



INSTITUTE OF AERONAUTICAL ENGINEERING

INTELLECTUAL PROPERTY RIGHTS

FIVE UNITS PPTS

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UNIT - 1



Trade Marks Act, 1999

TM Non-conventional Trade Marks

Microsoft



Twentieth Century Fox



Yahoo!



TM Trade Marks Act, 1999

(Act No. 47 of 1999)

“An Act to amend and consolidate the law relating to trade marks, to provide for registration and better protection of trade marks for goods and services and for the prevention of the use of fraudulent marks”

- This Act replaces the **Trade and Merchandise Marks Act, 1958** (43 of 1958) which is repealed by this act.
- It extend to the **whole of India**
- It shall come into force on such date as the Central Government may, **appoint by notification in the Official Gazette**



Who can use a trade mark ?



- ✓ The right to use a mark can be exercised either by **the registered proprietor or a registered user** or anybody else who has been duly authorized by the registered proprietor or a registered user.
- ✓ The objective of the Trade Marks Act, 1999 is to register trade marks applied for in the country and to provide for better protection of trade mark for goods and services and also to prevent fraudulent use of the mark.

TM Who can make an application ?

- **Any person** who claims to be **the proprietor** of a trademark used or proposed to be used by him can apply for the registration of the mark for **goods as well services**.
- The application for registration has to be made in writing to **the Registrar of Trade Marks** and it has to be filed in the office of the Trade Mark Registry under whose jurisdiction the principal place of the business of the applicant in India falls.
- In case the principal place of business is **outside India**, then the application can be filed in the office of the Trade Mark Registry, under whose jurisdiction the place that has been mentioned in the 'address for service' section of the application (usually office of the lawyer appointed by the person) is located.
- In case of a **company about to be formed**, anyone may apply for a trademark registration in his name for subsequent assignment of the registration in the company's favor.



Assignment, Transmission and Licensing of Trademarks in India

- **Assignment** means an assignment in writing by an act of the parties concerned. While in case of **licensing**, the right in the trademark continues to **vest with the proprietor**, the assignment of the trademark leads to a change in the ownership of the mark.
- According to section 39 of the Indian Trade Marks Act, 1999, a registered trademark is **assignable with or without the goodwill** in respect of all or only some of the goods/services for which the mark is registered.
- Indian law contains embargo on the assignments of trademark, whether registered or unregistered, whereby multiple exclusive rights would be created in more than one person which would result in deception/confusion.

™ Legal requirements for registration ®

- The selected mark should be capable of being **represented graphically** (that is in the paper form).
- It should be capable of **distinguishing the goods or services** of one undertaking in relation to which it is being used from those of others.
- It should be used or proposed to be used in relation to goods or services for the purpose of **indicating a connection** in the course of trade **between the goods or services and some person** having the right to use the mark with or without revealing identity of that person

™ Duration of trade mark protection in India

- Term of registration of a trademark is **ten years**, which may be **renewed** for a further period of **ten years** on payment of prescribed renewal fees.
- However, **non-usage** of a registered trademark for a continuous period of **five years** is a valid ground for **cancellation of registration** of such trademark at the behest of any aggrieved party.



Infringement of trade marks



- **Infringement of trademark is violation of the exclusive rights** granted to the registered proprietor of the trademark to use the same. A trademark is said to be infringed by a person, who not being a permitted user, uses an identical/ similar/ deceptively similar mark to the registered trademark without the authorization of the registered proprietor of the trademark.
- However, it is pertinent to note that the Indian trademark law protects the vested rights of a prior user against a registered proprietor which is based on common law principles.



Passing Off



- **Passing off** occurs in the case of **unregistered Brand Names**.
- The owner or to say **Brand holder** has the preferred right over the Brand owing to long and continuous use though the **Brand being unregistered** (under the Trademark Act), an action of **Infringement cannot be initiated**.
- In such a situation, action of **PASSING OFF** is an alternate remedy. A **'Passing off' action can be initiated in the appropriate Court of law**.
- A Passing Off action can be brought in by the original owner or user of a Brand against another person, who in the course of trade, misrepresents to its prospective or ultimate customers about its goods or services in a manner so as to show that they are connected to the goods or services of the original owner and this is done in a calculated fashion to injure the business or goodwill of the original owner or to earn benefit at the cost of the original owner. It is also important that actual deception and actual damage has to be proved for any relief of passing off.



TM WHO CAN BRING A SUIT OF INFRINGEMENT

- The plaintiff in an infringement suit may either be:
 1. The **owner/proprietor** of the registered Brand/Trademark
 2. A registered user of a trade mark subject to a **prior notice to the registered proprietor** and consequent failure of the registered proprietor to take any action against the infringer
 3. **Legal heir and legal successor of the proprietor** of registered trademark
 4. Legal heirs of the deceased proprietor of a trade mark
 5. **Joint proprietors** of a trade mark



ESSENTIALS IN THE CASE OF INFRINGEMENT



1. **The person must have registered the Brand** (whether in form of words, name, logo, design, tag line etc.) under its name as per the applicable provisions of Trademark Act 1999 to be entitled to file the suit.
2. The suit for infringement can be brought for **unauthorized use of registered brand** or even for intended or threatened use.
3. **The infringement must be of a nature** as it would actually amount to infringement due to the similarity of the mark used with the registered mark or due the mark being identical to the registered mark.

Continuing...

4. It is also **essential to prove** that the person being alleged for Infringement, **knew or had reason to believe that the application of the mark was not duly authorized by the proprietor or a licensee of the mark.**
5. Existence of huge and **natural likelihood of confusion**, between the genuine trademark of the registered proprietor and the mark used by the alleged infringer. For Example, a company dealing in same business using the mark "Samsang", even though the spelling and way of presentation is different from the famous "Samsung" trademark
6. Prominence, Popularity, and Convincing strength of the infringer's trademark by showing similarity in the overall impression caused by both the trademarks. Example: In the pronunciation of mark, overall commercial impression, etc.

Continuing...

- The appellate Board found that in as much as the territory for the licensee is mentioned as Benelux, Switzerland, Denmark, and Israel and the license agreement was in respect of use of trade mark set forth in Schedule-A of the licensed articles and in connection with the manufacture, advertisement, permission, sale and distribution thereof in the territory described therein. Hence, the said license agreement said to have entered into by the petitioner with Dornbusch & Co will not establish the manufacture of garment with trade mark 'camel' by the respondent through the licensee Dornbusch & co.
- Having considered the entire issue, **the appellate Board had rejected all the objections and had ultimately dismissed the appeals.** Challenging the said order the present civil revision petitions.

