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CONTENTS

NOMINATIVE FAIR USE OF A TRADEMARK

By: Himanshu Sharma

INTRODUCTION

A trademark is an exclusive property of the owner and any use without the permission of the owner by a third party is an infringement of the rights of the trademark owner. The nominative fair use is an exception to the right of exclusive use of the trademark under the Trademark Act, 1999. The Courts around the world has acknowledged the nominative fair use defense in the infringement cases. The Indian Courts have also acknowledged the defense of Nominative fair use in cases of Infringement which is specifically allowed under the Trademark Act, 1999.

In today competitive business environment there are certain cases where a mechanical device, which is an accessory to a final product, is required to be introduced in the market in way that the user should know that the device is to be used for the final branded product. Further there are certain services which are provided for the specific products and to introduce the services in the market it is required to use the brand of a third party product for which the service is provided. In these types of cases the registered trademark of a proprietor is used by third party in order identify the product of registered trademark's proprietor in which the product of the third party is to be used. For example a mechanic use the trademark of the Hero Company in order to identify that he specialized in repair of Hero Company's vehicle.

ORIGIN OF THE DOCTRINE:

The nominative use doctrine was first introduced in case of ***New Kids on the Block v. News America Publishing, Inc***[1] by the U.S. Court of Appeals for the Ninth Circuit. In this case the defendant has used the name of famous singer for a survey. The singer has filed a suit of infringement against the newspaper. The court had examined a "New Kids on the Block survey" performed by the defendant, and found that there was no way to ask people their opinion of the band without using its name.

Similarly, in case of ***Playboy Enterprises, Inc. v. Welles***[2], where Playboy Playmate Terri Welles used the trademark "Playmate of the Year" as metatags on her website was sued by the owner of the trademark for infringement. The court held that the defendant in order to identify that she has been given the title "Playmate of the Year" by the trademark holder has to use the trademark on her website.

In a recent decision The ***Century 21 Real Estate v. Lendingtree, Inc.***[3] the third circuit court in USA held that

"many factors traditionally considered in a likelihood of confusion analysis were irrelevant in cases of nominative fair use and that only four factors needed to be considered:

(i) degree of consumer care;
(ii) length of time defendant has used plaintiff's mark without evidence of actual confusion;
(iii) intent of the defendant in adopting the mark; and
(iv) evidence of actual confusion.

After weighing these factors it was then necessary to consider whether the defendant's use is nominative fair use, by examining:

[1] 971 F.2d 302 (9th Cir. 1992).
[2] 279 F.3d 796 (9th Cir. 2002).
[3] 425 F.3d 211 (3rd Cir. 2005)

(i) whether the "use of plaintiff's mark is necessary to describe both plaintiff's product or service and defendant's product or service," thus scrutinizing defendant's need to use plaintiff's mark to describe its own products;

(ii) whether defendant uses "only so much of the plaintiff's mark … as is necessary to describe plaintiff's products or services; " and

(iii) whether "defendant's conduct or language reflects the true and accurate relationship between plaintiff and defendant's products or services," because the defendant may have a relationship with plaintiff that may be inaccurately portrayed by defendant's use of plaintiff's marks.

These are the important factors in order to consider a use of a registered trademark by a third party as a nominative fair use. The theory of the nominative fair use has to be used with the utmost precaution in order to differentiate the cases from the one where the registered trademark is used only to take unfair advantage of established reputation of the same.

INDIAN LEGAL SCENARIO:

Under Section 30 (2)(d) of the Trademark Act, 1999 it is provided that a nominative fair use of a trademark by a third party is not an infringement of a registered trademark. Section 30 (2)(d) provides that:

"the use of a trade mark by a person in relation to goods adapted to form part of, or to be accessory to, other goods or services in relation to which the trade mark has been used without infringement of the right given by registration under this Act r might for the time being be so used, if the use of the trade mark is reasonably necessary in order to indicate that the goods or services are so adapted, and neither the purpose nor the effect of the use of the trade mark is to indicate, otherwise than in accordance with the fact, a connection in the course of trade between any person and the goods or services, as the case may be;"

As per this section, a use will not be considered as infringement, if the use of the registered trademark is reasonably necessary in relation to genuine spare parts or accessories adapted to form part of the defendant good and neither the purpose nor the effect of the use of the mark is to cause any confusion as to trade origin. If a particular piece of machinery or some other manufacture or goods have become known with the consent of the proprietor under the name of the trademark of which the owner or maker of the goods is the proprietor, then it is not an infringement of the trademark so to describe the goods or the particular piece of machinery, no it is an offence so to describe the goods which are adopted to form part of or to be accessory to the other goods in respect of which the name has become recognized as the name of the particular proprietor's goods[4].

In case of ***Consim Info Pvt. Ltd., represented by its Director and Chief Executive Officer Mr. Janakiraman Murugavel Vs. Google India Pvt. Ltd. and Ors***[5] while referring the cases of New Kids on the Block v. News Am. Publ'g Inc., 971 F.2d 302, 308 (9th Cir. 1992); Caims v. Franklin Mint Co. 292 F.3d 1139, 1153-55 (9th Cir. 2002) the Hon'ble High Court of Chennai held that:

[4] Bismag Ltd v Amblins Ltd (1940) 57 RPC 209
[5] (2010(6) CTC813)

"A use is considered to be a permitted nominative fair use, if it meets three requirements, viz.,

(i) the product or service in question must be one not readily identifiable without use of the trademark;
(ii) only so much of the mark or marks may be used as is reasonably necessary to identify the product or service; and
(iii) the user must do nothing that would, in conjunction with the mark, suggest sponsorship or endorsement by the trademark holder.

So in order to consider a use of a registered trademark by a third party to be a nominative fair use, the user has to established the fact that the his use of the registered trademark was necessary in order to identify his product. The nominative fair use defense is considered to be a fair use in cases where a trademark is used in order to refer a trademark owner or its goods or services for purposes of reporting in a news article, commentary on the Television or radio, in cases of a healthy criticism, and parody, as well as in cases of comparative advertising.

CONCLUSION:

Even though it is very difficult to establish all the ingredient mention above by a user but the courts have to be very strict in order to allow the relief of nominative fair use. The trademark which is an identity of a business should not be allowed to be used by anybody and everybody. The labour, time, money and effort put in by the owner of the trademark in making the same distinctive should be given consideration while considering the relief of nominative fair use.

