period of time.

#### Order

The United States District Court for the Eastern District of Texas issued a 135-page decision finding all asserted claims of the patents relating to Restasis® invalid, based on obviousness. The Court, recognizing that Allergan's patent protection for Restasis ended in 2014, concluded that "Allergan is not entitled to renewed patent rights for Restasis in the form of a second wave of patent protection." The invalidated patents are United States Patent Numbers 8,629,111; 8,648,048; 8,685,930 and 9,248,191<sup>3</sup>.

In another 11-page order, separate from the one invalidating the Restasis patents for obviousness, US Circuit Judge William Bryson wrote that the court "has serious concerns about the legitimacy of the tactic that Allergan and the Tribe have employed. The essence of the matter is this: Allergan purports to have sold the patents to the Tribe, but in

 $<sup>^3</sup>$  <a href="http://www.ipwatchdog.com/wp-content/uploads/2017/10/523-Allergan-Opinion.pdf">http://www.ipwatchdog.com/wp-content/uploads/2017/10/523-Allergan-Opinion.pdf</a>

reality it has paid the Tribe to allow Allergan to purchase—or perhaps more precisely, to rent—the Tribe's sovereign immunity in order to defeat the pending IPR proceedings in the PTO. This is not a situation in which the patentee was entitled to sovereign immunity in the first instance. Rather, Allergan, which does not enjoy sovereign immunity, has invoked the benefits of the patent system and has obtained valuable patent protection for its product, Restasis<sup>4</sup>.

"What Allergan seeks is the right to continue to enjoy the considerable benefits of the U.S. patent system without accepting the limits that Congress has placed on those benefits through the administrative mechanism for canceling invalid patents," Bryson added.

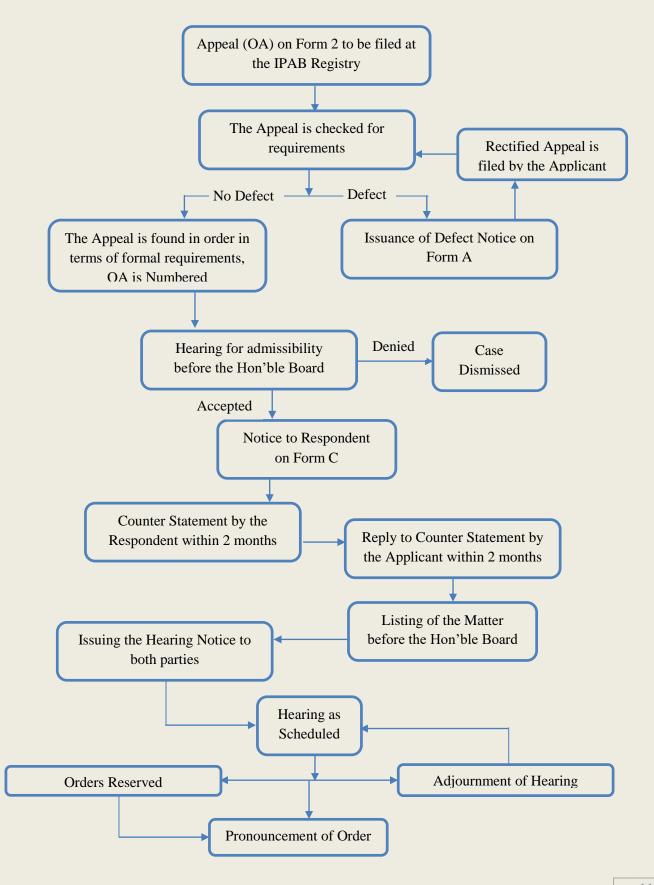
Bryson also concluded that "Sovereign immunity should not be treated as a monetizable commodity that can be purchased by private entities as part of a scheme to evade their legal responsibility".

Case Reference: Case 2:15-cv-01455-WCB, ALLERGAN, INC., and THE SAINT REGIS MOHAWK TRIBE, (Plaintiffs) v. TEVA PHARMACEUTICALS USA, INC., et al., (Defendants)

<sup>4</sup> http://www.ipwatchdog.com/wp-content/uploads/2017/10/522-Allergan-Joinder.pdf

#### IPAB – PROCESS FLOW CHART

By: Shrimant Singh



#### PATENT CLAIMS AND THEIR TYPES

By Aayush Sharma

The exclusive rights to the invention or inventive feature/s is defined by the claims of a patent. In simple terms, the claims define the actual area of exclusivity or protected features of an invention or the patent. The claim includes the features or aspects of the invention which the patentee can stop others from making, using and selling without his/her permission. Therefore, in an application for patent, the claims are of paramount importance in patent prosecutions at the Patent Office and in a patent litigation before the courts.

A claim is a statement of novel technical features expressed in terms which define the scope of the invention sought to be protected. As stated above the claims are the defining boundary of a patent, tells third parties what they can and cannot do where the said invention is concerned.