IPR Protection in India

AGENCIES AND TREATIES

Structure of the Presentation

- ▶ An Overview –The IP Laws of India & its TRIPS Compliance
- ▶ The IP Offices in India
- ▶ Nodal Agencies & Facilitation agencies
- ▶ The Road Ahead



An Overview –The IP Laws of India & its TRIPS Compliance

An Overview

- ▶ India is a signatory of TRIPs in the Uruguay Round agreement of 1995. It is now bound to amend her existing laws in order to make it TRIPs-compliant.
- ▶ The government has initiated action to bring in the requisite changes. In the last few years, India has enacted fully TRIPs-compliant Trademarks Act, Copyright Act, Designs Registration Act, Geographical Indications Act and Protection of Layouts for Integrated Circuits Act. A novel Plant Varieties Protection and Farmers Rights Act 2001 and the Bio-diversity Act 2002 are also in Place.

PATENTS

- ▶ As on date, India is fully in compliance with its international obligations under the TRIPs Agreement.
- ▶ **The Patents Act 1970 has undergone three amendments – 1999, 2002 & 2005.**
- ▶ **The III Amendment in 2005 has major implications on the following:**
 - Introduction of product patent protection for food, pharmaceutical and chemical inventions.
 - Examination The “mail box” applications, from January 01, 2005

DESIGNS

- ▶ The existing legislation on industrial designs in India is contained in the New Designs Act, 2000 India had achieved a mature status in the field of industrial designs and in view of globalization of the economy. The present legislation is aligned in view of the changed technical and commercial scenario and made to conform to international trends in design administration.

TRADEMARKS

- ▶ India affords full protection to trade marks under the Trade Marks and Merchandise Act. The Indian law of trademarks is protected by the Trade & Merchandise Marks Act, 1958. A new statute i.e. the Trade Mark Act, 1999 has been enacted in India to bring it in conformity with the TRIPs Agreement, to which India is a signatory. Indian Trademarks Act, 1999, came into force on September 15, 2003.
- ▶ India has made a step towards fulfilling its international obligations. Consequently, the Indian trademark law has now become fully compatible with the International standards laid down in the TRIPs Agreement. The New Act primarily consolidates and amends the old Trade & Merchandise Marks Act, 1958 and provides for better protection of goods and services

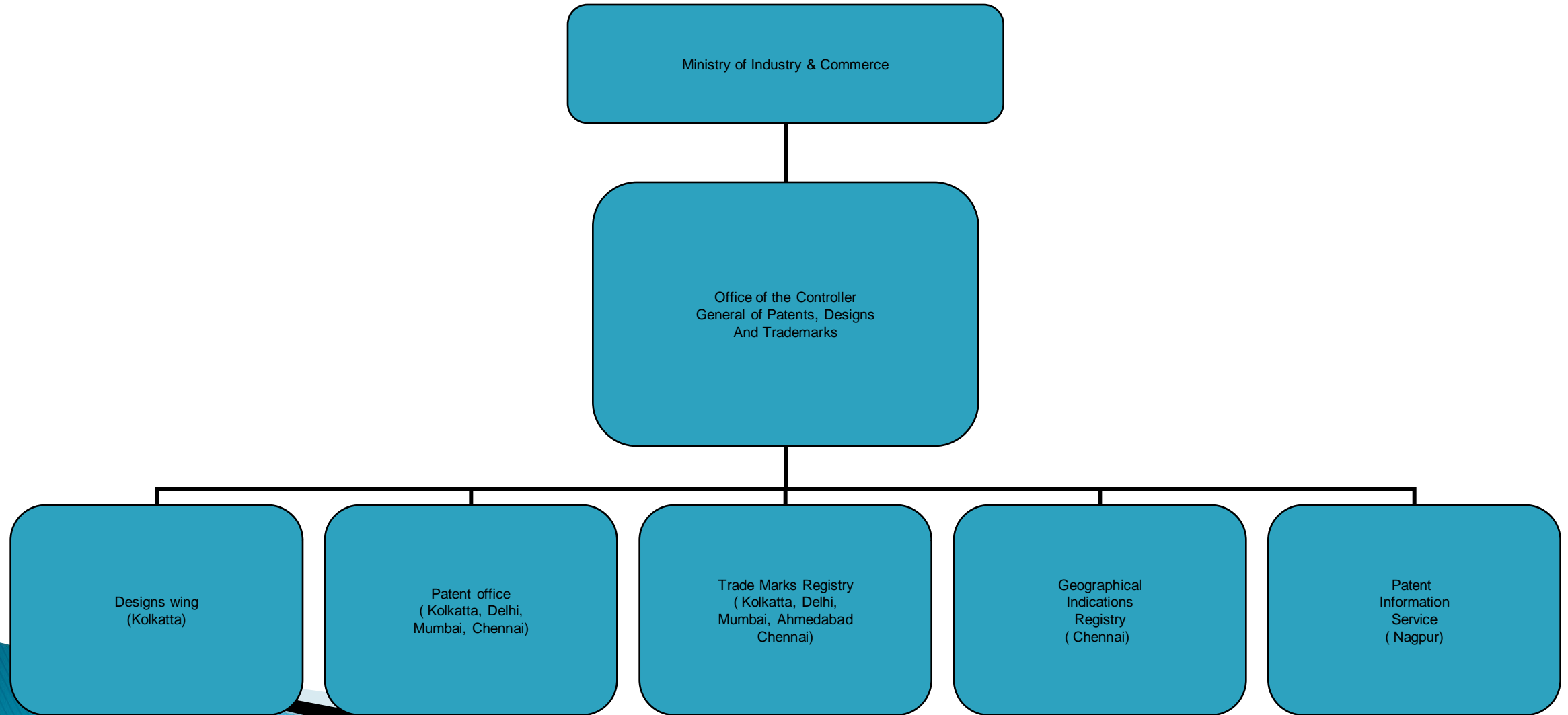
GEOGRAPHICAL INDICATIONS

- ▶ India, as a member of the World Trade Organization, enacted the Geographical Indications of Goods (Registration & Protection) Act, 1999 has come into force with effect from 15th September 2003. The source of Geographical origin of the biological material used in invention is required to be disclosed in the specification

COPYRIGHTS

- ▶ India has a very strong and comprehensive copyright law based on Indian Copyright Act. 1957 which was amended in 1981, 1984, 1992, 1994 and 1999 (w.e.f. January 15, 2000). The amendment in 1994 were a response to technological changes in the means of Communications like broadcasting and telecasting and the emergence of new technology like computer software.
- ▶ The 1999 amendments have made the Copyright Act fully compatible with Trade-Related Aspects of Intellectual Property Rights (TRIPS) Agreement. & fully reflects Berne Convention. The amended law has made provisions for the first time, to protect performers' rights as envisaged in the Rome Convention. With these amendments the Indian Copyright law has become one of the most modern copyright laws in the world.