MERGERS, ACQUISITIONS AND JOINT VENTURE: TRENDS IN BIO-SIMILAR INDUSTRIES

By: Vijaylaxmi Rathore

Mergers, acquisitions and joint ventures (M&As) amongst businesses are well known trends and often considered critical for the growth of a company. Additionally, M&As help to strengthen and explore market opportunities, functional and financial synergy along with ability to generate additional revenues. M&As further encourage cross-cultural growth, transfer of technical knowhow and administrative maturity and/or adaptation.

However, M&As do not always result in a success, especially amongst companies with different objectives and scope of businesses. At times companies tend to become overtly adamant leading to operative challenges while also facing difficulties in adapting to the cultural diversity in dissimilar markets. Nevertheless, in today's time, it is imperative to have M&As with the key players in an industry so as to grow and eventually become market leaders.

A "merger" is a combination of two or more entities at various degree into forming one entity. The result of merger is not only accumulation of assets and liabilities of the entities but also to form one business with the uniform objectives, finances, access to technologies and shared markets. On the other hand, an "acquisition" is a takeover by an acquirer entity by virtue of controlling the share capital, assets and/or liabilities of the target or acquired entity. Lastly, "joint ventures" are coming together of two or more businesses for a purpose such as entering into a new business and/or new expertise, or for investments, which may or may not be for a limited duration.

The different forms of mergers are explained under Competition Act, 2002:

- Horizontal Merger- The merging entities are from the similar industries. This merger supports merged entity towards monopoly by removing competitor. As far as the competition concern this merger is performed under competition commission.
- Vertical Merger- The merging entities are at different stage even though from similar industries. This merger supports merged entity towards greater independence and self sufficiency.
- Congeneric Merger- The merging entities with different customer-relationship even though from interrelated industries. This merger supports merged entity's market growth by using aggregated customer relationship.
- Conglomerate Merger- The merging entities are from the different industries. This merger results in support for the merged entity by financial resources and increased market value.
- Cash Merger- The shareholder of one entity receives cash instead of shares and exit from the merged entity.
- Triangular Merger- This is a tri-partite arrangement as a target merges with a subsidiary of acquirer and *vice versa*, also called triangular mergers.

Mergers, Acquisitions and Joint ventures in BIOSIMILAR Industries:

A "biosimilar" is a biological drug that has similar pharmaceutical standards, safety and efficacy

profile vis-à-vis an approved reference biological molecule. However, unlike generics, biosimilars do not have structural similarities or they do not form replica of the original molecule. A biopharmaceutical entity dedicated to developing, manufacturing and marketing of the biosimilars as part of its therapeutic portfolio is called a Biosimilar Entity.

In contemporary times, the increased demand of biosimilars is not only beneficial to the Biosimilar entities, but also offers more viable options to the consumers or patients requiring treatment especially for diseases like cancer, cardiovascular disorders, arthritis, etc. Mergers and acquisitions (M&As) in Biosimilar industries are primary to strengthen the service, brand, and patient accessibility for a certain drug. Moreover, Biosimilars M&As also help to overcome challenges such as seeking investments, research and development, process manufacturing, marketing and/or distribution of biosimilars. Here are some of the prominent M&As from biosimilar industries-

1. The Pfizer's acquisition of Hospira:

The acquisition of Hospira by Pfizer for $17 billion is one of the biggest horizontal mergers in recent years and has been approved conditionally by European Commission (EC) Merger Regulation after investigating the competition concerns and commitments offered by the merging companies[6]. Both Pfizer and Hospira are US based industries, and global provider of injectable, biosimilars and human pharmaceuticals respectively. Therefore, the said acquisition helps Pfizer to expand its existing generic injectable drugs range as well as access over the infusion technology and new category of biosimilars are collectively expected to generate revenues of $800 million annually by 2018[7].

Hospira, Inc. is now a subsidiary of Pfizer Inc. and the global market for biosimilars is estimated to be approximately $20 billion in 2020. However, Hospira's biosimilars and generics range already helped to raise 11% revenues of Pfizer as reported on its second quarter result after acquisitions[8]. Later Pfizer started to take a bid from Hospira's few units and sites which seem underutilized as a part of cost cutting and improvisation in company performance. In later 2016, Pfizer sold out Hospira's Infusion System (HIS) to ICU medical and also planning to close Hospira's plant at Colorado[9] and few sites at USA by 2019[10].

2. The ICU Medical's acquisition of Hospira from Pfizer:

A deal between Pfizer and ICU Medical Inc. comes out as a cash and stock deal, as ICU acquired Hospira's Infusion System (HIS) having IV pumps, solutions, and devices from Pfizer, which compliments ICU existing Intravenous product portfolio. Consequently, ICU is expected to become a bigger player of infusions by this deal with Hospira enhanced global marketing platform. The deal is settled for $1 Billion by exchange of cash of $600 million, $400 million newly issued shares of ICU Medical apart from this Pfizer will nominate one member on

[6] http://europa.eu/rapid/press-release_IP-15-5470_en.htm

[7] http://www.pfizer.com/news/press-release/press-release-detail/pfizer_completes_acquisition_of_hospira

[8] http://www.fiercepharma.com/pharma/pfizer-jacks-up-q2-revenue-by-11-thanks-to-last-year-s-big-hospira-buyout

[9] http://www.fiercepharma.com/manufacturing/pfizer-closing-hospira-plant-colorado-100-jobs-to-be-lost

[10] http://www.biopharmadive.com/news/pfizer-to-shed-four-hospira-sites/424896/

ICU Medical's board as long as it hold 10% of its equity[11].

However, in January 2017 the definitive agreement between ICU and Pfizer for Hospira Infusion System (HIS) has been revised, as the latest performance report of HIS deviates as expected. Based on the modified agreement the deal is settled for $900 million ($400 million in equity + $275 millions cash + $75 million seller note). Pfizer may be receiving additional $225 based on the HIS performance target till December 2019.

As per Mr. Vivek Jain, Chief Executive Officer, ICU Medical "*The combination of these two businesses is the natural evolution of a productive relationship that began more than 20 years ago when Hospira began integrating ICU Medical needle free technology into their infusion offering globally*" [12].

