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## INTELLECTUAL PROPERTY AND TECHNOLOGY LAW UPDATES

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## PRE-GRANT OPPOSITION

-Manish Kumar

### Introduction

Patent opposition can be done either before the grant of patent by filing Pre-grant Opposition or after the grant of the patent within a year by filing post grant opposition. In this article we focus on Pre-Grant opposition in light of draft amendment rules published on December 04, 2018.

Where an application for a patent has been published but a patent has not been granted, “**any person**” may oppose the grant of patent by filling **Form 7A** mentioned under Second Schedule of the Patent Rules, 2003, on the grounds enumerated in **Section 25(1)** of the Patent Act, 1970. Historically, the legislature in Patents (amendment) Act, 2005, has widened the locus standi for filing pre-grant opposition by giving access to “Any Person” as against the “Person Interested” to object the grant of a patent.

### Grounds of opposition under section 25(1) of the Act

- Invention obtained wrongfully - The grant of Patent may be opposed by any person on the ground that the

applicant for the patent has wrongfully obtained the invention or any part thereof from him or any person claiming through him.

- The invention claimed in complete specification has been published before the priority date in India or elsewhere in any document.
- The invention has been claimed in a claim of a complete specification published on or after the priority date of the application filed in India.
- The invention claimed was publicly known or publicly used in India before the priority date. Further, it has been clarified that an invention relating to a process for which a patent is claimed is deemed to have been publicly known or publicly used in India before the priority date if a product made by that process has already been imported into India before that date except where such importation has been for the purpose of reasonable trial or experiment only.
- The invention claimed is obvious and does not involve inventive step. The question of obviousness is to be judged by reference to the “State of the Art” in the light of all that was

previously known by persons versed in that art including their experience of what was practically employed, as well as from the contents of previous writings, specifications, text books and other documents.

- The subject of any claim is not an invention or is not Patentable under the Act. Chapter II of the Patent Act, 1970 (sections 3-4) provides for the inventions which are not patentable.
- The complete specification does not sufficiently and clearly describe the invention or the method by which it is to be performed. What is relevant is the sole question whether or not the description given is going to be sufficient to enable a person who is reasonably skilled in the particular field to make an embodiment of the invention as claimed.
- The applicant has failed to disclose to the controller the information required under section 8 or has furnished the information which is false to his knowledge.
- In case of Convention Application, the application was not made within 12 months from the date of the first application in a convention country.

- The complete specification does not disclose or wrongfully mentions the source of geographical origin of biological material used for the invention. This ground was inserted by the Patents (Amendment) Act, 2002, consequent to the changes made in section 10 (contents of specification) of the Patents Act, 1970.
- The invention is anticipated having regard to the knowledge, oral or otherwise, available within any local or indigenous community in India or elsewhere.

#### **Procedure for Pre-grant Opposition in light of draft amendment rules.**

According to **Rule 55** of the Patent Rules, 2003, the Controller will consider the Pre-grant opposition only when a request for examination of the application has been filed.

According to the draft amended rules, on consideration of the opposition, the Controller shall constitute a bench comprising two members, who shall proceed to dispose off the Pre-grant opposition jointly, as against the current practice where the Controller examining the application

decides the outcome of the proceedings. If the bench is of the opinion that the opposition is devoid of merit, an opportunity to be heard shall be granted to the opponent if requested. After hearing the opponent, if the bench is still of the opinion that the opposition shall be refused, a speaking order shall be issued rejecting the pre-grant opposition, ordinarily within one month.

However, if the bench is of the opinion that Pre-grant opposition has merit and the application shall be refused or amended, a notice is given to the applicant along with a copy of the representation. Upon receiving the notice, the Applicant is required to file his response along with the evidence (if any) within three months from the date of notice.

On consideration of the submissions made by the parties, and after hearing, if so requested, the Bench may:

- Reject the Opposition; or
- Require the complete specification and other documents to be amended; or
- Refuse to grant a patent on the application by passing a speaking order under Section 15 of the Patent Act, 1970, ordinarily within one month from the completion of above proceedings.

Further, in case of an impasse between the two members, the Controller shall nominate a third member and the majority decision will be treated as final.