Organization Structure – IP Offices





IP Building at New Delhi

Nodal Agencies for IPR facilitation in India

- ▶ TIFAC Patent facilitation Cell

www.indiapatents.org.in

- ▶ CII – Andhra Pradesh Technology Development & Promotion Center

www.aptdc.com/ www.apipr.org

- ▶ National Research Development Corporation

www.nrdcindia.com

The Road Ahead

- ▶ Further IP Protection Portfolios – Data Protection, Utility Patents, Trade Secrets
- ▶ New Modernization initiatives in IP Offices
- ▶ Increased nos of IP Professionals
- ▶ Increased nos of IPR filings in India

UNIT- II

INTRODUCTION TO COPYRIGHT IN INDIA

Structure of the Presentation

- ▶ **Three parts**
- ▶ (1) Copyright in India
- ▶ (2) Case Study: Copyrighting DNA
- ▶ (3) Infringement of Copyright

What is Copyright?

- ▶ “The exclusive right given by law for a certain term of years to an author, composer etc. (or his assignee) to print, publish and sell copies of his original work”
(*Oxford English Dictionary*)



Why Copyright?

- *Fair Play*: Reward creative efforts. “*Thou shall not steal*”
- Exclusive rights for limited time → *Negative right*: prevent copying/reproduction
- Copyright is **necessary** → encourage dissemination of copyrighted works = public interest



United States

- ▶ First Act in 1790: did not protect foreign authors
- ▶ Indigenous American literature suffered
- ▶ Today: **Copyright Act 1976** one of the major copyright laws in the world



Indian Perspectives

»» The Copyright Act 1957

Copyright in India

- ▶ First Act in 1914, followed by *the Copyright Act 1957*.
- ▶ 1957 Act: adopted many English provisions, introduced new ideas and concepts.



Copyright Act 1957 – Main Features

- ▶ Valid from **21 January 1958**
- ▶ *Created* Copyright Office and Copyright Board
- ▶ Introduced ***civil and criminal remedies*** against infringement

Copyright Act 1957 – Main Features (II)

- ***Performing rights societies***' rights (for instance, music royalties)
- ***Definition of categories*** in which copyright actually subsists
- **International copyright**
- ***Definition*** of infringement



Copyright (Amendment) Act 1983 and 1984

Objectives

- ▶ Berne and Universal Copyright Conventions → **grant of compulsory licences** by developing countries, publication by deceased authors
- ▶ 1984 Act: **discouraging and preventing widespread video piracy**



Copyright (Amendment) Act 1992

- ▶ *Defined* ambit of the Copyright Board's powers
- ▶ *Introducing* special rights for performers
- ▶ Assignment and licences of cop
- ▶ Rights of copyright owners



Term of Copyright

- ▶ *Depends* on nature of work/owner of copyright and whether the work has been published
- ▶ Most works: **60 years**
- ▶ Broadcast Reproduction: **25 years**



The Nature of Copyright



About Fixation, Labour, Skill and Capital

The Nature of Copyright

- *Statute-based*, no registration **necessary**



- Copyright = *intellectual property*

- Combines *different rights* (literary works: the right to reproduce in hardback and paperback editions, the right of translation adaptation)

Labour, Skill and Capital

- ▶ ***“It is the product of the labour, skill and capital of one man which must not be appropriated by another.”*** (- per Lord Atkinson, *Macmillan v Cooper* AIR 1924 PC 75)



It's All About the Idea: Or isn't It?

- Copyright in form or expression, *not* in idea: “There is nothing in the notion of copyright to prevent a second person from producing an identical result...”



(Gregory Committee Report, 1952, para 9)

- Copyright **only in material form** → principle of fixation

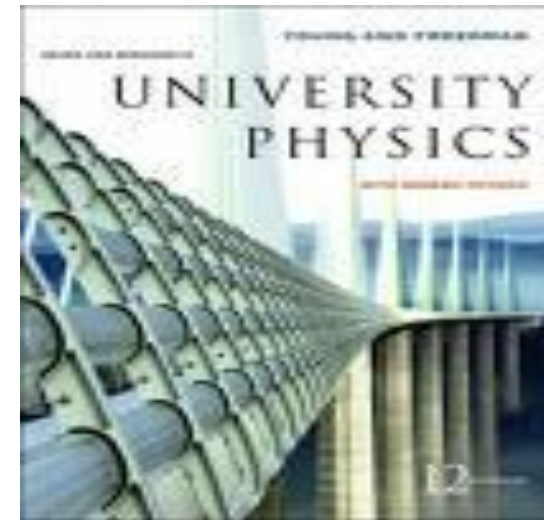
What Copyright Protects

- ▶ Original Literary, Dramatic, Musical and Artistic Works
- ▶ Cinematograph Films
- ▶ Sound Recordings



Literary Works

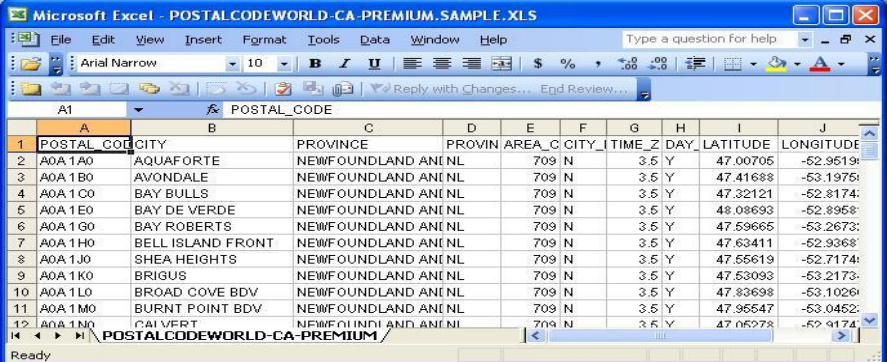
- ▶ Novels, poems, short stories
- ▶ Books on any subject
- ▶ Computer programmes, tables, computer databases
- ▶ Song lyrics



Computer Software

Includes

- ▶ Programme Manuals
- ▶ Punched Cards
- ▶ Magnetic Tapes/Discs
- ▶ Computer printouts
- ▶ Computer programmes



The screenshot shows a Microsoft Excel spreadsheet titled "POSTALCODEWORLD-CA-PREMIUM.SAMPLE.XLS". The spreadsheet contains a table with 10 columns: A (POSTAL_CODE), B (CITY), C (PROVINCE), D (PROVIN), E (AREA), F (CITY), G (TIME_Z), H (DAY), I (LATITUDE), and J (LONGITUDE). The data rows are numbered 1 through 12, with the first row (row 1) being the header. The data rows show various locations in Newfoundland and Labrador, including Aquaforte, Avondale, Bay Bulls, Bay de Verde, Bay Roberts, Bell Island Front, Shea Heights, Brigus, Broad Cove BDV, Burnt Point BDV, and Calvert.

