

INDIA INTELLECTUAL PROPERTY UPDATE

INDIA IP UPDATE is an Intellectual Property periodical of Singhania & Partners, which offers to provide the latest on IP related laws, case studies, news and events.

OCTOBER 2011

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**LEGAL
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Patents - Invention Disclosure - Bane or Boon

- By Dipak Rao & Neel Kamal Jain

A patent is the monopoly granted by the State to a patentee for a fixed period of time. The granting of a patent right to an inventor or to a patentee is based upon the basic principle that the government confers an exclusive right upon such person to industrialize his invention, in exchange of his disclosing his invention to the government, which information is later on transferred to the public by the government. Therefore, while applying for a patent, a patentee has a duty to disclose his invention completely in an application made for a patent at the Patent Office where he is filing his application.

The context of the general law relating to invention disclosure during filing of a patent application is nearly the same in all the countries. The law generally is that the specification should contain a written description of the invention, and of the manner and process of making and using it, in full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same, and shall set forth the best mode contemplated by the inventor of carrying out his invention. In USA, this law is set forth in Manual of Patent Examining Procedure 35 U.S.C. 112 while in India section 10(4) of the Patents Act, 1970 (the Act) governs the law relating to the duty of invention disclosure in a patent application. Article 83 European Patent Convention also lays out the similar law in European Patents. The basic requirement of invention disclosure is that the patent application must disclose the invention and the method of performing the invention in a manner sufficiently clear and complete for it to be carried out by a person skilled in the art.



Failure to sufficiently disclose the invention in a patent application is a ground for opposition. In India, section 25 clauses (1) and (2) of the Act enumerate that any person can represent by way of opposition or may give notice of opposition to the Controller that the complete specification does not sufficiently and clearly describe the invention or the method by which it is to be performed. This opposition can be made after an application for a patent has been published but a patent has not been granted on it i.e. pre-grant opposition or at any time after the grant of a patent but before the expiry of a period of one year from the date of publication of grant of a patent i.e. post-grant opposition.

However, an important point to be considered here is that novelty in an invention is also an essential prerequisite for obtaining a patent on an invention. There are cases where the invention disclosure destroys the novelty of the invention and in turn results in the loss of a right to obtain a patent on that particular patent application. This happens when there has been a public disclosure of the invention even before a patent application has been filed at the Patent Office. Even a single instance of invention disclosure, made to even a single person, before filing the patent application, destroys the novelty of the invention. Although an exception to this rule is when the person to whom the invention has been disclosed agrees that the invention was disclosed to him in confidence.

Disclosure of an invention, even before filing an application for a patent is a ground for opposition. In India, section 25 clauses (1) and (2) of the Act states that if the invention as claimed in any claim of the complete specification has been published before the priority date of the claim or was publicly known or publicly used in India before the priority date of that claim, then this too becomes a ground for opposition, pre-grant or post-grant opposition.

The law as mentioned above, relating to the invention disclosure, is a general law and is similar in nearly all the countries, be it USA, European Patents, India or Japan or any other country for that matter, with slight variations. For instance, usually, any written or oral disclosure of the invention is considered a public disclosure in most countries. However, in USA, it has been established that only the written form of disclosure, in any manner, amounts to be the pre-filing disclosure. In USA, oral disclosure of the invention is not considered to be the invention disclosure and does not destroy the novelty. But, any publication of the invention, made by any person, subsequent to the oral disclosure of that invention may amount to be invention disclosure or may be considered as a prior art to the invention and destroy the novelty in that invention.

From the above discussion, we may conclude that an inventor or a patentee, who is in possession of an invention and is looking forward to obtain a patent right for that invention, should be careful about disclosing his invention to the public, before he has filed an application for a patent with respect to that invention at any Patent Office. Further, while filing an application for a patent, he should describe his invention in the complete specification in a clear and precise manner, sufficiently, and should also describe the best method of performing that invention, in the complete specification. A failure to comply with these basic requirements can become a ground for opposition, even after the grant of a patent and is fatal to the application for a patent or to the patent itself.