## **Conclusion**

The proposed amendment will keep a check on the discretion of Controller in deciding the pre-grant opposition and will bring more transparency in the procedure.

**CASE STUDY: *Agarwal Deokinandan  
Gopiram vs Jagdamba Textiles Pvt Ltd***

**-Mohit Kohli**

R/APPEAL NO. 38 of 2019

**Patent Applicant/ Plaintiff:** Agarwal  
Deokinandan Gopiram

**Respondent/Defendant:** Jagdamba Textiles  
Pvt Ltd.

**Decision on:** February 25, 2019

**Background:** Applicant applied for patent in year 2005, Patent no. (2135483) granted on July 06, 2009. Patent is for a machine used for fabric dyeing.

**Proceedings under Additional district judge:** Patent Applicant filed a case against unauthorized use of patent to which respondent tried to distinguish the working of 2 machines. The additional judge ruled in favor of the respondent. To which applicant filed an appeal in Ahmedabad high court.

**Appeal:** Applicant stated that the invention is exclusively associated with them and being in the same trade, Respondent shall no doubt be well aware of the invention of the said machine and yet they have copied the invention. Therefore, a legal notice was served upon the respondents to cease and

desist from using the said patented machine. Applicant also added that as far as the balance of convenience is concerned it is in the favor of a patent owner because there is limited time to use the patented work i.e. 20 years against which 12 year have already been expired on the date of the suit. If the injunction is denied, the applicant's invention and efforts, time and money invested will go in vain.

A scientific officer was appointed to prepare a report on the 2 machines. It was pointed out that the defendant's machine is not the exact replica of the patented machine and it had 31 dissimilarities. But the defendant was unable to dispute the uncommon features as referred to the patented fabric machine. The court emphasized that the real test would be whether there exists uncommon feature which has been recognized by the Controller of Patents in the invention after following due procedure.

The counsel of patent applicant also highlighted that in absence of the injunction, other users of the similar fabric machine may be encouraged to violate the patent which will cause irreparable loss to the plaintiff.

**Court order:** The order was passed on February 25, 2019. The court said, "In view

of the above prima facie observations, injunction is required to be granted and the court below was in error of jurisdiction when it failed to appreciate the case in the above perspective. This court, therefore, passes the order in following terms:

1. The impugned order dated 06/10/2018 passed below Exhibit-5 in Trade Mark Suit No.9 of 2017 by the learned 8th Additional District Judge, Ahmedabad at Mirzapur is stayed.

2. Defendant- opponent herein is restrained from using the uncommon features of the patented fabric machine of the plaintiff as indicated in greater detail in this order. Such restraint shall be carried out by the defendant within a week from today.”

## SOFTWARE PROTECTION UNDER COPYRIGHT LAW

**-Khushboo Tomar**

Under the copyright laws, protection is available only to the form or expression of an idea and not to the idea itself. The object of copyright protection in a computer program is not the underlying idea, but the computer language used to express that idea. The coding of the program is carried out independently. In this case, the idea underlying the program has expressed this idea. The new code thus constitutes the expression and is protected but the methods and algorithms within a program are not protected. Algorithm is a list of well-defined instructions for completing a task. It is a set of instructions on what steps are essential to process information by the computer and in what specific order it has to perform these operations in order to carry out a specified task.

Software in its simplest sense can be understood as a set of instructions provided to the computer in order to produce the desired result. The most common methods of software piracy are soft-lifting, hard disk loading and unauthorized renting. In addition, the ease of duplication and high quality of pirated software pose a great threat to the software industry. Thus, the

software protection by way of intellectual property rights is necessary to ensure that the creator is adequately benefitted and also to encourage creativity and inventiveness in the future.

In India, software can be protected under the Copyright Act, 1957 or the Patents Act, 1970, and a touch of ingenuity, too, is required to protect it correctly. It can be protected under the Patent Act only if it has a technical effect. Otherwise it can be protected only under Copyright Act, 1957. Section 2 (o) of the Copyright Act defines “literary work” and includes computer programs, tables and compilations including computer databases. Thus, it is explicitly protected. The same remedies will follow from the infringement of the copyrighted computer software which are allowed in case of any other infringements.