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| 10 | A0A1L0 | BROAD COVE BDV | NEWFOUNDLAND ANI NL | | 709 N | | 3.5 Y | | 47.83698 | -53.10261 |
| 11 | A0A1M0 | BURNT POINT BDV | NEWFOUNDLAND ANI NL | | 709 N | | 3.5 Y | | 47.95547 | -53.04521 |
| 12 | A0A1N0 | CALVERT | NEWFOUNDLAND ANI NL | | 709 N | | 3.5 Y | | 47.06278 | -52.91741 |

Spotlight on Copyright for the Biotech industry

Work in the biotech industry involving copyrightable subject matter: 

- ❑ Modification of genes of plants, animals
- ❑ To identify causes of diseases
- ❑ To make assays for the testing of various diseases
- ❑ Manufacture of vaccines

DNA and Copyright

- ▶ 1980s/1990s: scholars proposed that **biotechnology work = copyrightable**
- ▶ Copyright as **alternative to patent law**
- ▶ Diamond v Chakraborty: 447 US 303 (living organisms patentable)
- ▶ Practical problems prevented grants
- ▶ Computer industry successfully lobbied for amendment of 1976 Copyright Act

Arguments against copyrighting of DNA

- ▶ Facts lack originality
- ▶ Doctrine of merger and non-equivalence of DNA/computer programmes
- ▶ Utilitarian prohibitions

Arguments for Protection

- ▶ Copyright Subject Matter
- ▶ **Analogy** between “Literary Works” and computer programmes
- ▶ DNA as a **Compilation**
- ▶ **Sweat of the Brow** Doctrine

Copyright Subject Matter

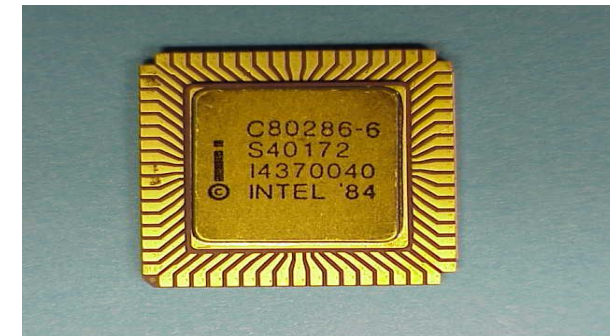
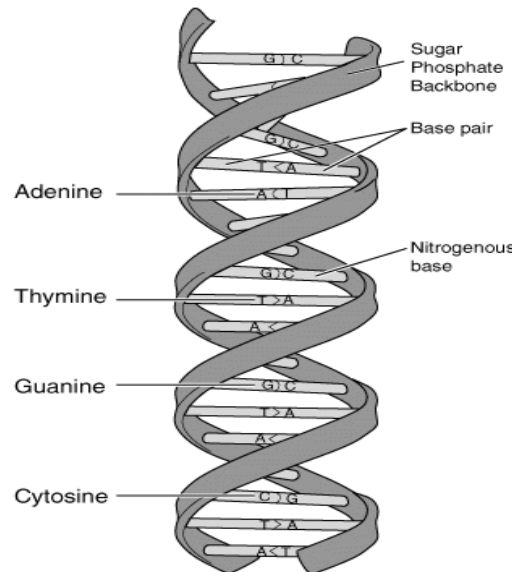
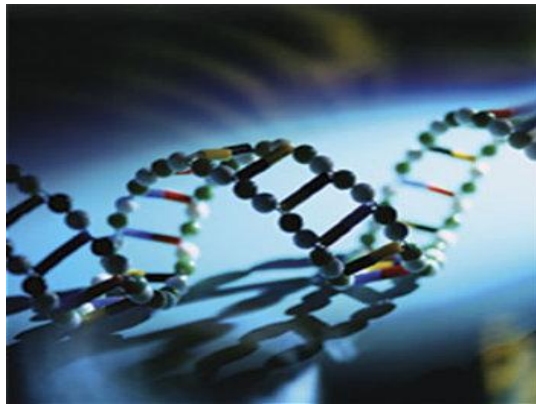
The work concerned has to be

- ▶ ***Original***
- ▶ ***Work of authorship***
- ▶ ***Fixed***

In the United States, Congress intended a wide reading of the term “literary works”

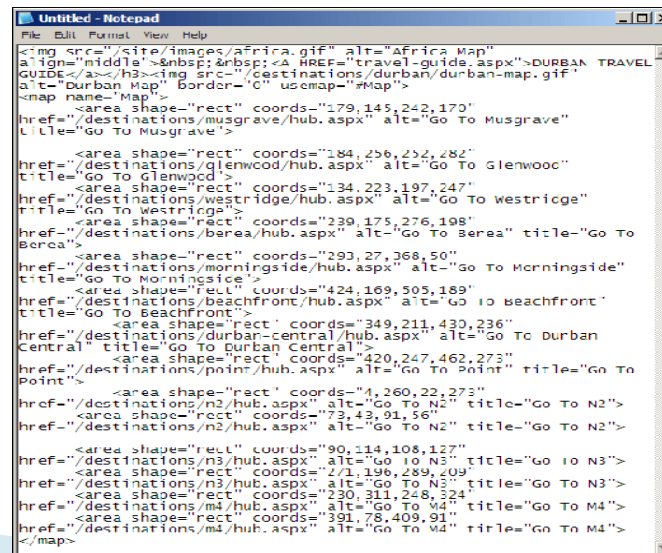
Analogy between Literary Works and Computer Programmes

- ▶ Genetic Sequences are **strings of symbols** of the nucleotides of DNA
- ▶ DNA sequence containing coded genetic information for the synthesis of particular protein = application programme of a computer



DNA as a Compilation

- ▶ Combining various elements of DNA constitutes a compilation: involves assembling of pre-existing materials
 - Selection and arrangement of sequence elements are copyrightable



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“Sweat of the Brow” Doctrine

- ▶ **Originality** in the labour expended in the collection and assembly of data: adaptable to DNA sequences
- ▶ Researchers spend **considerable time and effort** to discern the sequence of a gene: they should copyright due to hard work



Why Patents Don't (Always) Work

- ▶ Patents confer monopolies and exclude competitors from conducting research
- ▶ Can offer rewards disproportionate to risk: **Genentech Inc's Patent** [1989] RPC 147, CA
- ▶ Public interest would be injured if every corporation could patent anytime, anywhere. Without them, corporations may lack incentive to conduct research
- ▶ No guarantee for independent researchers that their efforts will pay off

Copyright and Related Rights to the Rescue?

- ▶ Despite conferral of a monopoly, usually another option available: Copyright could be an option in cases without inventiveness
- ▶ Advantage of copyright system: no ban on creation of genomes, merely royalties; licensing schemes can be regulated.

Sequence = Original Literary Work?

