

INDIA

A busy year for IP in India

After a successful year of adherence to the Madrid Protocol, **Vikrant Rana** and **Ritika Mogha** of **S.S. Rana & Co.** look at how India is becoming an increasingly IP-aware country

In recent years, India has made robust progress not only in implementing its obligations under various international treaties but also in developing its own IP regime. Several initiatives have been implemented, including the digitalisation of the IP Office, the introduction of a pilot project to expedite the examination of patent applications, the introduction of a dynamic trade mark utility enabling the public to see in real time the stock and flow of trade mark applications.

Government agencies, industry associations and non-governmental organisations are developing tools to enable India to improve and expand its own pro-IP regime. Training programmes and workshops on IP rights focusing especially on



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Table 1.1: International applications originating from India (2013-2014)

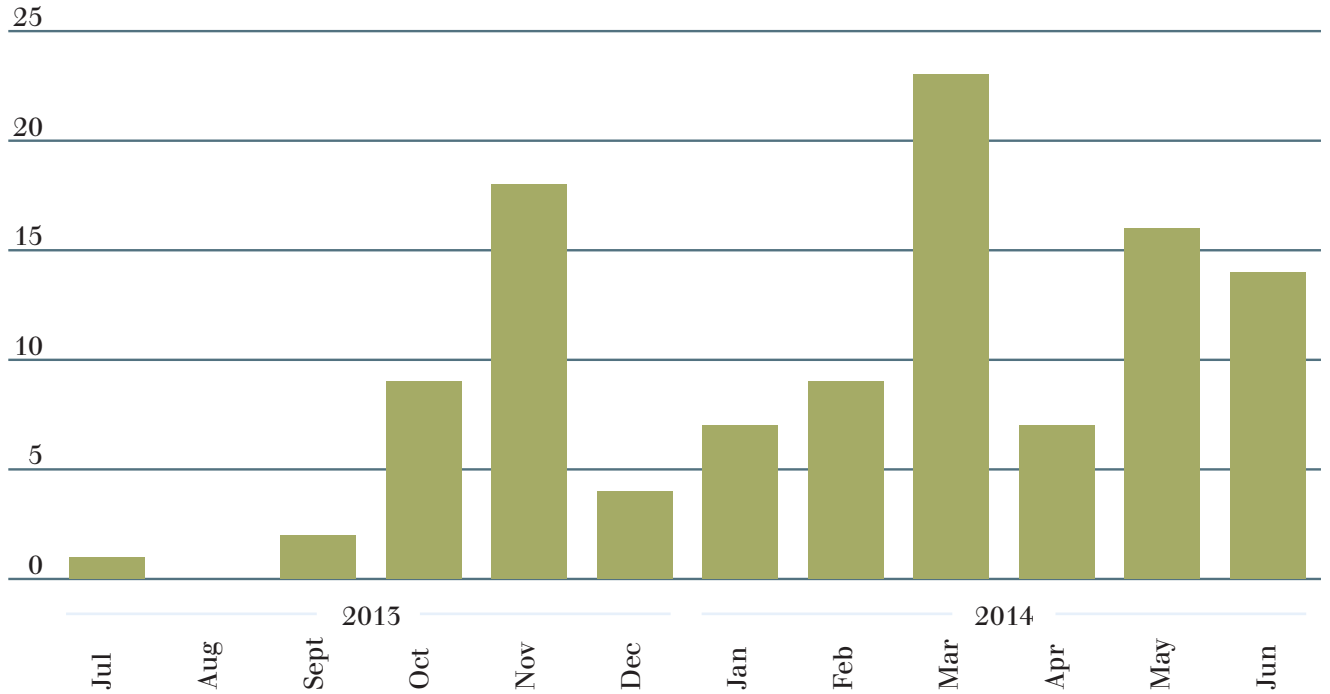
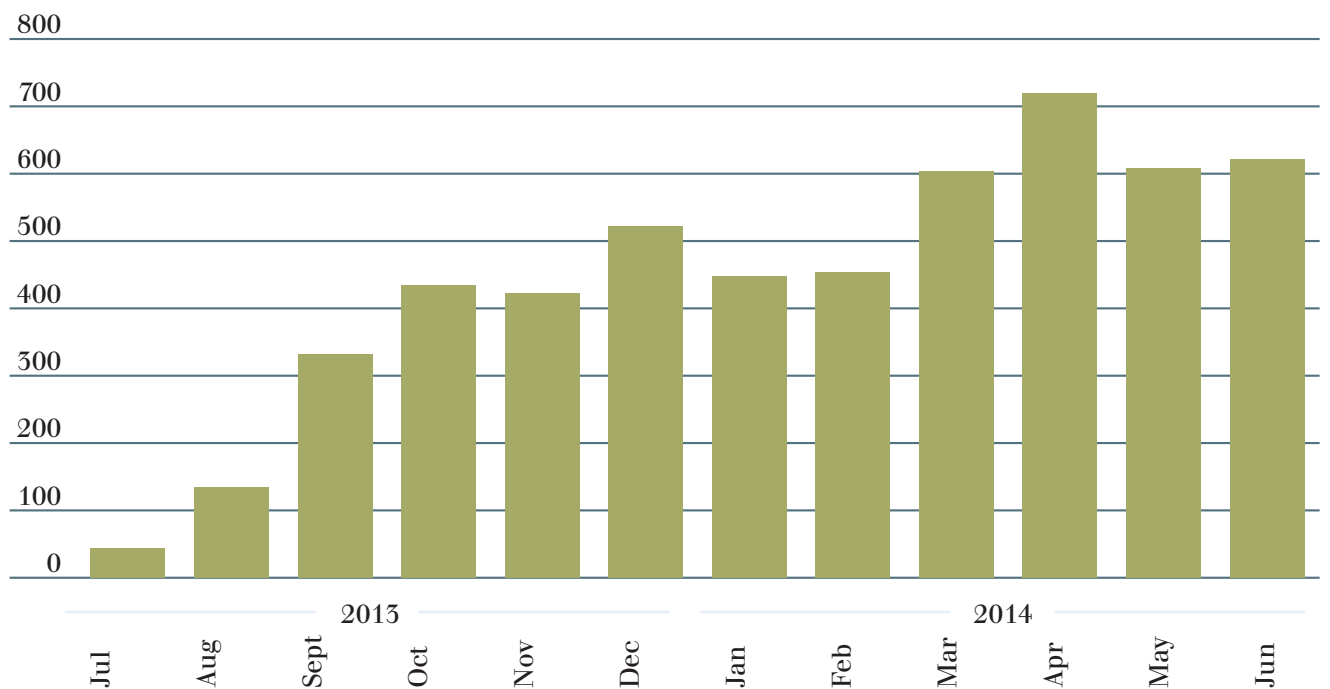