Copyright infringement is basically exercising any of the rights of the copyright owner without any authorisation to do so. In cases of computer programs, the important rights are copying the code, and creating derivative works. In case of *Zenimax v. Oculus*, the jury found infringement of the right to create derivative works. It was a case of nonliteral copying.



It is a case of literal copying when a creative, and substantial part of code is copied as-it-is. Creativity doesn't mean that the code needs to be complex or of high quality; it merely refers to the programmer's ingenuity and a unique way of writing the code. Substantiality is something that is considered on a case-by-case basis by experts in courts.

Even in the USA, the Computer Software Copyright Act was enacted in 1980 to modify the meaning of the term 'literary work' to include 'software'. Copyright protects an expression of an idea, and not the idea itself. This has been a stumbling block for copyright protection of software as only object and source codes can be categorised as the literal components of computer programs, and there are other non-literal elements like program structure, organisation, sequence, etc., which have been the points of contention for the courts. Protection of functions is possible under patents or trade secrets, however, if someone is not familiar with IP law, he will face an uphill task separating the functionality and the expression in source code. This 'dichotomy between idea and expression' is a central theme of this essay and the cases it attempts to compare and critique. Although the problems with software copyright have

much in common with other works, there are a few issues unique to computer programs, the main focus would be to discuss such issues, more specifically issues surrounding non-literal copying of computer programs.

### **Non-literal copying of computer programs**

A computer program is a complex combination of protectable and unprotectable components, hence protecting only the literary elements is not sufficient. Nonliteral copying refers to the copying of the structure, sequence and organisation of the code. Again, the presence of creativity and substantiality is necessary for it to be held as an infringement. Nonliteral copying is a vexing issue as the courts are still developing their understanding in this regard, as has been shown in many cases. This is because a code is both expressive and functional, and adjudicating on which functional aspects can be protected under copyright is more difficult than the traditional subject matters. The notion of nonliteral copying brings a lot of uncertainties with it as copyright is not supposed to protect functionality, but then it is held to be an infringement if a code purports to accomplish the same

functionality with a slightly different approach in programming.

TRIPS set forth three different forms of protection for software: copyright, patent and trade secret regime. TRIPS includes a specific provision in Article 10 that expressly requires member states to protect software, whether in source or object code, as literary works under the Berne Convention. However, the member countries have a right to provide more extensive protection of intellectual property rights within their national legal systems.

India has undoubtedly made great strides in protection of computer software through copyright law but the protection through patent law still remains at a nascent stage. As, the strength of protection offered by Patent Law is much higher than that offered by the Copyright Law it would be in greater interest if attempts to strengthen the former for software protection are made.

***CARLSBERG BREWERIES VS. SOM DISTILLERIES AND BREWERIES LTD:  
A Composite Suit for Design Infringement  
and Passing Off is Maintainable***

**-Kartikeya Prasad**

This article is an attempt to analyze the judgement passed by a five-judge bench of the Hon'ble Delhi High Court in *Carlsberg Breweries A/S v. Som Distilleries And Breweries Ltd* C.S. (COMM) 690/2018, overruling the judgement in the case of *Mohan Lal v. Sona Paint*, 2013 (55) PTC 61 (Del) (FB) (hereinafter referred to as the “**Microlube Judgement**”). By way of this judgement, the Hon'ble Court has settled the position with regard to maintainability of composite suits for infringement of registered design and passing off.

**Factual Background**

The present suit was filed, complaining of infringement of a registered design as well as passing off (of the Plaintiff's trade dress) in respect of the bottle and overall get up of the “Carlsberg” mark. The reliefs claimed in the present suit were, *inter alia*, infringement of registered design and passing-off.

**Legal Proposition**

The moot point which arose in this case, which the Ld. Single Judge referred to the five judge bench, was in relation to **maintainability of a composite suit in relation to infringement of a registered design and for passing off, where the parties to the proceedings are the same, in light of ORDER II RULE 3, CPC.** The above-mentioned issue was perused in light of the decision in the Microlube Judgement.

**Ratio of the Microlube Judgement**

As per the *ratio* of the decision in Microlube Judgement a composite suit for infringement of registered design and passing off cannot be filed, and two separate suits need to be filed, which can be tried together, provided the Court has the jurisdiction to do so.