- ▶ **S. 3 of Copyright, Design and Patents Act 1988** defines “literary work”
- ▶ Includes a) table or compilation and b) computer programme
- ▶ DNA sequence could be literary work as well: created by human mind, written

Telegraph Code Cases

- ▶ Based on these, there is copyright in seemingly arbitrary instances of letters
- ▶ **Anderson & Co v Lieber Code Co** [1917] 2 KB 469
- ▶ **Ager v Peninsular and Oriental Steam Navigation Co.** (1884) 26 Ch D 637
- ▶ **Ager v Collingridge** (1886) 2 TLR 291
- ▶ **Express Newspapers plc v Liverpool Daily Post and Echo plc** [1985] FSR 306

Originality

- ▶ Work may be original, even if derived from previous material, provided further independent skill, useful labour, knowledge or judgment have been bestowed on its creation
- ▶ Even if nature of subject matter can lead competent author with one solution: **Walter v Lane** [1900] AC 539

Infringement of Copyright in Molecular Sequences

- ▶ **CDPA 1988, s. 16**: copyright owner with exclusive right “to copy the work”
- ▶ **16(3)**: infringement by copying work “as a whole or any substantial part”
- ▶ Infringement cannot take place outside UK or when a legal copy has been purchased from which one adopts a scissor/paste approach: **Warne & Co v Seebohm** (1888) 39 Ch. D. 73

Infringement in Chemical Form?

- ▶ S. 178 of the CDPA 1988: “writing” defined as “*any form of notation or code, whether by hand or otherwise and regardless of the method by which, or the medium in on which, it is recorded*”
- ▶ No understanding by the human mind required: **Apple Computer Inc v Computer Edge Pty Ltd** [1984] FSR 496

Infringing Copy

- ▶ Thing in question has to derive from original literary work
- ▶ What is required is the reproduction of a substantial part of what is original in the copyrighted work: **Warwick Film Productions Ltd v Eisinger** 1 Ch 508, **Ladbroke v William Hill (Football) Ltd** [1964] 1 WLR 273, per Lord Pearson

Indian position – Eastern book Company case

- ▶ This case relates to compilation of Supreme Court judgements
- ▶ Test for originality
- ▶ The middle path approach adopted for Derivative works
- ▶ Sweat of the Brow Vs. Modicum of creativity
- ▶ U.K. approach (Ladbroke) Vs. U.S.A. (Feist)
- ▶ India follows the Canadian approach – CCH Canada

Case laws on Copyright

- ▶ There is no reported case on the copyrightability of biotech subject matter
- ▶ There is one case currently pending with respect to plant varieties on the basis of copyright and trade secrecy/confidential information

Remedies for Copyright Infringement

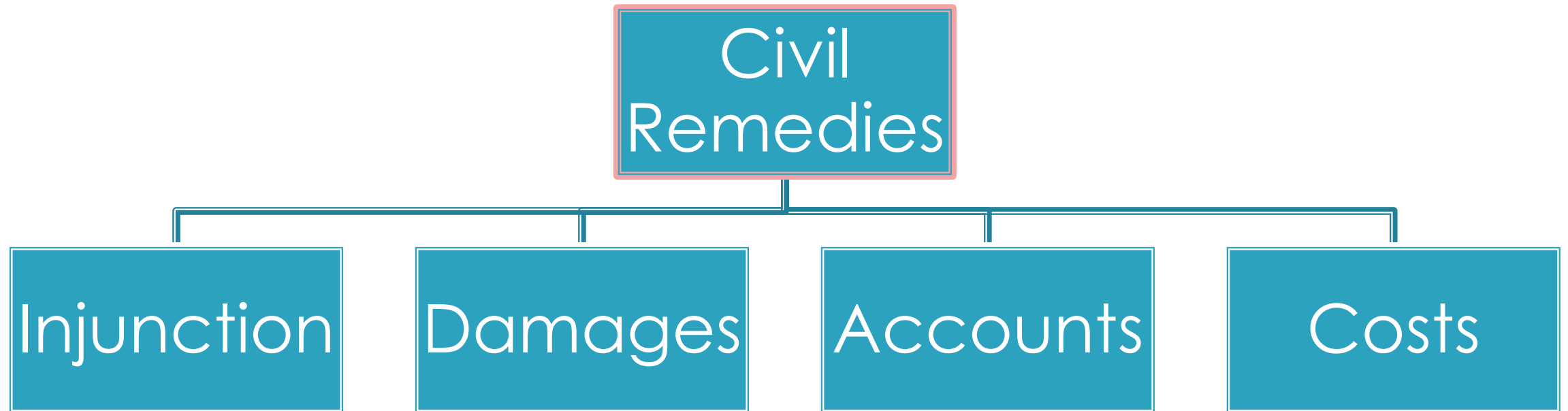


Strengthening Copyright, Enhancing the Reach of the Law

Remedies



Civil Remedies



Civil Remedies (2)

Injunction

- Only effective remedy
- Court has to **weigh the damage** to the plaintiff if the injunction is not granted, as opposed to the damage to the defendant if it is
- Interlocutory injunction is the **preferred method** for preventing infringement, sometimes an *ex parte* injunction



Pros and Cons of Civil Remedies

PROS

- ▶ Judicial determination of rights
- ▶ Likelihood of damages award
- ▶ Less vulnerable to a challenge
- ▶ Commissioner's seizure orders more effective



Pros and Cons of Criminal Remedies

PROS

- ▶ Quick remedy
- ▶ Greater opportunity to quickly counteract violation, with arrest acting as a deterrent

CONS

- ▶ Chances of seizure of goods low
- ▶ Difficulty in coordinating with the police



Conclusion

- ▶ Protection for DNA and protein sequences is in the nascent stage globally and in India;
- ▶ A tilt exists towards patenting;
- ▶ Copyright may be a viable option but there are problems with establishing priority etc.,
- ▶ A strong copyright registration mechanism is needed if the biotech industry is to adopting Copyright protection

Conclusion

- ▶ Requires complete overhauling of the Copyright offices
- ▶ At present most copyrightable works are not registered
- ▶ Even copyright registrations where the traditional examination and opposition procedures are not followed, take time sometimes even 3 years to get registered
- ▶ For biotech industry, a vibrant and robust copyright registration regime, is necessary
- ▶ Priority would be difficult to establish.

UNIT – III

The Patents Act

What is an Invention?