3. Gedeon Richter acquisitions of Finox holding:

The Hungarian drugmaker Gedeon Richter acquire of Finox holding, a Swiss Biotech firm for $ 190 million. Finox holding, a leading producer of wide range female reproductive health products has handed over the global right of Bemfola development and marketing to Richter by this transaction. Bemfola is a recombinant-human Follicle Stimulating Hormone (r-hFSH) biosimilar of Gonal-f, which stimulates egg development in ovaries and suggested during in-vitro fertilization. The global right of Bemfola includes the exclusive marketing authorization in EU, presently counting 20 countries where drug is being sold already, excluding marketing authorization in USA[13].

This acquisition helps Richter not only to strengthen and expand its existing women healthcare portfolio by using Finox scientific and managerial expertise. But, also to further expand its dedication towards biosimilar development and commercialization. The leading approach and expertise of Richter toward development and marketing of female fertility product worldwide will definitely get boost by Finox existing portfolio.

The leading Biopharmaceuticals are acquiring more firms, like GE Healthcare acquisitions of Xcellerex Inc., Amgen acquires Onyx Pharmaceuticals etc., with aim to monopolize and mark their presence as leading player in health care industry.

4. The newer player: Aurobindo acquired four biosimilars from TL Biopharmaceutical

Aurobindo Pharma Ltd., an Indian generic pharmaceutical industry is expanding its diverse portfolio specifically the biosimilars manufacturing by acquiring four licensed biosimilars from a swiss firm TL Biopharmaceutical AG in undisclosed amount. Aurobindo Pharma will get development, commercialization and marketing rights of these Biosimilars, three out of four acquired products are anticancer monoclonal antibodies, and one of lead molecule bevacizumab from this transaction is expected to conduct a clinical trial this year. Aurobindo will acquire eight more biosimilars in future to strengthen its biosimilar

[11] http://www.pfizer.com/news/press-release/press-release-detail/icu_medical_inc_to_acquire_the_hospira_infusion_systems_business_from_pfizer_inc_for_1_billion_in_cash_and_stock

[12] https://globenewswire.com/news-release/2017/01/05/903876/0/en/ICU-Medical-Inc-Provides-Update-on-Hospira-Infusion-Systems-Transaction.html

[13] https://www.richter.hu/en-US/pressroom/press-release/Pages/press-releases/pr160630.aspx

portfolio. The company has been building a biosimilar manufacturing facility in Hyderabad. The transaction is a strategic investment for future growth and will position Aurobindo as a strong player in the rapidly evolving biosimilars landscape, according to the company[14].

Likewise Eagle Pharma acquires Arsia Therapeutics, Fresenius Kabi acquisitions to Merck KGaA and many more new players are making their entry to biosimilar portfolio by M&A.

CONCLUSION-

The primary goal of an M&A is to strengthen and expand the functional and financial synergies of the merged entities while also enabling exploration of new portfolios or business sectors for the said entities. Further, at times M&A also results in market leadership by merger of entities of same/similar industries. In biosimilar industry, we see a considerable increase in coming together of entities which has led to faster growth of the industry and increased demand of biosimilars.

Biopharmaceutical firms often differ in functional, financial, customer related services and other aspects. Therefore, the conventional M&A gets modified at various levels and with mixed ratios based on the interest areas and objectives of participating entities, for e.g., The ICU Medical's acquisition of Hospira from Pfizer is a mixed M&A.

Firms new to biosimilars such as Aurobindo, Eagle Pharma etc., are showing interest towards building and acquiring biosimilar portfolio as a part of greater therapeutic coverage and to charter the global markets. On the other hand, the leading producers of biosimilars like- Sandoz, Teva Pharmaceutical, Amgen, Mylan, AbbVie etc., are stepping slowly toward monopolization of the market by M&A with promising biosimilar entities.

The trend of increased M&As in the biosimilar industry would lead to advanced research & development in the sector and will infuse competition amongst pharmaceutical firms which will hopefully result in efficacious and safer biosimilar innovations for diagnosis and treatment of diseases.

[14] http://www.aurobindo.com/docs/press-room/company-news/2016-2017/aurobindo-pharma-forays-into-biosimilars-development-through-an-acquisition-of-four-products-from-tl-biopharmaceutical-ag.pdf

PENALTIES AND RELIEFS UNDER PATENTS ACT

By: Aayush Sharma

Chapter XX [Sections 118-124] of the Patents Act, 1970, deals with the provisions of penalties. Various parameters have been laid down by the Patent office to impose penalties on any act which were forbidden by Patent law. These penalties are in form of either fine, imprisonment or both. Parameters such as providing false information to patent office, unauthorized claims of Patent rights, failure to furnish information related to working of patent, wrongful use of word patent office, practice by unauthorized person i.e. non patent agents, offence by companies etc. Further, we will also discuss regarding the reliefs in an action for infringement as defined under section 108 of the Patents Act, 1970.

- **Contravention of secrecy provisions relating to certain inventions:** In this case, if any person fails to comply with the directions given under section 35 or makes an application for grant of Patent in contravention of section 39 of the Patents Act, 1970, then he shall be liable for punishment with imprisonment for a term of which may extend to 2 years or fine or with both.

- **Falsification of entries in register, etc:** If any person makes false entry in the register of Patent, or writing falsely purporting to be a copy of an entry in such a register, knowingly or unknowingly, he shall be punishable with imprisonment for a term which may extend to 2 years or fine or with both.

- **Unauthorized claim of Patents rights:** If any person falsely claims or represent any article sold by him is patented in India or if the article is stamped, engraved or impressed on or otherwise applied to, the article the word "patent" or "patented" or some other word expressing or implying that the patent of the article has been obtained in India or; that an article is the subject of an application for a patent in India, or if the article is stamped, engraved or impressed on or otherwise applied to, the article the word "patent" or "patented" or some other word expressing or implying that the patent of the article has been made in India, he shall be punishable with fine which may extend to 1-lakh rupees.

- **Wrongful use of words "patent office":** If any person uses on his place of business or on any of the document issued by him the word patent office or in any other way which would lead to belief that his place of business or document issued by him are related to or connected with the patent office, then such offence shall be punishable with imprisonment for a term which may extend to 6 months or with fine, or with both.

- **Refusal or failure to supply information:** In any case, if the person fails to furnish or refuses any information which is false, and which he either knows or it does not believe to be true, as required by the central government under section 100(5) of the Patents act, 1970 or any information related to working of patents which is require to be furnished under section 146 of the Patents Act, 1970,

He shall be punishable with fine which may extend to 10-lakh rupees or in case of providing false information as required under section 146, the offence shall be punishable with imprisonment which may extend to 6 months or with fine, or with both.