Dipak Rao
E: dr@singhania.in



Neel Kamal Jain



IP CASE LAW

Person shall not be entitled to subscription of channels without having license of it.

In the matter of **ESPN Software India Private Ltd. ("Plaintiff") vs Tudu Enterprise and Ors. ("Defendants")**, CS (OS) 384/2011, the Delhi High Court held that a person shall not be entitled to subscription of channels without having license of it.

Facts

The Plaintiff claimed that it had exclusive rights for India and other territories for telecasting the ICC Cricket World Cup 2011. Further, no other person, entity and/or Cable Operators can broadcast/telecast in India, the said event without a license from the Plaintiff. The Plaintiff contended that the Defendants are Multi Systems Operator (MSO) and /or Local Cable Operators (LCOs) having their respective Head end(s)/cable network(s) in the cities. The Defendants without entering into contracts either with the distributor of the Plaintiff or with the Plaintiff, were transmitting its networks channels and showed events to their subscribers and violated the Plaintiff's broadcast reproduction right granted under the Copyright Act, 1957. In the instant case the counsel of the Plaintiff also placed reliance on the internationally adopted "John Doe" practice for the violation by the Defendants.

Issue

Whether the Defendant's act of transmitting network channels of Plaintiff can be justified?

Arguments

The Plaintiff claimed that it had exclusive rights for telecasting the ICC Cricket World Cup 2011 in India and other territories. The MSO and LCOs after entering into a license with the Plaintiff are granted a license to transmit its channels, namely, ESPN, STAR Sports and STAR Cricket ("Channels"). The Plaintiff contended that the act of the Defendant in distributing its signals to other cable operators and cable homes without any license was unlawful and violative of its broadcast reproduction right.

The Plaintiff submitted that despite its efforts, it has not been able to obtain full particulars of the persons who have been collectively referred to as "Mr. Raj Sharma". The Plaintiff submitted that these were the unknown entities who being unlicensed are likely to unauthorisedly transmit the Plaintiff's Channels via their network without a license. The Plaintiff placed reliance on the Trade Mark Laws of various countries wherein the "John Doe" orders were served upon persons whose identity was unknown at the time the action was commenced, but whose activity falls within the scope of the action. This form of naming a party is considered a "misnomer" and as long as the 'litigating finger' is pointed at such persons the misnomer is not fatal.

The Plaintiff further contended that unauthorized cable transmission of its Channels would result in irreparable loss and damage to its goodwill including subscription and advertisement revenue loss. Further, other cable operators who have procured licenses would be encouraged to transmit unauthorized signals without making payments if the Defendant was allowed to continue such acts.

Judgment

The Delhi High Court stated that the Plaintiff's Channels were paid channels and viewed by persons who were subscribers through authorized cable operators. Therefore, only authorized licensees could use/distribute encrypted channels. Further, the licensed cable operators used decoder or decryption device which have unique numbers given by the Plaintiff. The unauthorized transmission of these channels is violative of Section 37 (3) of the Copyright Act, 1957 and thus was not justified. The Court stated that "John Doe" orders are passed in the court of countries like Canada, America, England, etc. having basic similarity with the Indian judicial system. Therefore, in view of the facts and circumstance of the case and in the interest of justice, the courts in India would be justified in passing the "John Doe" orders.

The Court further held that the Defendants/their agents, representatives, or anyone claiming under them were restrained from distributing, telecasting and broadcasting/rebroadcasting or in any other manner communicating to the viewing public/subscribers either by means of wireless diffusion or by wire or in any other manner the ICC Cricket World Cup, 2011 being telecasted on the Channels and/or in any other manner infringing the copyright /re-broadcast right of the Plaintiff by downloading any other channels not registered under the down linking guidelines till further orders.