Sec.2(1)(J)

“Invention” means a new product or process involving an inventive step and capable of industrial application

Patentable subject matter

Invention must

- ◆ relates to a **Process or Product** or both
- ◆ be new (**Novel**)
- ◆ involves an **inventive step**
- ◆ be Capable of **industrial application**
- ◆ not fall under **Section 3 and 4**

“NEW” MEANS

Invention must not be

- **Published in India or elsewhere**
- **In prior public knowledge or prior public use with in India**
- **Claimed before in any specification in India**

Inventive step

A **feature of an invention** that

- involves technical advance as compared to the existing knowledge or
- have economic significance or both and
- makes the invention not obvious to a person skilled in the art

Industrial application means

Invention is capable of being made or used in any kind of industry

Section 3 exclusions

Section 3(a)

- ▶ Frivolous inventions
- ▶ Inventions contrary to well established natural laws

Examples

- Machine that gives more than 100% performance
- Perpetual machine

Section 3 exclusions

Section 3(b)

Commercial exploitation or primary use of inventions, which is

- **Contrary to**
 - public order or
 - Morality

Examples

- Gambling machine,
- Device for house-breaking ,

Section 3 exclusions

Section 3(b)

Commercial exploitation or primary use of inventions , which

➤ Causes serious Prejudice to

- health or
- human, animal, plant life or
- to the environment

Examples

- Biological warfare material or device, mass destruction
- Terminator gene technology,
- Embryonic stem cell

weapons of

Checks and Balances

Section 3(b)

Excludes patents on

- ▶ GMOs – exploitation of which could be contrary public order or morality or prejudicial to human, animal or plant life or health or to the environment

Effect : Only genetically modified micro-organisms (GMOs) which do not fall under section 3 (b) are patentable.

Section 3 exclusions

Section 3 (c)

- ▶ Mere Discovery of a Scientific Principle or
- ▶ formulation of an Abstract Theory or
- ▶ discovery of any living thing or
- ▶ discovery of non-living substance occurring in nature

Examples

- Newton's Laws
- Superconducting Phenomenon as such
- Property of certain material to withstand mechanical shock
- Discovery of micro-organism
- Discovery of natural gas or a mineral

Checks and Balances

Section 3(c)

Excludes patents on

▶ Naturally occurring Micro-organisms

Effect

Genetically modified microorganisms (GMOs) are however, patentable.

Section 3 exclusions

Section 3 (d)

- 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

Section 3 exclusions

Section 3 (d) Explanation

For the purposes of this clause,

- ▶ salts, esters, ethers, polymorphs,
- ▶ metabolites, pure form, particle size,
- ▶ isomers, mixture of isomers,
- ▶ complexes, combinations and other derivatives of known substances

*shall be considered to be the same substance, unless they differ significantly in properties with regard to **efficacy**.*

Examples

- Crystalline forms of known substance

Checks and Balances

Section 3 (d) Explanation

Effect

Salts, esters, ethers, polymorphs, metabolite, pure forms, particle size, isomers, complexes, combinations and derivatives of a known substance with enhanced efficacy are patentable

Section 3 exclusions

Section 3 (d)

- 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.*

Examples

- New use of Aspirin for heart ailments,
- Mere new uses of Neem

Section 3 exclusions

Section 3(e)

Substance obtained by mere admixture resulting only in the aggregation of the properties of the components thereof or a process for producing such substance

Examples

- Combiflam [Paracetamol (Antipyretic) + Brufen (analgesic)]
- Solution of sugar and color additives in water to form a soft drink

However,

A mixture resulting into synergistic properties of mixture of ingredients however, may be patentable – Soap, Detergents, lubricants etc

Checks and Balances

Section 3 (e)

Effect

- Substance obtained by mere admixture resulting only in the aggregation of the properties of the components thereof or
 - a process for producing such substance
- are not patentable**

However

Synergistic formulations are patentable

Section 3 exclusions

Section 3 (f)

Mere arrangement or re-arrangement or duplication of known devices, each functioning independently of one another in a known way

Examples

- A Bucket fitted with torch,
- An Umbrella with fan
- A Clock and radio in a single cabinet
- A flour-mill provided with sieving

Section 3 exclusions

Section 3(h)

Method of Agriculture or Horticulture

Examples

- Cultivation of algae ,
- Producing new form of a known plant,
- Preparation of an improved soil

However,

Agricultural Equipments are patentable

Section 3 exclusions

Section 3(i)

Any process for medicinal, surgical, curative, prophylactic, diagnostic, therapeutic or other treatment of human beings *or* a similar treatment of animals to render them free of disease *or* to increase their economic value or that of their products

Examples

- Removal of cancer tumor
- Removal of dental plaque and carries
- Surgical processes
- Processes relating to therapy
- Method of vaccination,
- Blood transfusion

However,

- Treatment performed on tissues or fluids permanently removed from the body
 - Surgical, therapeutic or diagnostic Apparatus or instruments
- are patentable**

Section 3 exclusions

Section 3(j)

Plants & animals in **whole or any part thereof** other than micro-organisms, but including seeds, varieties and species and essentially biological process for production or propagation of plants & animals

Section 3 exclusions

Section 3(j)

- ▶ Plants & animals in whole
- ▶ Parts of plants & animals
- ▶ Seeds
- ▶ Varieties & species
- ▶ Essentially biological processes for propagation or production of the animals & plants

Checks and Balances

Section 3(j)

Excludes patents on

- ▶ Plants and animals in whole or any parts thereof, including seeds, varieties and species and essentially biological processes for production or propagation of plants and animals

Examples

- Clones and new varieties of plants
- A process for production of plants or animals if it consists entirely of natural phenomena such as crossing or selection
- Essentially biological Process

Section 3 exclusions

Section 3(k)

- * mathematical method or
- * business method or
- * algorithms or
- * computer programme *per se*

Examples

- *Computer program by itself or as a record on a carrier*

However

- New calculating machine
 - combination of hardware and software
- is patentable

Section 3 exclusions

Section 3(l)

A literary, dramatic, musical or artistic work or any other aesthetic creation including cinematographic work and television productions

These subject-matters fall under the copyright protection

Section 3 exclusions

Section 3(m)

A mere scheme or rule or method of performing mental act or method of playing game

Examples

- ▶ Scheme for learning a language
- ▶ Method for solving a crossword puzzle,
- ▶ Method of learning a language
- ▶ Method of teaching /learning

However,

- ▶ Novel apparatus for playing game or carrying out a scheme *is patentable*

Section 3 exclusions

Section 3 (n)

Presentation of information

Examples

- Any manner or method of expressing information whether by
 - *spoken words*
 - *Visual display*
 - *symbols*
 - *diagrams*
- Information recorded on a carrier

Section 3 exclusions

Section 3 (o)

Topography of integrated circuits.

Examples

Mask works - circuits layout

Section 3 exclusions

Section 3 (p)

Inventions which are

Traditional Knowledge or an aggregation or duplication of known properties of traditionally known component or components

Examples

Traditional Knowledge already in public domain

– Wound healing property of Haldi

However,

Any value-addition using Traditional Knowledge leading to a new process or product ,which is novel with inventive step and industrial applicability,

■ Extraction of Azadirachtin from Neem
can be *patented*

Non Patentable inventions

Section 4

Inventions falling within Section 20(1) of the Atomic Energy Act, 1962 are not patentable

Effect

Inventions relating to compounds of Uranium, Beryllium, Thorium, Plutonium, Radium, Graphite, Lithium and more as notified by Central Govt. from time to time.