- **Practice by non-registered patent agents:** If any person contravenes the provisions of section 129, he shall be punishable with fine which may extend to 1-lakh rupees in first offence and 5-lakh rupees in second offence.

- **Offence by companies:** If any company as well as every person in charge of, and in responsible to that company found responsible for the conduct of his/ their business at the time of commission of the offence shall be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

Relief in an action for infringement:

Section 108 of the Patents Act, 1970 provides the reliefs which a Court may grant in any suit for infringement include an injunction subject to such terms, if any, as the court thinks fit and damages or an account of profits. An order for delivery or destruction of infringer's articles may also be passed. The Court may also order that the goods which are found to be infringing and materials and implements, the predominant use of which is in the creation of infringing goods, shall be seized, forfeited or destroyed, as the Court deems fit under the circumstances of the case without the payment of any compensation.

INJUNCTION:

An injunction is an order of a Court prohibiting someone from doing some specified act or commanding someone to undo some wrong or injury. Generally it is a preventive and protective remedy aimed at preventing future wrongs. Mainly injunctions are of two kinds:

1. **Temporary/Interlocutory injunctions,**
   Temporary injunctions are the Court orders which are in force for a specified time or until further orders of the Court. An interlocutory injunction may be granted at any time during the proceedings of the suit. The plaintiff may, at the commencement of the suit or any time during the suit, move the Court for grant of an interim injunction to restrain the defendant from committing and continuing to commit the acts of alleged infringement.

2. **Final/Permanent Injunctions.**
   Final/permanent injunctions are such injunction which is granted at the termination of the trial. The time for which the final injunction is in force is the remaining term of the patent at the time of grant of final injunction.

DAMAGES OR ACCOUNTS OF PROFITS:

A successful plaintiff in a suit for infringement is entitled to the relief of damages or account of profits. However both reliefs cannot be granted together. There are certain cases when damages or account of profits cannot be granted. In a suit for infringement of a patent, damages or an account of profits shall not be granted against the defendant who proves the infringement was innocent and that at the date of the infringement the defendant had no reasonable grounds for believing that the patent existed.

Section 108 provides that the Court may either award damages or account of profits but both of them cannot be claimed together. The

plaintiff has to prefer either of the two. The account of profits is determined on the basis of actual use of the patentee's invention by the infringer during the period of commission of the act of infringement. Account of profits is the part of profits which can be attributed to the use of the patentee's invention by the infringer.

CONCLUSION

Penalties have been introduced in the Patents Act to safeguard the interest of Patent from the illegal activities. Till now we haven't seen any case where patent office has issued penalties or found guilty in doing any misdeed as defined under the act. These penalties are in form of fine or imprisonment or both.

SURROGATE ADVERTISEMENTS IN INDIA

By: Shrabani Rout

Let's gear our advertising to sell goods
but let's recognize also that advertising has a
broad social responsibility.

- Leo Burnett

SURROGATE ADVERTISEMENTS: DEFINITION

Merriam Webster defines a Surrogate as a 'substitute'. And surrogate advertisements are just that. A surrogate advertisement can be defined as an advertisement that duplicates the brand image of one product to promote another product of the same brand. The surrogate or substitute could either resemble the original product or could be a different product altogether but it is marketed under the established brand name of the original product. Surrogate advertisements are used to promote and advertise products of brands when the original product cannot be advertised on mass media. Some instances of surrogate advertisements are: Bagpiper Soda, Cassettes and CDs, Royal Challenge Golf Accessories and Mineral Water, Imperial Blue Cassettes and CDs etc.

FUNCTION OF SURROGATE ADVERTISEMENTS.

Ever since advertising of tobacco and liquor products have been banned on Mass Media, these companies have resorted to surrogate advertising tactics to keep their brands alive in the minds of consumers. The most important function of a surrogate advertisement is that of brand-recall. A surrogate advertisement advertises other market commodities without alluding to tobacco or liquor but under the same brand.

Surrogate advertising came into India in the mid-1990s after the Cable Television Networks (Regulation) Act, 1995 read with Cable television Rules, 1994, came into force, which banned direct liquor, tobacco and cigarette advertisements.[15] Before that the Cigarettes (Regulation of Production, Supply and Distribution) Act, 1975 made it mandatory to display a statutory health warning on all packages and advertisements. Advertisements have a strong influence in the minds of consumers especially in this era of new age technology. Banning direct advertisements about liquor and tobacco was a step ahead by the Government to curb the influence of such advertisements on the public and effectively diminish the ill effects of these products in general. Therefore Surrogate Advertisements by these liquor and tobacco companies defeat the very purpose of this ban.

Launching new products with a common brand name is known as brand extensions and is not per se illegal or objectionable in nature. The problem arises when a brand extension is carried out in response to a ban on advertisement of one product category.

SURROGATE ADVERTISEMENTS IN INDIA:

In India, Surrogate Advertisements are done mainly in the tobacco and liquor industry. This is a direct consequence of the ban on direct advertisements of tobacco and liquor. Therefore to promote and advertise their products to the masses, Liquor and tobacco found a way around the ban through surrogate ads. The banned product (alcohol or cigarettes) is not projected directly to consumers but rather masked under another product under the same brand name so

[15] Rule 7(2)(viii) of the Cable Television Rules,1994

that whenever there is a mention of that brand, people start associating it with its main product.

Brands like Kingfisher, Wills actually bank upon such ads to draw attention to their other products. For instance, Kingfisher has promoted everything from bottled water, to soda to calendar under the umbrella of the brand name 'Kingfisher'. Former Union Health Minister Mr. Anbumani Ramadoss had challenged the name of the Bangalore Indian Premier League (IPL) cricket team, "Royal Challengers", which was an out and out blatant surrogate advertisement for the liquor brand "Royal Challenge". But the Supreme Court of India has since pointed out that the team was not named 'Royal Challenge', the liquor brand BUT "Royal Challengers". 'Only those who drink can be attracted by these things,' the bench observed in a lighter vein, alluding to the fact that a name would not have any effect on non-drinkers.[16]

NATIONAL AND INTERNATIONAL REGULATIONS

1. **Cigarettes and other Tobacco Products (Prohibition of Advertisement and regulation of Trade and Commerce, Production, Supply and Distribution) Act, 2003 ("COTPA"):**

   Section 5 of the Act prohibits the advertisement of "Tobacco products" by both direct and indirect means. Sub-clause (i),(iii) and (iv) of Rule 2 of COPTA Rules, clearly sets out that the use of a name or brand of Tobacco products for marketing, promoting or advertising other products would constitute a form of "indirect advertisement". Accordingly, surrogate advertising carried out by tobacco companies would constitute a form of indirect advertisement and would consequently be prohibited under Section 5.