The decision in Microlube Judgement imports the principle laid down in the case of *Dabur India Limited v. K.R. Industries* (2008) 10 SCC 595 (hereinafter referred to as “**Dabur India**”) which states that two causes of action cannot be combined.

As per the Microlube Judgement, a suit for design infringement is premised on the monopoly granted by registration on account of uniqueness, newness and originality of the design, whereas a claim for passing off is based on the use of a mark in the trade for

sale of goods and services. Therefore, given the difference in the nature of causes of action, the two cannot be combined in a composite suit and separate suits have to be filed for design infringement and passing off.

### **Contentions of the Parties**

The contentions raised by the parties are briefly, as follows:

#### Plaintiff

The counsel for Plaintiff argued that the position set out in the decision of Microlube Judgement is erroneous for two broad reasons. One, because Order II Rule 3, CPC was over-looked which clearly provides for joinder of different causes of action in the same suit, Two, because the decision of Dabur India was misconstrued. As per the counsel of the Plaintiff the decision in Dabur India provided that different causes of action cannot be clubbed together only if the same Court lacks the territorial jurisdiction to deal with both of them.

It was further contended by the counsel for the Plaintiff that Order II Rule 3, CPC should be read with Order I Rules 2 and 3, which enshrine within themselves the following dual fundamental principles:

- Needless multiplicity of suits should be avoided.
- The trial of suits should not be embarrassed by simultaneous investigation of totally independent and unconnected controversies.

The counsel also highlighted that if the Court feels that it is inexpedient to try multiple causes of action in a common suit, there lays a recourse to order separate trials under Order II Rule 6, CPC. Therefore, the Court is clothed with the power to order separate trials but not separate suits.

On the basis of the above, the counsels for the Plaintiff broadly contended that the joinder of allegations design infringement and of passing off, based on the same transactions and against the same Defendant, was not a case of misjoinder of causes of action which would attract rejection/return of Plaint under Order VII Rules 10 and 11, CPC.

#### Defendant

It was contended by the counsel for the Defendant that two disparate causes of action were incapable of being tried in one suit. Despite the underlying facts being common, the nature of reliefs claimed were in many senses mutually exclusive, therefore

rendering a common trial inherently inconvenient. In the support of the contention, the Defendant's counsel stressed on submission that if in a suit for design infringement, the validity of the design is challenged, the Court has to cede the suit, which then has to be considered *per force* by the High Court, whereas no such compulsion exists in respect of a passing off suit, thereby differentiating the two causes of action.

The counsels for the Defendant argued that in the two claims, of infringement and passing off, there were diverse and disparate elements because of which their trials would involve contradictory and diametrically different elements, best suited to be tried separately. It was also argued that under a composite suit, there will be parallel enquiry that the Court will have to undertake. It could also lead to the Plaintiff being faced with contradictory situations, for example the Plaintiff could be required to show prior user which could evidence invalidity of a design.

It was further argued that composite suits cannot be used to confer jurisdiction on a court which otherwise does not have jurisdiction to try one of the causes of action.

The counsels for the Defendant further argued that, unlike Order I Rule 9, which states that no suit can be defeated on the ground of mis-joinder and non-joinder of parties, no provision of such nature exists in Order II, CPC. Therefore, a suit can be rejected on the ground of misjoinder of causes of action.

It was also submitted that Order II Rule 3 is an enabling provision which allows a plaintiff to institute a composite suit, however it does not give an absolute right to the Plaintiff. The said provision is not mandatory.

Therefore, the Defendant's counsel contended that a suit in which reliefs of design infringement and passing off are clubbed ought to be rejected.

### **Points for Consideration**

The Hon'ble Court framed the following points for consideration:

- (a) Is the Court compelled by anything in law to reject a plaint for misjoinder, if two causes of action cannot be clubbed?
- (b) Are the two causes of action, i.e. a claim for design infringement and the other for passing off, so disparate or dissimilar that

the Courts cannot try them together in one suit?