Dipak Rao
E: dr@singhania.in



Nireeti Gupta

INDIA IP UPDATE

Siemens gets ex-parte relief in trademark infringement case

The Delhi High Court has issued an ex-parte injunction against SSS Sports Syndicate preventing them from using the well-known trademark "SIEMENS" in respect of "carrom powder" or any other goods manufactured and sold by them. Justice Gita Mittal issued this order in a case filed by Siemens, a company based in Germany which has a considerable presence in India. Siemens through its advocate argued that, their trademark is a well-known and registered trademark in India, which is used for a wide variety of products and that the defendant SSS Sports Syndicate has adopted the trademark "SIEMENS" in relation to its goods so as to benefit from the reputation and goodwill of the plaintiff and also to take advantage of the goodwill to earn undue profits.

[SOURCE](#)

India's IP filings increases by 13.5% in 5 years: WIPO

India had filed over 182,322 Intellectual Property (IP) applications from 2005 to 2009 and out of these 79,683 IP rights have been granted, it has depicted a growth rate of 13.5 per cent in five years, revealed a report released recently by World Intellectual Property Organization (WIPO) in Geneva. The report 'WIPO IP Facts and Figures 2011' provides an overview of intellectual property (IP) activity globally on the latest available year (between 2005 and 2009). The report covers four types of Intellectual Property namely patents, utility models, trademarks and industrial designs. With regard to India, the report has put forth that India showed the highest five-year growth (13.5%) from 2005 to 2009.

[SOURCE](#)

Firms race to block misuse of name on .XXX domain

In the normal course, when a new Internet domain opens up, companies rush to register. In this case, the race is to stay out. Net4India says 38 companies have approached it seeking to "block" their trademark on the newly-opened .XXX domain, to prevent any misuse of their brand-name by others. The .XXX is a new sponsored top-level domain meant for pornographic content and, globally, it has just opened for registration to brand and IP holders inside and outside the community. Indian cyber law prohibits creation or transmission of obscene content. Companies that have approached Net4India, an Internet Corporation for Assigned Names and Numbers (ICANN)-accredited registrar, want their trademark blocked or excluded on that domain so as to prevent anyone from registering or misusing it.

[SOURCE](#)



No exclusive copyright over name of a deity, says Delhi High Court

In a unique judgment on the use of the names of deities for business purpose, the Delhi High Court said that no commercial unit can claim copyright or exclusive trademark right over the name of a particular deity. The bench, headed by Justice Pradeep Nandrajog, was deciding on a row between two city-based manufacturers of milk and butter over labelling their products as "Krishna" and using pictorial representation of the deity. Since as per mythology, the deity is believed to be fond of milk and other dairy products, especially butter, and is worshipped worldwide by Hindus, the name "Krishna" cannot be exclusive to any particular dairy company, the Judge said, while dismissing an appeal filed by Bhole Baba Milk Food Industries against Parul Food Specialities.

[SOURCE](#)



Ra.One copyright issue heats up, Bombay High Court reserves order

Television producer and script writer Mr. Yash Patnaik has moved the Bombay High Court claiming that the film Ra.One, starring Shah Rukh Khan was conceptualised by him, and the producers of the film have copied his idea of an Indian superhero and thus violated the Copyright Act, 1957. The Division Bench of Chief Justice Mohit Shah and Justice RS Dalvi will be pronouncing the order on the plea. According to Mr. Patnaik, he has spent thousands of hours on conceptualising the entire superhero film and on December, 26, 2006, he had registered the concept with the Film Writers Association. The Court after hearing both of the sides suggested the defendants Mr. Khan and the producers pay a bank guarantee in the Court, which was refused. Accordingly the Court has reserved its order.

[SOURCE](#)



European Union Court: AB InBev, Budvar Can Both Use Budweiser Trademark

Beer giant Anheuser-Busch InBev NV (BUD) and smaller Czech rival Budejovicky Budvar can both use 'Budweiser' as a trademark in the U.K., Europe's highest court ruled, in the latest round of a long-running feud over the rights to the Budweiser name. "United Kingdom consumers are well aware of the difference between Budvar's beers and those of Anheuser-Busch," the Luxembourg-based Court of Justice said in a statement after the ruling. The companies have both used 'Budweiser' as a brand name for many years and both registered the name as a trademark in 2000.