2. **The Cable Television Networks (Regulation) Act,1995**

   Rule 7(2)(viii) of the Cable Television Rules clearly prohibits the direct or indirect promotion and advertisement of "cigarettes, tobacco products ,wine ,alcohol, liquor or other intoxicants";

   However the proviso to this rule also runs as: "Provided that a product that uses a brand name or logo, which is also used for cigarettes, tobacco products, wine, alcohol, liquor, or other intoxicants, may be advertised on cable services subject to the following conditions that-

   (i) the story board or visual of the advertisement must depict only the product being advertised and not the prohibited products in any form or manner;
   (ii) the advertisement must not make any direct or indirect reference to prohibited products;
   (iii) the advertisement must not contain any nuances or phrases promoting prohibited products;
   (iv) the advertisement must not use particular colors and layout or presentations associated with prohibited products;
   (v) the advertisement must not use situations typical for promotion of prohibited products when advertising the other products"

   The rules therefore provide a clear leeway for such surrogate

[16] https://sports.ndtv.com/cricket/now-ramadoss-challenges-bangalore-ipl-team-over-name-1605911

advertisements under the cover of brand-extensions.

3. **The Advertising Standards Council of India("ASCI")**

   ASCI are a voluntary self-regulation council, registered as a non-profit company under the Companies Act. It is formed to safeguard against the indiscriminate use of advertising for the promotion of products which are regarded as hazardous to society or to individuals to a degree or of a type which is unacceptable to society at large.

   Section 6 of the ASCI code states:

   'Advertisements for products whose advertising is prohibited or restricted by law or by this code must not circumvent such restrictions by purporting to be advertisements for other products the advertising of which is not prohibited or restricted by law or by this code. In judging whether or not any particular advertisement is an indirect advertisement for product whose advertising is restricted or prohibited, due attention shall be given to the following:

   (a) Visual content of the advertisement must depict only the product being advertised and not the prohibited or restricted product in any form or manner.
   (b) The advertisement must not make any direct or indirect reference to the prohibited or restricted products.
   (c) The advertisement must not create any nuances or phrases promoting prohibited products.'

   This section specifically prohibits surrogate advertising along with laying down the criteria for deciding whether an advertisement is an indirect advertisement.

4. **Framework Convention on Tobacco Control(FCTC)**

   India ratified the convention on 5th February, 2004 and the Convention came into force on 27th Feb, 2005. The convention seeks to protect present and future generations from devastating health, social, environmental and economic consequences of tobacco consumption and exposure to tobacco smoke by providing a framework for tobacco control measures.

   Article 13 of the Convention is titled as Tobacco advertising, promotion and sponsorship. This article recognizes the fact that a comprehensive ban is necessary and imperative. The framework gives the parties the freedom to introduce a comprehensive legislation banning all tobacco advertising, promotion and sponsorship.

PRESENT SCENARIO

On February 25, 2008 the Government issued a notification banning surrogate advertising of liquor companies in print, electronic and outdoor media.[17] However, subsequently on February 27, 2009, I&B Ministry issued a notification amending the said Rule to allow advertisements of products which shared a brand name or logo with any tobacco or liquor product with several caveats viz: (i) the story board or visual of the advertisement must depict

[17] http://economictimes.indiatimes.com/industry/services/advertising/govt-issues-notification-banning-surrogate-liquor-ads/articleshow/2878618.cms

only the product being advertised and not the prohibited products in any form or manner etc.

In 2014, social activist Teena Sharma filed a PIL in the Delhi High Court seeking a ban on surrogate advertisements. She argued that the Cable Television Network rules 1994 must require that all advertisements found to be genuine extensions by the Ministry of Information and Broadcasting must be previewed and certified by the CBFC. For unknown reasons, this PIL was later withdrawn.

It is very clear from the aforementioned existing laws and regulations that any direct or indirect advertising of the prohibited products is not permitted in India.

While the Government notification dated February 27, 2009 allows advertisements of products which shares a brand name or logo with any tobacco or liquor product, it at the same time also states that no reference direct or indirect could be made to the prohibited products in any form. Further, I&B Ministry has also made it very clear vide its Directive dated June 17, 2010 that the Government notification dated February 27, 2009 cannot be cited as an excuse to telecast advertisements of products in violation of Rule 7(2)(viii)(a) of CTNR.[18]

STEPS THAT CAN BE TAKEN TO COMBAT SURROGATE ADVERTISING:

1. Making clear and unambiguous transparent laws banning surrogate advertisements for different products under a single brand name.
2. Conducting consumer awareness programmers to help people understand the negative impact of surrogate advertisements.
3. Providing more power to the Advertising standards Council of India to enable it to take action against false and misleading advertisements and keep a close vigil over clever evasion of the law, instead of just issuing notices.
4. Establishing a mechanism for effective implementation of international and national regulations.
5. Several NGOs such as HRIDAY (Health related information dissemination amongst youth), SHAN (Student Health Action Network) etc led campaigns appealing the Government for a comprehensive ban on tobacco advertising. The role of NGOs in combating the menace of surrogate advertising should be recognized and they should be given more authority to work on such issues.

[18] https://naiknaik.com/surrogate-advertising-in-india-permissible-or-not/

THE SHAPE MARK CONUNDRUM VIS-À-VIS ACQUIRED DISTINCTIVENESS

By: Shrabani Rout

INTRODUCTION

An average consumer in India does not just recognize a product from the name embossed on the product alone. There are customers who connect more to the feel of the trademark rather than its visual appeal. They rely heavily on the color combination, packaging and sometimes even the shape of the goods to identify the product. Coming exclusively to the issue of shape marks, they were not statutorily recognized in India before the Trademarks Act, 1999 came into force. Post the enactment, a trademark under Section 2(zb) can include, interalia, the shape of goods, their packaging so long as it is possible to graphically represent the same and such shape clearly distinguishes the goods sold under such trademark from those of another manufacturer.

The first set of challenges in registering a shape mark arises when an application is made to register a shape as a trademark. From graphically representing it to proving that the shape has acquired distinctiveness, the hurdles to registration are endless. It is pertinent to mention here that shape marks are not considered to be inherently distinctive in nature. The Applicant has to prove that the shape of the mark has acquired distinctiveness and consumers rely on that to identify the Applicant.