## **Analysis and Conclusions**

### **Point (A)**

In order to address the question raised, the Hon'ble Court examined Orders I and II, CPC. It was observed that a conjoint reading of Order I Rule 3 and Order II Rule 3 would indicate that question of joinder of parties also involves joinder of causes of action. This position is premised on the principle that if one is made a party to a suit because of a cause of action against him; when the causes of action are joined the parties too are joined. Therefore, the subject of joinder of causes of action is a mirror image of issue of joinder of parties. Provisions of Order I, Rules 3A, 4, 5 and 9, CPC which state that the suit shall not be barred and/or defeated as a consequence of misjoinder or non-joinder of parties, would also apply to Order II, CPC. Therefore, when a plaint suffers from misjoinder or non-joinder of parties or causes of action, the same is not barred by law or be liable to rejection. Throwing light on Order VII Rule 11, CPC, it was observed that an objection to frame of suit is at best a procedural one and cannot result in rejection of plaint (unlike section 80, CPC in which the bar is absolute). The Court heavily

placed reliance on the case of *Prem Lata Nahata and Another v. Chandi Prasad Sikaria*, (2007) 2 SCC 551 (hereinafter referred to as “**Prem Lata**”) in making these observations.

Dealing with the decision in *Dabur India*, the Court observed that in those facts, the causes of action could not be joined because the Court lacked the territorial jurisdiction to try each cause of action. That, however, does not mean that *per se* the Court does not have jurisdiction to try a composite suit encompassing two causes of action.

The Court also observed that the CPC visualizes in Order II, Rules 4 and 5, what causes of action cannot be united in one suit. These are express bar or exceptions to Order II Rule 3. Therefore, in presence of such express bar, there cannot be any other implied bar or exception.

The Court also observed that Order II Rule 6 enables the Court to segregate different causes of action, if it is inconvenient to try them together, or it is likely to embarrass the proceedings. Analysing the said provision, it is observed that it enables the court to order separate trial, direct sequencing of trial of disparate issues or to take any other step to facilitate the task of the Court but not to reject the plaint.

On the basis of the above-mentioned points, the court concluded that the decision in Microlube Judgement, that two causes of action, one for relief in respect of passing off, and other in respect of design infringement cannot be joined, is erroneous and accordingly overruled.

### **Point (B)**

In order to address this question, the court examined the differences in the nature of suits for design infringement and one for passing off. Upon a detailed examination, the court observed that in regard to both the causes of action, suit claims are against the same defendants and in respect of the same set of acts or transactions. The only difference is that the relief claimed is different.

The court observed that the factual overlap is with respect to presentation- in the design, it is the novelty and aesthetic presentation; in a passing off action, it is the distinctiveness of a mark with the attendant association with the owner. In order to show infringement, fraudulent imitation has to be proved and to show passing off, misrepresentation by the defendant to the public and consequent harm to the plaintiff's reputation has to be shown.

It was observed that is evident that there is a similarity in the two causes of action. The complaint of passing off as well as that of design infringement emanate from the same fact - **sale or offer for sale, by the defendant of the rival product.**

The court observed that the basic facts which impel a plaintiff to approach a court, complaining of design infringement are the same as in the case of passing off. In such circumstances, it is inconceivable that a cause of action can be “split” in some manner and presented in different suits. In this context, this court notes that whereas Order II Rule 3 enables plaintiffs to join disparate causes of action, Order II Rule 2 compels the whole claim to be clubbed together.

The court also opined that a composite suit has the advantage of a bird's eye view by the court, with respect to a common set of facts - if for some reason, the claim for design infringement is *prima facie* weak and the plaintiff cannot secure interim relief, it does not have to face uncertainty of another action before another court; the same court can review the same facts and evidence, and conclude *pendente lite*, if *prima facie* passing off is made out, necessitating interim relief.

## **Conclusion and Comments**

The Hon'ble Court has, by way of the present decision, set out the principle that the reliefs of design infringement and passing off can be clubbed together in a composite suit if causes of action arise from the same set of transactions and provided that the court has the necessary jurisdiction in respect of both the causes of action independently.

The present decision is a welcome move by the Hon'ble Court, since it not only reduces multiplicity of suits, but also avoids creating contradictory situations by ensuring that the same set of facts are being examined by a single forum and not multiple fora.