Table 1.2: International applications designated to India (2013-2014)



Source: Statistics under Madrid System, WIPO

micro-, small- and medium-size enterprises are being organised by various government ministries and non-governmental organisations across India.

The Madrid Protocol's first year in India

The Madrid system for the international registration of marks 1989, which came into force in India as of July 8 2013, has completed its first year in India. The Madrid Protocol has received an honoured response from Indian applicants. More than 100 international applications have originated in India since July 8 2013.

Table 1.1 shows trends of international applications originating from India.

The highest number of applications recorded by WIPO are domiciled in the economic capital of India, Mumbai, followed by domiciled applicants from its political capital, New Delhi.

India has also been designated in more than 5,000 international applications since July 8 2014, with the low individual fees of SFr51 (\$56) being one of the factors leading to such a high number.

Table 1.2 shows international trade mark trends of applications designating India.

The number of international applications originating in India continues to increase, as compared to the number originating from Mexico, Tunisia and Rwanda, who also acceded to the protocol in the year 2015.

Table 1.3 shows the data regarding international applications originating from these four nations.

It is clear to see that India has the highest international applications filed under the Madrid Protocol, with over 100 applications. India has also fared well in terms of applications designating India.

Table 1.4 shows numbers of applications designating each of the four nations.

One of the reasons for such designations is the declaration made by India under article 14(5), which states that any international registrations before the Protocol entering into force in India would not to extended protection under the Protocol.



Vikrant Rana

Vikrant Rana is the managing partner of SS Rana & Co. He is an advocate-on-record with the Supreme Court of India (2006) and a registered patent agent. For over a decade, Vikrant has been providing practical legal advice to many Fortune 500 companies and some of the world's most esteemed corporations on securing, protecting, and enforcing their IP assets in India and the world over.

Vikrant is actively involved in raising awareness of IP rights in India and is associated with several government organisations, including TIFAC (Technology Information Forecasting and Assessment Council), the Department of Science and Technology, FICCI (Federation of Indian Chambers of Commerce and Industry), the Ministry of Small Scale Industries (MSSI), and WIPO and is a frequent speaker and panelist at seminars and conferences conducted by these organisations. Vikrant is also a member of several law associations and forums including INTA, FICPI (International Federation of Intellectual Property Attorneys), APAA (Asian Patent Attorney's Association) and AIPPI (International Association for the Protection of Intellectual Property).

Marrakesh Treaty: India first to ratify

India became the first country to ratify the Marrakesh Treaty, on June 24 2014. The Treaty was adopted by 79 WIPO member countries of on June 27 2013 (including India), and it will come into force once twenty countries ratify the same. The main goal of the Marrakesh Treaty is to facilitate access to published works for persons who are blind, visually impaired or otherwise print disabled. India, in the Copyright Amendment Act 2012, put in place appropriate mechanisms to implement the provisions of this treaty in India.

The copyright laws in many countries act as a barrier to the creation and distribution of copies of work in formats accessible to people who have print disabilities. The making of a copy in an accessible format such as braille, without the authorisation of the right holder, could constitute an infringement of rights in the reproduction and preparation of derivative works; unauthorised distribution constitutes yet another infringement. The export or import of accessible format copies could trigger infringement liabilities. In order to deal with this deficit, an amendment in the Indian Copyright Act was introduced in the Copyright Amendment Act 2012 and the amended provision (section 52(1)(zb)) permits the conversion of work into any accessible format exclusively for the benefit of persons with disabilities. Therefore, the Copyright Amendment Act 2012 is in harmony with the guidelines elucidated in the Marrakesh Treaty.

Nagoya Protocol: To enter into force

The Nagoya Protocol, as ratified by India in 2012, is likely to come into force on October 29 2014, which is the stipulated period of 90 days after receiving its 50th ratification instrument from Switzerland in July 2014.

The Protocol is a supplementary agreement to the Convention on Biological Diversity. It provides for a transparent legal framework for the effective implementation of one of the three objectives of the Convention on Biological Diver-

Table 1.3: Comparative study (Originating from the countries)