The protection of shape marks in India, is however unclear due to the lack of suitable precedents regarding the same. However it is interesting to note that the Indian Trademark Registry granted protection to the shape of 'ZIPPO' lighters way back in 1996. Another notable instance was the registration of the shape of the famous Gorbatschow Vodka bottle which was registered in class 33 in the year 2008 for the unique shape of its bottle.

Along with the general criterion that a trademark needs to fulfill before it can be registered, shape marks are required to fulfill 3 other criterions:

1. The shape should not result from the nature of the goods themselves.
2. The shape should not be such that it would be necessary to obtain a technical result.
3. The shape should not be such that it gives substantial value to the goods.

NESTLÉ VS. CADBURY - NEED A BREAK?

Recently, Nestlé's Kit Kat bar was denied registration in Europe[19] when Cadbury opposed the application stating that the shape mark was not distinctive and hence could not be registered as a trademark.

The main issue before the Court was that of acquired distinctiveness. Nestlé had produced heaps of evidence stating that the four fingered bar had acquired immense popularity and distinctiveness and consumers directly associated the bar with Kit Kat.

The Indian Trademarks Act of 1999 and First Council Directive 89/104/EEC of 21 December 1988(European Statute) have very similar provisions when it comes to the registration of shape marks and the conditions to be fulfilled by

[19] http://www.independent.co.uk/news/business/news/nestle-kit-kat-trade-mark-denied-eu-court-four-finger-chocolate-shape-a7477196.html

a shape mark to be considered for registration. As a consequence of the similarity between the statutes, the arguments put forth could very well be of consequence when such questions come up in any Indian case.

Before delving into the issue of acquired distinctiveness, the facts and issues raised before the Court have been stated down below:

FACTS OF THE CASE:

Société de produits Nestlé SA ("Nestlé") had filed an application on 8th July, 2010 seeking registration of a three-dimensional sign (the Kit Kat chocolate bar) with the European Intellectual Property Office (the "EUIPO") under class 30.

Cadbury Schweppes Plc ("Cadbury") objected and had claimed that the trade mark should be declared invalid on the grounds of lack of distinctive character.

The case travelled across quite a few judicial bodies, details of which are not mentioned here for th e sake of brevity. Finally after the Advocate General of the Court of Justice of the European Union ("CJEU") gave their opinion on the matter; the case had gone back to Justice Arnold in the England and Wales High Court, who concluded the matter in favor of *Cadbury.*[20]

ISSUE OF ACQUIRED DISTINCTIVENESS

The question regarding acquired distinctiveness that led Justice Arnold to his decision can be summarized as follows:

"In order to establish that a trade mark has acquired distinctive character following the use that had been made of it, is it sufficient for the applicant for registration to prove that at the relevant date a significant proportion of the relevant class of persons recognize the mark and associate it with the applicant's goods or must the applicant prove that the relevant class of persons *rely* upon the mark (as opposed to any other trademarks which may also be present) as indicating the origin of the goods?"

OPINION OF THE COURT AND ITS ANALYSIS

The question posed by Justice Arnold sought to determine the question of acquired distinctiveness. To determine whether the shape had in fact acquired distinctiveness, two scenarios have to be looked at. Firstly, whether the consumers use the shape to identify the company i.e. Kit Kat from Nestlé or whether the consumers rely on the shape mark to identify the company?

The Court rightly settled on the latter in deciding the question of acquired distinctiveness. Mere general recognition of the shape mark does not necessarily mean that the consumers identify it exclusively as a trademark for the company.[21] The consumers might know and recognize that the shape of the mark is associated with a company but they might not *rely* on the mark exclusively to determine if a product belongs to the company. If the shape is not exclusively and independently recognized by the consumers as a trademark, then it fails to qualify as a trademark.

To determine if a mark has acquired distinctiveness, the relevant question to be asked is ***"Are consumers using the mark to identify the manufacturer in exclusion to his competitors?"*** If the consumers don't use the

[20] Société de produits Nestlé SA vs. Cadbury U.K. Ltd. [2016] EWHC 50(CH)

[21] Case No. CH/2014/0392

shape mark to exclusively identify the company then it cannot be considered as a trademark. While coming to this conclusion, the Court relied on the case of *Philips vs. Remington*[22] where while deciding upon the issue of acquired distinctiveness, the Court had held that:

> "*the identification, by the relevant class of persons, of the product as originating from a given undertaking must be the result of the use of the mark as a trade mark and thus as a result of the nature and effect of it, which makes it capable of distinguishing the product concerned from those of other undertakings*"

If the shape mark is not used as a trademark by the consumers, then it cannot have acquired distinctiveness. The Court applied the factors regarding acquired distinctiveness laid down in *Philips vs. Remington* and held that the consumers did not place reliance on the shape to identify the company. It instead focused on the fact that the consumer has to understand origin as a result of use of the sign in question and that sign alone.

Apart from the issue of acquired distinctiveness, Justice Arnold in the EU High Court held that the shape was functional in nature and was necessary to obtain a technical result i.e. the slab shape resulted from the nature of chocolate bars and the fingers were necessary to separate and break the product and were therefore technical in nature. Therefore the mark could not be registered in the European Union.

It is pertinent to mention here that Nestlé was successful in registering the shape in South Africa. The South African Supreme Court of Appeal held that the shape trade mark was not hit by the "technical result" exclusion, because the trade mark did not consist "exclusively" of a shape that is necessary to obtain a technical result. The court felt that, even though there were functional features to the shape, there were also non-functional features. The court also held that the four-finger shape had become distinctive through use.

CONCLUSION

The main hindrance to shape mark registration is being able to prove the inherent distinctiveness of the shape. Proving inherent distinctiveness is however not a mandate. If the Applicant can show that his mark has acquired distinctiveness, then the mark can be considered for registration. In the above mentioned case however, Nestlé failed to prove that consumers relied upon the shape of the Kit Kat bars to denote the origin. It had only proved that they recognized the shape and associated it with Kit Kat products.

However an Applicant can take the following steps to make their shapes distinctive to the consumers:

Adopting and using "shapes" for goods that depart significantly from the norm or customs of the sector of goods concerned - they are more likely to be deemed inherently distinctive and registrable.