Stages from filing to grant of a patent

Obtaining a patent

- ▶ File an application for patent
 - With one of the patent offices based on territorial jurisdiction of the place of office or residence of the applicant /agent
 - Pay the required fee
- ▶ Information concerning application form and details of fee available at www.ipindia.nic.in
- ▶ Guidelines for applicants also available on this website

Formality Check

- ▶ An Examiner checks the formal requirements before accepting the application and the fee – this is done immediately
- ▶ Issue of application number and the cash receipt – this is done the same day
- ▶ In case of receipt of application by post, cash receipt, application number is sent by post within 2–3 days

Publication

- ▶ Application is kept secret for a period of 18 months from the date of filing
- ▶ In 19th month, the application is published in the official journal – this journal is made available on the website weekly
- ▶ Applicant has an option to get his application published before 18 months also
- ▶ In that case, application is published within one month of the request

Request for Examination

- ▶ Application is examined on request
- ▶ Request for examination can be made either by the applicant or by a third party
- ▶ A period of 48 months, from the date of filing, is available for making request for examination

Examination

- ▶ Application is sent to an Examiner within 1 month from the date of request for examination
- ▶ Examiner undertakes examination w.r.t.
 - whether the claimed invention is not prohibited for grant of patent
 - whether the invention meets the criteria of patentability

Issue of FER

- ▶ A period of 1 to 3 months is available to Examiner to submit the report to the Controller
- ▶ 1 month's time available to Controller to vet the Examiner's report
- ▶ First Examination Report (FER) containing gist of the objections is issued within 6 months from the date of filing of request

Response from the Applicant

- ▶ 12 months' time, from the date of issue of FER, is available to the applicant to meet the objections
- ▶ If objections are met, grant of patent is approved by the Controller – within a period of 1 month

Pre-grant Opposition

- ▶ After publication, an opposition can be filed within a period of 6 months
- ▶ Opportunity of hearing the opponent is also available

Examination of Pre-grant Opposition

- ▶ Opposition (documents) is sent to the applicant
- ▶ A period of 3 months is allowed for receipt of response

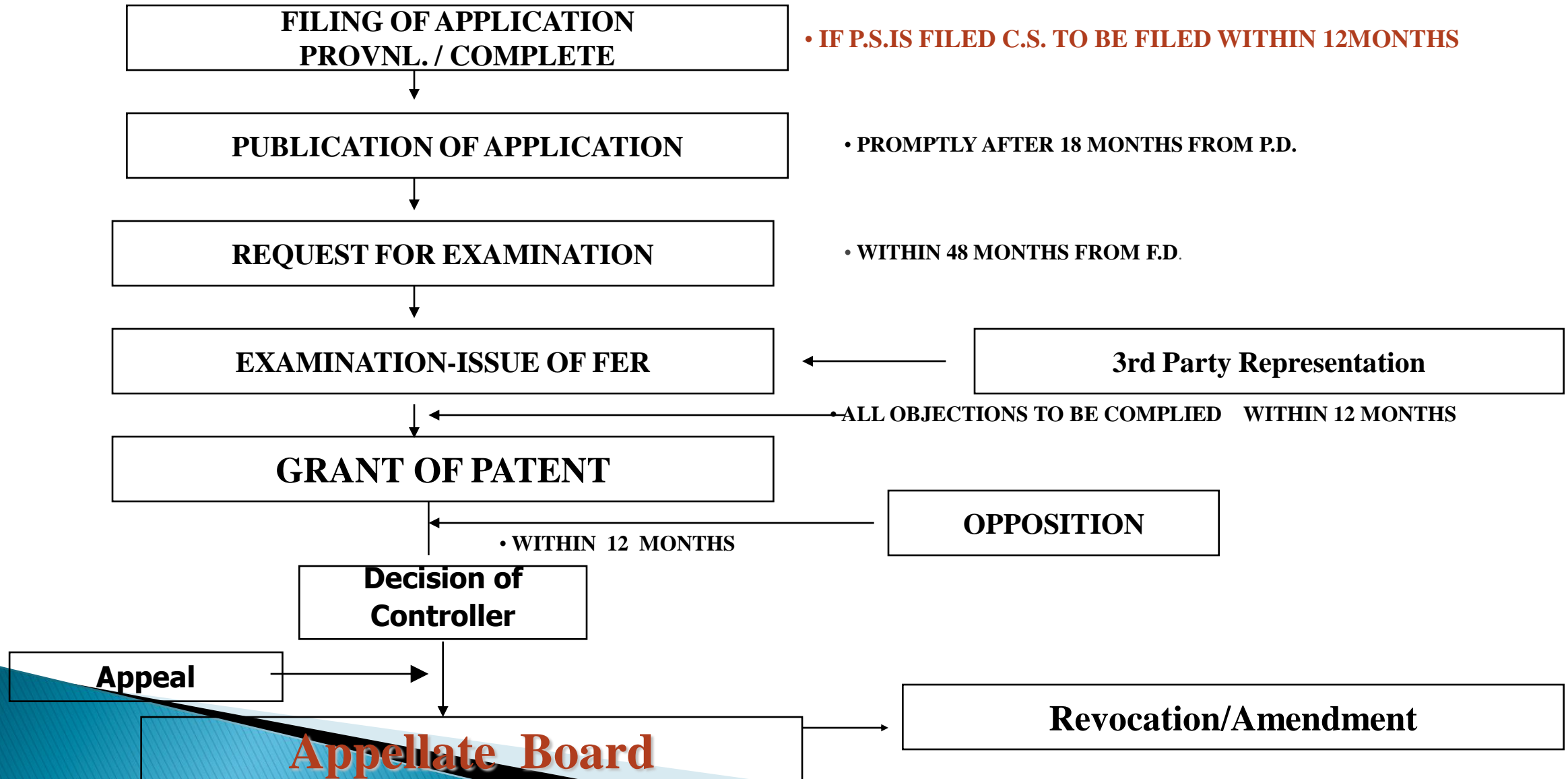
Consideration of Pre-grant Opposition

- ▶ After examining the opposition and the submissions made during the hearing, Controller may
 - Either reject the opposition and grant the patent
 - Or accept the opposition and modify/reject the patent application
- ▶ This is to be done within a period of 1 month from the date of completion of opposition proceedings

Grant of a Patent

- ▶ A certificate of patent is issued within 7 days
- ▶ Grant of patent is published in the official journal

STAGES – FILING TO GRANT OF PATENT



Renewal Fee

- ▶ To be paid within 3+6 months from date of recording in the register [sec 142 (4)]
- ▶ No fee for 1st and 2nd year
- ▶ Renewal fee, on yearly basis, is required to be paid for 3rd to 20th for keeping the patent in force
- ▶ Delay upto six months from due date permissible on payment of fee for extension of time
- ▶ Patent lapses if renewal fee is not paid within the prescribed period

UNIT -4

TRADE SECRETS LAW

What are trade secrets?