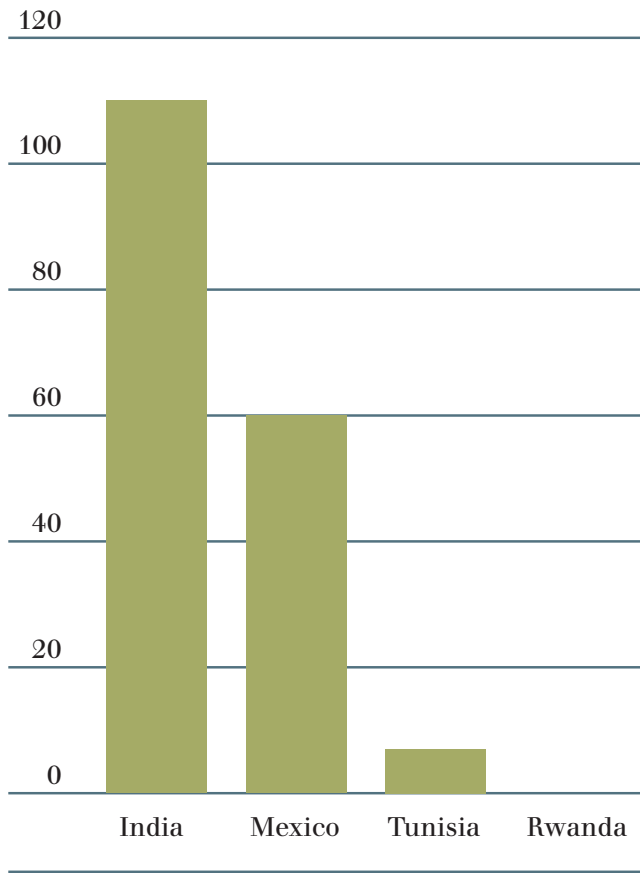
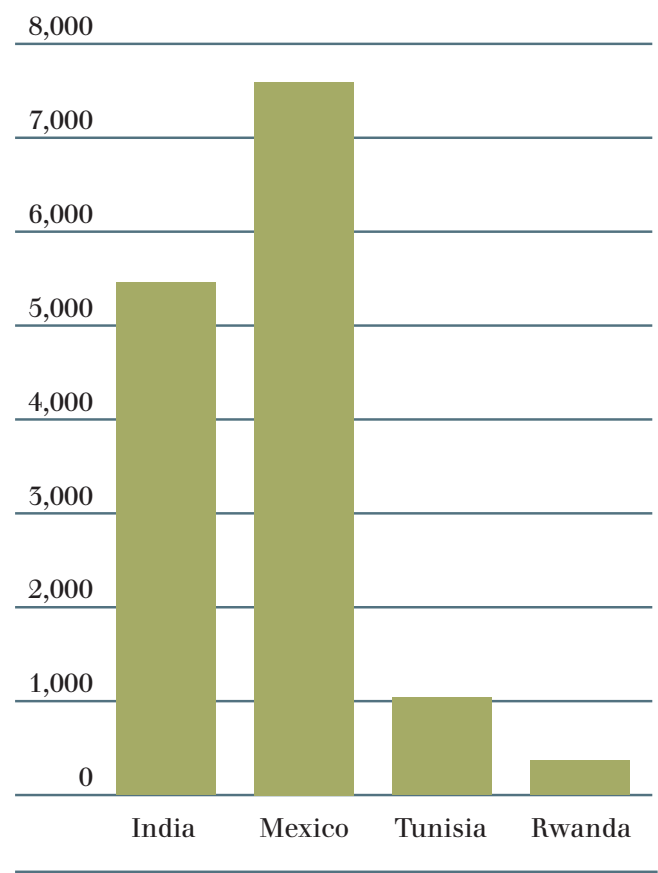


Table 1.4: Comparative study (Designated to the countries)



Source: Statistics under Madrid System, WIPO

sity: the fair and equitable sharing of benefits arising from the use of genetic resources. In this way, it is making a contribution to the conservation and sustainable use of biodiversity.

As a recognised ultra-diverse country, this protocol will help India overcome the vulnerabilities it faces due to lack of transparency, and it will encourage benefit-sharing in the use of biological (genetic) resources.

Recent case laws and amendments

Case law

The role of the judiciary assumes great importance in protecting and enforcing IP rights. Recent judgments delivered by the Indian judiciary have re-affirmed this. The courts of law in India continue to recognise principles of comparative advertising and personality rights and companies are cautioned to refrain from indulging in disparaging advertisements.