A patent claim is composed of three important parts:

- 1. The Preamble identifies the category of the invention protected by that claim. It is used in the very first claim of an invention or say in the independent claim. Preamble should be consistent with the title of the invention. For example, for a composition, preamble may be 'A composition for...', whereas for an apparatus, preamble may be 'An apparatus for...'.
- 2. Transitional Phrases in patent applications are important, as they specify whether the claim is limited to only the elements listed, or whether the claim may cover items or processes that have additional elements. The most common open-ended transitional phrase used is 'comprising'. However, many claims use closed-ended phrases such as 'consisting of'. 'Comprising' denotes a very broad and open claim which can be interpreted to include unspecified ingredients, even in major

amounts. Consisting of would generally imply a narrow claim not allowing inclusion of materials other than those already stated in the claims.

3. Body of the claim - is the portion that follows the transitional phrase. The elements and limitations of the claim are written in the body. The body should also explain the relationship of different elements with one another.

#### A sample:

A method for searching semiconductor parts using a last alphabet deletion algorithm, the method comprising the steps of: a specification input step S110 of inputting specifications for semiconductor parts manufactured by semiconductor part manufacturers through a part specification input device 110;

Where The Preamble Transitional Phase Body of claim

As a claim construes the scope of an invention, its drafting should be done meticulously in order to get the exact patent protection that is sought to protect the invention against potential infringers. Following points should be kept in mind when drafting a claim:

- A claim must be specific and not vague, ambiguous, speculative or hypothetical in nature.
- Claims must be supported by the description (fairly based on the description).
- Each claim should be a single sentence and should be clearly worded.
- Claim(s) of a complete specification shall relate to a single invention, or to a group of inventions linked, so as to form a single inventive concept and, shall be clear and succinct and fairly based on the matter disclosed in the specification.

- Each claim should be precise and without unnecessary repetition.
- Rights are given to claims only, not for any matter described in the complete specification.
- Claims define the boundaries of legal protection and form a protective fence around the invention.
- Each claim is evaluated on its own merit and, therefore, if one of the claims is objected to, it does not mean that the rest of the claims are invalid.

**Types of Claims:** Claims are categorized on the basis of Drafting, Inventions, Field and Structure.

## On the basis of Drafting:

Independent Claims: also called the 'Principal Claims' are the first claims and should clearly define the essential novel features of the most preferred embodiment of the process, apparatus, device or the product that constitutes the invention and should be properly characterized with respect to the 'prior art', defining all the technical features essential to the invention or inventive concept. Independent claims are always broader in scope as compared to dependent claims. There can be multiple independent claims.

1. A method for searching semiconductor parts using a last alphabet deletion algorithm, the method comprising the steps of:

a specification input step S110 of inputting specifications for semiconductor parts manufactured by semiconductor part manufacturers through a part specification input device 110;

Dependent Claims: depend on a claim or several claims. Generally, the subsequent claims of an Independent claim are Dependent Claims. 2. The method according to claim 1, the part-dependent wherein information construction step S120 comprises constructing information converting obtained by specifications for the semiconductor parts inputted in an electronic file format in the specification input step S110 into an HTML file format that users can easily view on a general web page using the web document conversion device 130.

Omnibus Claims: refer to the description or drawings in claims. They are allowed only if the statement of invention is incorporated in the specification.

#### On the basis of an Invention:

Product Claims: claim the actual product of the invention. For example: a chemical compound, compound used as pharmaceuticals, composition mixtures such as alloy, food, drink etc.

A pharmaceutical composition comprising: a) an amido-amine polymer comprising an amido-amine dendrimer derived from:

- (i) a multi-amine; and
- (ii) a multifunctional compound comprising two or more amine-reactive groups; and b) a pharmaceutically acceptable excipient.

Process Claims: claim a new process or method to achieve the desired result. For example: Methods of preparation, methods of analysis, method of treatment etc.

- 1. A process for producing a nanoparticle, said process comprises the steps of:
- a) mixing an ester polymer conjugate with a biologically active compound in an organic medium, and
- b) desolvating the ester polymer conjugate by means of adding alcohol and water, in the presence of a divalent metal,

wherein the ester polymer conjugate is a conjugate of poly(methyl vinyl ether-co-maleic anhydride) with a hydroxyl-terminated molecule, wherein said hydroxyl-terminated molecule is selected from a polyethylene glycol and a derivative thereof containing a hydroxyl-terminal reactive group.

#### On the basis of Field

Markush Claims: recite alternative embodiments of a single invention. These claims are used to conserve writing additional claims. The Markush claim allows a patent drafter to select a particular element of the invention wherein that element may be selected from a group of elements all sharing some common characteristic.

For example, 'an alcohol selected from the group consisting of methanol, ethanol, and isopropanol'.

Jepson Claim: style is used in the process or product claim where the invention is a modification or an improvement of the existing technology. The word "wherein..." is often used to structure the Jepson Claim.