A trade secret is a formula, practice, process, design, legal instrument, pattern or compilation of information which is not generally known or reasonable ascertainable, by which a business can obtain an economic advantage over competitors or customers. In some jurisdictions, such secrets are referred to as "confidential information" or "classified information".



The term is very broad



Trade secrets may include:

- ▶ sales methods
- ▶ distribution methods
- ▶ consumer profiles
- ▶ advertising strategies
- ▶ lists of suppliers and clients
- ▶ manufacturing processes

Interesting Info...

One of the most famous examples of a trade secret is the formula for Coca-Cola. The formula, also referred to by the code name "**Merchandise 7X**" is known to only by two employees at any particular instance and kept in the vault of a bank in Atlanta, Georgia. The individuals who know the secret formula have signed non-disclosure agreements, and it is rumored that they are not allowed to travel together. In the past, you could not buy Coca-Cola in India because Indian law required that trade-secret information be disclosed. In 1991, India changed its laws regarding trademarks, and Coca-Cola can now be sold in that country.



For trade secrecy status, it must fulfill the following:

1. Not generally Known to the public



2. Economic benefit



3. Reasonable Effort on Owners part to maintain secrecy



Determinants of Trade Secrets

An exact definition of a trade secret is not possible. Some factors to be considered in determining whether given information is one's trade secret are:

- ▶ The extent to which the information is known outside of one's business;
- ▶ The extent to which it is known by employees and others involved in one's business;
- ▶ The extent of measures taken by one to guard the secrecy of the information;
- ▶ The value of the information to one and one's competitors; the amount of effort or money expended in developing the information;
- ▶ The ease or difficulty with which the information could be properly acquired or duplicated by others.

PROTECTING A TRADE SECRET

Some of the ways to protect a trade secret are as follows:

- ▶ Restrict access to the information (lock it away in a secure place, such as a bank vault).
- ▶ Limit the number of people who know the information.
- ▶ Have the people who know the trade secret agree in writing not to disclose the information (sign non-disclosure agreements).
- ▶ Have anyone that comes in contact with the trade secret, directly or indirectly, sign non-disclosure agreements.
- ▶ Mark any written material pertaining to the trade secret as proprietary.

Difference Between T.S and Patent

A patent is the exclusive right (or monopoly) given by the Government to the owner of an invention, in return for the sharing of his knowledge and experiences in the making of the invention.

Only inventions can be patented.

The temporary monopoly on the subject matter of the patent is regarded as a quid pro quo for thus disclosing the information to the public.

There is an Exception to every rule...

Discoveries, scientific theories, mathematical methods and schemes, rules or methods for doing business, performing purely mental acts or playing games are among the inventions which are non-patentable under the Malaysian Patents Act.

Reasons to Opt for a T.S over a Patent

- ▶ If the invention is not likely to go out of date for a long time, it may be better to protect it as a trade secret rather than limit your advantage to 20 years.
 - ▶ If the invention is not patentable
 - ▶ If you cannot afford the cost of obtaining Patent status

Benefits of Trade Secrets

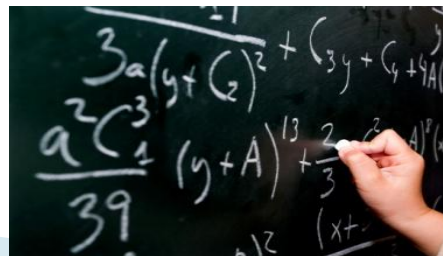


- ▶ Perpetual Protection: Not limited by time

- ▶ Involve no registration costs:

The owner evades the expensive patent application process

- ▶ A trade secret is not publicly disclosed like a patent, therefore the inventor may make improvements to their invention without competition from other businesses.
 - ▶ Take immediate effect
 - ▶ Do not require complex formalities such as disclosure to a Government Authority



Trade Secret Misappropriation

This occurs where someone acquires, uses and/or discloses your trade secrets without your permission and in an improper manner

In order for you to claim for misappropriation of your Trade Secret....

- 1 – Existence. The trade secret must be proven to exist. The courts will make this determination with a consideration of the six factors of a trade secret as set forth in Section 757 of the First Restatement of Tort.
- 2 – Ownership. It must be proven that the plaintiff had ownership rights to the trade secret information.



In order for you to claim for misappropriation of your Trade Secret....

3 – Access. It must be proven that the defendant had access to the trade secret information.



4 – Notice. It must be proven that the defendant knew or should have known that the information was a trade secret of the plaintiff.



In order for you to claim for misappropriation of your Trade Secret....

5 – Use. It must be proven that the trade secret information was actually used by the defendant.

6 – Damages. It must be proved that a remedy exists within the power of the court to apply.

Real Life Case...

I worked for a Bakery Company for a numbers of years after which I decided to open up my own Bakery Factory (selling ingredients) which I used the former company's formula. The company found out that I have been using their formulas and selling the products in the market and decided to take action against my company and the directors. There are three directors, two of my friends (sleeping partners) and myself (actively involved in the operation of the business).

The court awarded the injunction to prevent my company from continuing the operation of the business and filed a winding up notice against my company. The Bakery company also sued me (as the director of the company) for damages. The Court demanded a settlement sum of RM56K plus legal charges of RM30K from me. (not from the company and the two other directors).

This case has been dragged on for almost 9 years. I have not agreed with the settlement sum and requested for out-of court settlement with lesser sum but was rejected by the defendant.

Coca Cola Vs. Williams, Dimson, Duhaney

A federal grand jury indicted three people on Tuesday July 11, 2006 on a misappropriation of trade secrets conspiracy charge alleging they tried to sell Coca-Cola trade secrets to Pepsi and were willing to give the information to the “highest bidder,” as new details emerged about the scheme and the suspects.

The alleged plans were foiled after Pepsi, based in Purchase, N.Y., warned Coca-Cola.

Former Coca-Cola administrative assistant Joya Williams and ex-cons Ibrahim Dimson and Edmund Duhaney pleaded not guilty at their arraignment.

The three were arrested on a criminal complaint that included charges of wire fraud and unlawfully stealing and selling Coke trade secrets. The indictment for a single count of conspiracy sets the case on course for trial.

When is trade secret status lost?

- ▶ Negligent Disclosure
- ▶ Reverse Engineering
 - ▶ Patenting

Injunctive Relief

- ▶ Even if your trade secret status is lost unwillingly, the court may grant you injunctive relief
- ▶ This means that although a third party may have access to your trade secrets, they cannot use the information for a given amount of time

References

- ▶ Intellectual Property of Malaysia, 2005. [Online] Patent Information > General Info. Retrieved on 12th October 2008 from:
http://www.mipc.gov.my/index.php?option=com_content&task=view&id=2&Itemid=9
- ▶ Microsoft ® Encarta ® 2006. © 1993–2005 Microsoft Corporation. All rights reserved.
- ▶ The Business Guide to Malaysia : Siew Cheang Loh, Loh Siew Cheang

THE END