In the case of *GM Modular Switches v Havells*, the High Court of Delhi, in its judgment dated May

29 2014, upheld the principle “though a competitor can claim that its products are the best in the world, he cannot say that his products are good and those of his competitors’ are bad”. In line with this principle, it ordered the defendant to refrain from telecasting, displaying and broadcasting its advertisement, which was held to be deliberately aimed at reducing the sales of the plaintiff. The defendants had disparaged the plaintiff’s electric switches and its unique design by displaying them in their advertisement in a bad light (pun intended) coupled with background lyrics “*sab kuch lagaya lekin Havells RCC & MCB nahi lagaya*”, which in English can be translated as “the shock is the result of not using Havells RCC & MCB switches”; this was solely meant to damage the goodwill and reputation of the plaintiff’s electrical switches.

In *ICICI Bank v Ashok Thakeria* of September 9 2013, where the defendants were the producers of the Bollywood film *Grand Masti*, were restrained by the High Court of Delhi from broadcasting the trailer of their film. The trailer

depicted a robbery scene, which appears to be taking place in a bank by the name IBIBI Bank, used in conjunction with an 'i' logo which was deceptively similar to the 'i' logo of the plaintiff bank.

A personality rights matter involving Bollywood celebrity singers also attracted attention. In *Sonu Nigam v Amrik Singh (alias Mika Singh)* the Bombay High Court, in its order dated April 26 2014, recognized the personality rights of music composers and singers from Bollywood in a battle between two doyens of the industry, Mika Singh and Sonu Nigam.

The parties to the case were to appear at the Mirchi Awards 2013, and were shown through photographs on the official posters of the event, with their due consent. The first defendant in the case, Mika Singh, in order to promote himself displayed hoardings and posters, which were different from official hoardings and posters of the Mirchi Awards 2013, carrying huge pictures of himself along with smaller pictures of other artists, including Sonu Nigam, without their consent and permission. It was stated that said hoardings and posters gave an unjustified and incorrect impression to public about the prominence given to Mika Singh as compared to other artists.

The Court restrained the defendants from displaying the pictures of the plaintiff without consent and ordered the defendant to pay Rp1 million (\$16,400) as damages towards specified charities, as consented by the parties.

In *Bayer Corporation v Natco Pharma*, the High Court of Bombay in its order dated July 15 2014, upheld the decision of the Intellectual Property Appellate Board (IPAB) to grant a compulsory licence (CL) to Natco Pharma to manufacture and distribute a generic version of Bayer's drug Nexavar, a kidney cancer drug.

The patented form of the drug would cost Rp280,000 per pack of 120 capsules, whereas the generic form proposed by Natco Pharma would cost only Rp8,800 per 120 capsules. This was the first time that the Indian Patent office has granted a CL for a drug in India.



Ritika Mogha

Ritika Mogha is an IP attorney at SS Rana & Co. She obtained her LLM in business law from the National Law School of India University, Bangalore. She is proficient in all aspects of trade marks and copyright, including prosecution of trade mark applications before the Indian Trade Marks Office, searches, drafting assignments, copyright applications and providing opinions related to queries on trade marks and IP litigation.

Ritika revises and updates the books *Mogha's Law of Pleading in India* and *Mogha's Indian Conveyancer*. These are two of India's leading books on drafting and pleading, which detail the latest court decisions. She has a flair for writing and regularly submits articles for the firm's newsletter and for various legal journals. Ritika also captains the firm's women's basketball team.

Indian Patent (Amendment) Rules 2014

The Patent Rules were amended in 2014, bringing several changes to existing rules. First, the amendment introduced a third category of applicant under rule 2(da), where a person other than a natural person should include a small entity. Second, the amendment also revised the basic application fee which will vary depending on the type of application filed with the Indian Patent Office (a physical form or e-filing). The e-filing fee is cheaper than physical form filing.

Royalty rates for standard essential patents

Two Indian mobile companies, Micromax and Intex, filed complaints with the Competition Commission of India (CCI) against Swedish standard essential patents (SEP) giant Ericsson, alleging abuse of dominant position due to its alleged conduct of charging discriminatory, unfair and exorbitant royalties whilst negotiating SEPs of GSM (global system for mobile technology).