[SOURCE](#)

Luxury Retailer Chanel Sues 399 Websites for Selling Counterfeit Goods

Chanel Inc. has filed a sweeping cyber piracy and trademark infringement lawsuit in Nevada against 399 websites the company accuses of selling counterfeit items bearing the luxury retailer's name. The suit filed in U.S. District Court in Las Vegas seeks unspecified damages from unnamed operators of websites that the New York-based fashion house alleges operate from China, the Bahamas and other overseas jurisdictions where trademark enforcement is lax. It seeks an order to seize or disable website domain names and an injunction barring defendants- identified only as "partnerships and unincorporated associations" - from selling counterfeit goods including handbags, wallets, shoes, boots, sunglasses, scarves, T-shirts, watches and jewellery bearing the Chanel name.

[SOURCE](#)

McDonald's In Trademark Dispute with Jus' Mac Restaurant

Houston macaroni and cheese joint Jus' Mac has found itself embroiled in a trademark dispute with McDonald's since the word Mac is similar to some of McDonald's products, such as the Big Mac. Jus' Mac owner filed a trademark application for Jus' Mac in October 2010 and has since amended the trademark to include "A Mac N' Cheese Eatery," to hopefully avoid any confusion with McDonald's. The parties are attempting to reach a compromise.

[SOURCE](#)

SAP AG will pay fine of \$20 million in Oracle copyright case

SAP has agreed to pay just over \$20 million to settle a criminal case brought against its TomorrowNow subsidiary. SAP Chief Financial Officer of Global Customer Operations pleaded guilty on behalf of his company to charges that employees of TomorrowNow accessed Oracle's customer support portal without authorization and illegally downloaded software and support documents. In a plea agreement struck between SAP's TomorrowNow subsidiary and the U.S. Department of Justice, the company agreed to pay \$20,004,800 in fines and submit to three years of corporate probation.

[SOURCE](#)

INTERNATIONAL IP UPDATE



Samsung Says Apple Infringes Its Wireless Patents 'Structurally'

Apple Inc. has been "structurally" infringing Samsung Electronics Inc. patents since it entered the mobile-phone market by introducing its iPhone 3G, a lawyer representing the Korean company told a Dutch court. Samsung, world's second-largest maker of mobile phones, filed four lawsuits against Apple in the Netherlands. Samsung is claiming Cupertino, California-based Apple's iPhone and iPad that use 3G technology infringe Samsung patents and is seeking a ban of the sale of products in The Netherlands. The legal battle between Apple and rival smartphone makers is intensifying as an increasing number of consumers use smart phones and wireless handsets to surf the Web, play games and download music and videos.

[SOURCE](#)



Italy Prepares 'One Strike' Anti-piracy Law

The Italian government is preparing an anti-piracy law that could ban Internet users from access after one alleged infringement, a lawyer and an analyst warned. ISPs would be required to use filters against services that infringe copyright, trademark or patents under terms of the draft law. The proposed changes to Italy's e-commerce directive were drafted in July by members of parliament belonging to the Il Popolo della Libertà (PdL) party of Prime Minister Silvio Berlusconi. After analyzing the proposed amendments, Paolo Brini, spokesperson for ScambioEtico, a grassroots movement committed to copyright reform, concluded the Italian government is in fact proposing a "one strike" out Internet law. Citizens could be disconnected from the Internet if a provider is notified of an alleged copyright, trademark or patent infringement on the Web. ISPs would have to blacklist citizens who are only suspected of infringements and providers might be compelled to install filters to sniff out copyright, trademark or patent abuse. Furthermore, ISPs that do not comply with the filter requirement could be held liable under civil laws.

[SOURCE](#)



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