Swiss type Claim: is the structure of claim used to claim the second or new medicinal use of known substances or compositions. India does not allow this type of claim under the provision of section 3(d) of the Patent Act, 1970.

#### On the basis of Structure

Means plus function Claim: refers to a type of patent claim that does not specify a particular structure for an invention, but instead describes a means for achieving some function. In legal terms, in a means-plus-function claim, an element in a claim for a combination may be expressed as a means or step for performing a specified function without the recital of the structure, material, or acts in support thereof, and such a claim shall be construed to cover the corresponding structure, material, or acts described in the specification and equivalents thereof.

Composition Claims: are used where the invention to be claimed has to do with the chemical nature of the materials or components used.

Considering the above we can conclude that claims must be drafted meticulously in order to get the patent protection that is sought and protect the invention against potential infringers.

#### WORKING STATEMENT COMPLIANCE FOR PATENTS IN INDIA

#### **\*** Introduction:

> Statement of commercial working is a Declaration required from the patentee or the licensee stating if the patent has been commercially exploited / implemented / worked in India to meet the reasonable requirements of the public at a reasonable cost in the last calendar year, along with other details and reasons, as applicable.

#### **Governing statute:**

- > The Working Statement as per Section 146(2) and Rule 131 can be submitted on Form 27, Schedule II of the Patents Act, each year within 3 months from the end of the calendar year, i.e., by 31 March of the subsequent year.
- ➤ In addition to the above, the Controller is empowered under Section 146(1) to ask the patentee/licensee to provide details as to what extent a patent has been commercially worked in India.

#### **Forms and Details to be furnished in the statement**

> Following details are required on Form 27:

The patented invention: {} Worked {} Not worked

- (a) If not worked: reasons for not working and steps being taken for working of the invention.
- (b) If worked: quantum and value (in Rupees), of the patented product:
  - i) Manufactured in India
  - ii) Imported from other countries (give country wise details)
  - (ii) licenses and sub-licenses granted during the year;
  - (iii) State whether public requirement has been met partly/ adequately/ to the fullest extent at reasonable price.

#### **Procedure for submission of Working Statement:**

- ➤ Before preparing Form 27, it is prudent to check and confirm that patent details such as patentee/licensee on records, subsistence of patent, pending assignments, if any, etc. from the Patent Register records of the IPO.
- ➤ The Form 27 can be prepared and filed over the e-Filing portal of the Patent Office and a .pdf copy of the Form shall be appropriately uploaded against each patent.
- > There is no official fee for submission of Form 27.

> Upon successful submission an official receipt is generated at the e-Filing portal. There is no requirement of filing the Form 27 in original or over the counter at the Patent Office.

## **Consequence of the Filing and Non-Filing of Working Statements**

- Filing of working statement discloses details *inter alia* patent being worked/ not worked, manufactured/ imported, licensed/ non license and/or, public requirement met by the Patent in India or not.
- > Upon filing Working Statement in India:
  - 1. Information provided in the statement is used while deciding on applications for compulsory license on patents. For example, in the case of first compulsory license in India where Natco was allowed a compulsory licensee to a patent over Nexavar drug, which was held by Bayer, the Intellectual Property Appellate Board -IPAB relied substantially on the working statement information submitted by Bayer, while granting the compulsory license over the said patent.
  - 2. In case of infringement, the patent owner, as relief, can seek injunction and damages or an account of profit under Section 108. The information submitted in statement of working can be used by the court to estimate the damages that may be awarded.
  - 3. In case of commercial valuation of a patent and to help a potential licensee to negotiate the fee for obtaining a license based on the value disclosed in working statements for a particular patent are of importance in such dealings.
  - 4. Working statements may also prove to be of significant relevance from a business merger or a business takeover perspective. Patents can form a significant part of the intangible assets of a company, and a good patent portfolio along with the information about its commercial working in a country may help interested parties/companies in negotiations. Also, small and medium scale industries (SMEs) may customize resources spent in research and development according to the prospering technology pertaining to their field, based on information gathered from working statements filed in patents in the same technology domain. Thus, data about working of inventions provides a fair idea on the effectiveness and commercial demand hence variability of inventions in a certain field of science/technology, and the same are also helpful for valuation of patent portfolios and compulsory licensing.

Non filing of working statement impose "penalty" on the licensee/ patentee. In case a patentee refuses or fails to furnish information required under Section 146, the patentee may be punished with fine of up to Ten lakh rupees. Further, providing wrongful information or statement may lead to imprisonment up to six months or fine or both under Section 122(2).

## **Our Working Statement / patent portfolio management services include:**

- Monitoring patent renewal deadlines and working statement deadlines and consequent reminders facilitating timely compliance of the statutory requirements.
- Actions relating to the patent portfolio management including the advisory and assistance *inter alia* in working statements- official recordals, change of proprietor, licensing, due-diligence, etc.

To know more about IPR practices of the firm, feel free to write to <u>ipr@singhassociates.in</u>.