Promoting the shape of their goods as identifying the trade source of the goods. By educating consumers to perceive the goods as originating from a particular business because of the shape and appearance of the goods, the same may well "become" a trade mark and thus should be capable of registration. Another

[22] Koninklijke Philips electronics N.V vs. Remington Consumer Products Ltd. Case C-299/99

reason why Nestlé lost to Cadbury. They failed to prove that the consumers use and rely upon the four-finger shape to denote the origin of the shape.

Obtaining evidence that, as a result of the marketing efforts, average consumers have indeed come to see the shape of the goods as indicating the trade source of the goods .They will need to prove that such persons would rely upon the shape as denoting the origin of the goods if it were used on its own.

Thus it is essential for companies wishing to trademark the shape of goods to plan their marketing strategies accordingly and make the consumers aware by educating them to perceive the goods as a trademark of the company and to rely on the shape itself to indicate origin. The current case, along with Philips vs. Remington has strongly established the use factor as a necessary factor for proving a shape mark has acquired distinctiveness.

SECTION 3(D): HURDLE OR ADVANTAGE TO THE PHARMACEUTICAL SECTOR- AN INDIAN PERSPECTIVE

By: Saipriya Balasubramanian

INTRODUCTION:

Section 3(d) first appeared in the Indian Patents Act 1970 under Section 3 "What are not inventions". Indian companies began manufacturing bulk drugs only after early 1970s. As a result India quickly became a major supplier of cheap drugs to a number of developing and under developed countries; however, absence of product patent production in pharmaceuticals discouraged innovation. Major phase in development of India's patent system happened after India joined World Trade Organization (WTO) in 1995. Trade related aspects of Intellectual Property Rights (TRIPS) agreement was signed on 1st January 1995 which is one of the important provision of WTO Agreement. In order to become TRIPS compliant, India needed to revise its patent law to provide product patent protection for pharmaceuticals. The Indian Parliament redesigned (amendment) section 3(d) in 2005 that not only complied with TRIPS but also did not negatively impact public health. The main aim of the proposed amendment of Patents (Amendment) Act of 2005 is to prohibit the ever-greening of drug patents and allow patents on variants of only those chemical compounds that show ***significant enhancement*** in therapeutic efficacy. The following article deals with Section 3(d) and its implications with regards to generic pharmaceutical industry as well as the innovators thereby providing a clear picture of its interpretation.

'PATENTABILITY' UNDER SECTION 3(D):

Section 3(d) what are not inventions. - The following are not inventions within the meaning of this Act,-the mere discovery of a new form of a known substance which does not result in the enhancement of the known efficacy of that substance or the mere discovery of any new property or new use for a known substance or of the mere use of a known process, machine or apparatus unless such known process results in a new product or employs at least one new reactant.

Explanation – For the purposes of this clause, salts, esters, ethers, polymorphs, metabolites, pure form, particle size, isomers, mixtures of isomers, complexes, combinations and other derivatives of known substance shall be considered to be the same substance, unless they differ significantly in properties with regard to efficacy."

Apart from passing the criteria of novelty, inventive step and industrial applicability, an invention has to clear the patent eligibility test in the form of efficacy along with other patentability test[23].

Section 3(d)	Patent eligibility to a new use or new form of known molecules is denied, unless they contribute to higher therapeutic efficacy over the previous form.
	Derivative of existing substance is considered to be identical to the existing substance except for significance difference in properties in consonance with efficacy

[23] http://nopr.niscair.res.in/handle/123456789/34013

IMPLICATIONS OF SECTION 3(D) ON EFFICACY, INNOVATION AND PUBLIC HEALTH

The term 'Efficacy' is of prime importance under Section 3(d) of the Indian Patents Act. However, the term efficacy is not much elaborated in the said Act. The Madras High Court had observed in context to 'efficacy' of pharmaceutical product as the effectiveness of a newly discovered drug in relieving from disease and production of a desired effect on the patient body. The applicant filing patent application for a novel drug has to bring out the difference between his patent application and already granted patent on the grounds of therapeutic effect. To prove the 'therapeutic efficacy' to the patent examiner is a challenging task for a patent applicant as most of the applications are filed by pharmaceutical industry at initial stage of drug discovery. It is possible for the applicant to gather required information regarding the therapeutic efficacy of the drug only at later development stage after having sufficient clinical trials.

India is not considered TRIPS compliant as Section 3(d) is found to be violating on two grounds[24] 1. Section 3(d) does not provide patent protection for incremental innovation. TRIPS state there is a need to define incremental innovation.2. TRIPS allows WTO members to be more liberal in providing patent rights over the TRIPS criteria, but not make them more stringent. However, Section 3(d) seems to lack standard protection for all categories that is mandated by TRIPS.

Pharmaceutical research is generally done in incremental steps with lesser "breakthrough" moments. An invention which is a result of regular exploitation such as enhanced bioavailability, shelf life, heat stability, reduced side-effects, compatibility, safety etc. can represent a significant innovation in itself.

In pharmaceutical sector, often minor modifications are patented leading to ever-greening of patents. The explanation provided for section 3(d) under Indian Patents Act says that various salt forms, esters, isomers etc are similar in configuration, which in turn is likely to exhibit equivalent function. A newly developed drug is patentable only if it gives better performance which must be proven experimentally. Section 3(d) promotes subsequent expansion of existing chemical substance, compounds, technologies, processes and products which are helpful in fulfilling the health requirement of the public and balance public goods with exclusivity provided by the patent rights. The need of the hour is clear cut definition of "efficacy" which can solve the issues surrounding Section 3(d) such as misapplication, arbitrariness and legal uncertainties. Such a step forward could bring an amicable solution to India's patent regime and TRIPS.

With regards to Public health, India provides quality drugs with reasonable cost not only to the Indian market but also to many countries. Patentability criteria due to section 3(d) ensures that Indian Patent regime gives protection only to creditable and deserving inventions and not to some frivolous innovations.

NOTABLE DECISIONS BASED ON SECTION 3(D)

[24] http://www.i-runway.com/blog/decoding-indias-section-3d-pharma-controversy/

1. NOVARTIS AG DRUG GLIVEC CASE[25]:

Glivec (imatinib mesylate), produced by the pharmaceutical company Novartis, is prescribed in the case of Chronic Myeloid Leukemia, one of the most common blood cancers in eastern countries. After more than a decade of legal battles surrounding its patentability, the Supreme Court of India gave its final decision on April 1st of 2013 rejecting patent application for 'Glivec' on the grounds of Section 3(d) that aims to restrict ever-greening' and patenting of new use or new form of existing pharmaceutical substance without any noticeable increase in efficacy. Unfortunately, "neither the Indian patent statute nor its implementing rules define 'efficacy'", and there are no available guidelines for companies like Novartis seeking second-generation patents (i.e., extended patents on modifications of previous products) .This is a landmark case because it represents critical issues related to intellectual property protection and access to medicines, which will impact how multinational pharmaceutical companies conduct business in India in the future, as well as India's role as the "Pharmacy of the Developing World".