In both cases (Micromax and Intex), the CCI (in orders dated November 12 2013 and January 16 2014) made a prima facie determination of abuse of dominant position and ordered a further investigation under section 26 of the Competition Act 2002 into the complaints. The order was a first in many respects, as the CCI had never before adjudicated on SEPs. Nor

has any regulatory competition body in the world discussed royalty rates. In fact, regulatory bodies throughout the world have shirked from determining royalty rates.

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Ericsson in response filed a writ petition in the Delhi High Court challenging the CCI's jurisdiction to investigate Ericsson's actions, as the Patent Act itself provides adequate mechanisms to balance the rights of the patentee and other stakeholders.

- The Delhi High Court (in order dated February 17 2014) has expressed its displeasure at the CCI entering into an "adjudicatory and determinative" process by recording detailed and substantial reasoning at the section 26(1) stage itself. The single judge directed the director general of the CCI to refrain from passing any final order or report pending the adjudication of this matter in the Court, and restricted the director general from summoning any person working abroad without leave of the court.

The matter is sub-judice with the Delhi High Court and the decision will ultimately shape India's Frand (fair, reasonable and non-discriminatory terms) jurisprudence and determine whether the CCI has the jurisdiction to decide the royalty rates in an SEP licensing agreement.

Procedural modernisation

Patent: pilot project

The Office of the Controller General of Patents, Designs and Trade Marks initiated a pilot project on July 7 2014 to expedite examinations and facilitate the easy transfer of files between the branches of patent offices in Delhi, Mumbai, Kolkata and Chennai. The objective of this project is to maximise the expertise of the officers available within the offices and to develop a system of auto-allocation based on workload.

The project will also spur the Indian Intellectual Property Office (IPO) towards its aim of achieving a paperless environment. All the files to be transferred have to first be classified and then each and every paper has to be digitised and uploaded successfully, as no transfer of physical files are allowed. Through this project, the IPO will initially take 100 patent applications belonging to the electrical or electronics group with the longest-standing request for examination. If the applicant wishes to attend the hearing in person, at the new location, a no objection certificate (NOC) must be submitted by the concerned agent or applicant to this effect. If the applicant

does not wish to attend, the facility of video conferencing will be made available at the original location.

Dynamic trade mark utility

The IPO launched a tool called the stock and flow-based dynamic trade mark utility tool, on May 20 2014. It enables the public (such as trade mark holders, agents, attorney, stakeholders) to see on a real-time basis the various details of a trade mark applications. Such details include: new applications received; applications awaiting examination or under examination; applications in post-examination; applications under show cause hearing; applications published and awaiting opposition; applications under opposition; applications in the registration process; applications which have been registered.

The tool devised by the Registry can be categorised as exemplary. Apart from generating the report relating to the fundamental processes involved in the registration of trade marks, it also allows its viewers to refine their search by providing a further process of filtration involving a choice between Stock as of Date and Flow of Stock within a Period.. This is one more step towards making the Indian Intellectual Property Office more transparent.

E-filings

In a further step towards the digitalisation and upgrading of the Indian Intellectual Property Office, replies to office actions and examination reports can be filed online. Further, notices of opposition and counter statements, for example, can now be filed online with the Indian Trade Marks Office.

The online filing of replies to examination reports or notices of opposition will not only be time- and cost-effective for trade mark holders and their attorneys, but will also facilitate speedier examination or disposal of opposition proceedings.

An exhaustive copyright web portal was launched on February 17 2014. The web portal facilitates the e-filing of copyright applications and allows applicants to check a copyright application under its diary number.

An IP-conscious nation

Given the steps taken on a domestic and international level, it is clear that India is developing into an IP-conscious nation. As a developing country, India has recognised its strong points and made a commendable effort in overcoming difficulties.

On the international front, there are constantly new horizons opening up and India is never one to shy away from its obligations as an active member of the United Nations. It responds to its duty to adhere to the many treaties, conventions and protocols either under the UN or independent of it.

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