2. F.HOFFMAN LA ROCHE V CIPLA[26]

Roche sued Cipla in early 2008 for infringement of their Patent IN '774, claiming [6, 7-bis (2-methoxyethoxy) quinazolin-4-yl]- (3-ethynylphenyl) amine hydrochloride' also known as 'Erlotinib Hydrochloride'. No interim relief granted to Roche in the early stages of the suit and the main matter was decided after the trial vide an order dated 7th September 2012.

Justice Manmohan Singh gave the judgment in favor of cipla stating that Cipla did not infringe Roche's Indian patent IN'774 as the Cipla's generic drug – Erlocip is the polymeric form B which is different from Roche's patented drug (Tarceva) which is a mixture of polymorph A&B.. Roche later filed IN'507 application in India for the polymeric form B which was rejected under section 3(d) since it did not show increases efficacy in comparison to the drug IN'774 patent which was for a mixture of polymorph A & B.

3. ABRAXIS BIOSCIENCES DRUG ABRAXANE[27]

Abraxene is an injectible formulation of protein bound particles (paclitaxel) primarily used in the treatment of breast cancer, lung cancer and pancreatic cancer. On 29th June 2009 a patent Application titled 'Composition and method for delivery of pharmacological agents' bearing application No: 2899/DELNP/2005 was filed in India by Abraxis Biosciences claiming priority from a US patent application filed on the 9th of December, 2002.

NATCO filed a pre-grant opposition on several grounds including lack of novelty as the claimed drug was a combination of new form of a known substance Paclitaxel and anti-SPARC antibody. The applicant had mentioned in the complete specification that by his invention the associated side-effects of said composition are reduced and enhancing transportation of claimed composition. However, the specification neither indicated any enhance effect of paclitaxel nor demonstrated any significance of such properties with regard to 'therapeutic efficacy' in view of the known substance.

[25] http://supremecourtofindia.nic.in/outtoday/patent.pdf
[26] https://indiankanoon.org/doc/57798471/
[27] http://ipindiaservices.gov.in/patentdecisionsearch/VIewdoc.aspx?application_number=qDB5oY7WDmMirtuMFYh2fhlCeLl6HPSjydFuCgmAyg8P55+n7xg4p50YypT1CEqrBWw+Xa3WK2hJEHQ36c+Vqw==

Therefore, in absence of any therapeutic efficacy of the composition as claimed, the said application was rejected under section 3(d) of the Patents Act, 1970. It paved way for generic companies to launch affordable versions in the domestic market.

CONCLUSION:

From the above, it is evident Indian Patent regime do not foster incremental innovation. Section 3(d) can be used as an effective tool in restraining incremental inventions and prevent ever-greening of patents which was the case of pharmaceutical patents granted before amendment of Section 3(d) in 2005. Ever-greening of patents results in high drug prices in the market due to monopolizing which may directly impact the affordability of the majority of the Indian population. On the other hand, to balance and promote the innovation of the healthcare sector which is largely dependent on patent system, it is a good approach to use resources efficiently to research on blockbuster drugs that enhance bioavailability, shelf life, heat stability, reduced side-effects, compatibility, safety etc. in the areas of concern in the developing countries. Such efficacious drugs will promote the R&D sector as well as expand its market providing cost effective treatment and accessibility to the majority of affected population.

KOLKATA HIGH COURT DIRECTS CONTROLLER OF DESIGNS TO GIVE REASONED ORDERS

By: Shrimant Singh

In a recent judgment in *Krishna Plastic Industries Vs. Controller of Patents and Designs*, the Kolkata High Court has cautioned the Controllers to give speaking orders, especially the Orders which are appealable under the Designs Act, 2000.

An application was filed at Patents and Designs Office, Kolkata for cancellation of the registered design *surface pattern of a plastic seal*, registered by Krishna Plastic Industries. The cancellation of registration of a design is prescribed under Section 19 of the Designs Act, 2000.

19. Cancellation of registration.—

(1) Any person interested may present a petition for the cancellation of the registration of a design at any time after the registration of the design, to the Controller on any of the following grounds, namely:—
   (a) that the design has been previously registered in India; or
   (b) that it has been published in India or in any other country prior to the date of registration; or
   (c) that the design is not a new or original design; or
   (d) that the design is not registerable under this Act; or
   (e) that it is not a design as defined under clause (d) of section 2.

(2) An appeal shall lie from any order of the Controller under this section to the High Court, and the Controller may at any time refer any such petition to the High Court, and the High Court shall decide any petition so referred.

The Controller, while not making any specific observation with regards to the originality of the design, allowed the cancellation of the said registered design. The Applicants, Krishna Plastic Industries, preferred an appeal over the said impugned Order before the Hon'ble High Court as provided under Section 19(2) of the Act.

The Hon'ble High Court observed that:

"*The novelty statement endorsed in each representation sheet reads: The novelty resides in the surface pattern of a "plastic seal" as illustrated. The discussion in the impugned order reveals that the Deputy Controller has examined the shape and configuration of both the designs and only a single sentence in the impugned order refers to the surface pattern. Since the said order is appealable, it is expected that a proper reasoning should be given by the Deputy Controller to arrive at a finding that there is no such distinctive surface pattern in the impugned design. There is no discussion in the impugned order in this regard. The distinctiveness of a design is to be judged by an eye alone. The ocular impression of both the designs does not prima facie appear to be the same. However, the matter is remanded to the authority concerned to reconsider the matter afresh taking into consideration that the novelty is claimed in the surface pattern of the plastic seal and this Court is not satisfied with the reasoning given by the Deputy Controller in allowing the application for cancellation, the impugned order is set aside. The reasoning does not reflect the mind of the Deputy Controller. The order dated 1st October, 2012 is set aside*."

Accordingly, the Kolkata High Court remanded the matter back to the Controller to be heard

afresh and advised the Controller to give adequate reasoning while deciding upon the application for cancellation of the registered design.